# Business, Social Policy and Corporate Political Influence in Developing Countries

Palais des Nations - room XXI • Geneva, Switzerland 12-13 November 2007

UNRISD Conference

AGENDA

Large corporations and business associations exert strong and growing influence over social development and government policy in developing countries.

- How are changes in state-business-society relations affecting development strategies, and social and labour market policies?
- Do new forms of business participation and partnership advance social development outcomes and improve the effectiveness of governance institutions?
- What institutional, political and economic conditions encourage organized business interests to support "progressive" social, labour market and industrial policies that favour inclusive and rights-based development?

Spanning national and international issues, and based on presentations by 26 researchers from South and North selected via a Call for Papers, this conference will address such questions. In doing so, it will:

- bring key findings and debates from academia to the attention of United Nations agencies, governments, business and civil society organizations, and the international development research community
- draw on insights from different disciplines to better understand the role of business in development and move toward more integrated, coherent policy approaches.

#### Sessions:

- 1 Business Strategies and Social Policy
- 2 Changing Patterns of State-Business Relations
- 3 Business as a Social Provider: CSR and PPPs
- 4 Corporate Lobbying and Policy Influence
- 5 New Social Pacts and Regulatory Politics
- 6 Transnational Activism and Multi-Scalar Regulation

www.unrisd.org/mbr-conference

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## **DAY 1 - 12 NOVEMBER 2007**

#### **Opening Session - Welcome**

09.00 - 09.20

- Thandika Mkandawire, Director, UNRISD
- Peter Utting, Deputy Director & Co-ordinator, Markets, Business and Regulation Programme, UNRISD

#### Session 1 **Business Strategies and Social Policy**

Disaggregating "business" and "social policy" is a prerequisite for recognizing that there is no standardized position that firms have on social policy. How and why do the social policy preferences of firms differ across geography, industry and time? How compatible are business strategies with social policy? How do these dynamics lead to policy contestation or lack of engagement with social policy?

09.20 - 11.00

Chair: Susan Hayter, Policy Advisor, Employment Sector, International Labour Office (ILO)

- Kevin Farnsworth, Lecturer in Social Policy, University of Sheffield Business Power and Business Social Policy Preferences in the Context of Development
- José Carlos Marques, Researcher, UNRISD Organized Business and Progressive Social Policy in Comparative Perspective
- Ben Ross Schneider, Professor of Political Science, Northwestern University Business and Social Policy in Latin America: Sources of Disconnect
- Kanta Murali, PhD Candidate, Department of Politics, Princeton University Economic Liberalization, Business-Government Relations and Labor Policy in India
- General Discussion

11.00 - 11.30BREAK

#### Session 2 **Changing Patterns of State-Business Relations**

State-business relations have undergone significant changes in contexts of economic liberalization, democratic transition and social entrepreneurship. To what extent have these developments constrained "rent-seeking" and the "capture" of state institutions by business interests and compensated for inadequate state provisioning?

11.30 - 13.15

Chair: Jomo Kwame Sundaram, United Nations Assistant Secretary-General for Economic Development, Department of Economic and Social Affairs (UN-DESA)

- Francisco Durand, Professor of Latin American Politics, University of Texas at San Antonio -Corporate Rents and the Capture of the Peruvian State
- David O'Brien, Senior Program Officer, Innovation, Policy and Science, IDRC The Ascent of Business Associations in Russia: Patterns, Voice and Influence on Development Agendas
- Tahmina Rashid, Lecturer in International Development, RMIT University Commercial Non-Profit Organizations and Politics of Development in Bangladesh
- Martin Kaggwa, PhD Candidate, Technology Management, University of Pretoria Impact of Government-Industry Partnership on the South African Automotive Industry Policy
- General discussion

13.15 - 14.30LUNCH BREAK

#### Session 3 Business as a Social Provider: CSR and PPPs

Business has long been a provider of social welfare, in various countries, at different times, and under different regulatory regimes. However, the nature of corporate social provisioning has changed significantly. Social development agendas involving Corporate Social Responsibility (CSR) and Public-Private Partnerships (PPPs) have placed increasing demands upon the private sector. How clear are the rules of engagement and how well understood are the potential benefits and limitations of CSR and PPPs? What responsibilities are specific to the state and which are best handled by sharing or entirely devolving to the private sector? How are contradictory interests dealt with and under what circumstances might state

legitimacy and/or democracy be undermined? What incentive structure will lead to sustainable, socially desirable private-sector social provision?

14:30 - 15:45

Chair: Manuel Escudero, Head, Global Compact Special Projects & Academic Initiatives, UN Global Compact Office

- <u>Ruth Findlay-Brooks</u>, Programme Manager, Wayne Visser, Research Director, and Thurstan Wright, Project Co-ordinator, Cambridge Programme for Industry (CPI), University of Cambridge Cross-Sector Partnership as an Approach to Inclusive Development
- Payal Banerjee, Lecturer & PhD Candidate, and Kasturi Gupta, PhD Candidate, Department of Sociology, Syracuse University - A Transnational Perspective on Indian Workers, CSR and Development
- Ndangwa Noyoo, Senior Lecturer and Research Director, Social Work Division, School of Human and Community Development, University of the Witwatersrand - Corporate Social Responsibility and Social Policy in Zambia
- Caleb Reid Luc Wall, Director and Senior Consultant, Localis Consulting Kazakh Public Policy and Corporate Social Responsibility: An Analysis of Health Care Provision in an Era of CSR and Kazakh Nationalism

15.45 – 16.15

BREAK

### Session 3 Business as a Social Provider: CSR and PPPs (Continued)

16:15 - 17:30

Chair: Manuel Escudero, Head, Global Compact Special Projects & Academic Initiatives, UN Global Compact Office

- Paddy Ireland, Professor of Law & Director of Research, Kent Law School, University of Kent. <u>Renginee G. Pillay</u>, Lecturer & PhD Candidate, Business Law, University of Kent - CSR and the New Constitutionalism
- Klaus Leisinger, CEO, Novartis Foundation for Sustainable Development; Professor of Sociology, University of Basel – The Political Economy of TNC-Stakeholder Relations
- General discussion

#### **DAY 2 - 13 NOVEMBER 2007**

## Session 4 Corporate Lobbying and Policy Influence

Firms and business associations often lack a coherent approach to social policy and may engage in CSR and lobbying practices that are contradictory. To what degree can this be attributed to organizational, institutional or industry-specific factors? How extensive is lobbying or other forms of policy influence by business interests and what are their implications for social policy and CSR? How might CSR, lobbying and progressive social welfare be aligned?

09.00 - 11.00

Chair: Robert Archer, Executive Director, International Council on Human Rights Policy

- <u>Bart Slob</u>, Senior Researcher and Francis Weyzig, Researcher, Centre for Research on Multinational Corporations (SOMO) – The Lack of Consistency between Corporate Lobbying and CSR Policies
- Wagner Pralon Mancuso, Professor of Political Science and Public Policy Management, University of São Paulo – Lobbying for Reducing the "Brazil Cost": Political Strategies and Outcomes of Brazilian Entrepreneurs under Cardoso and Lula (1995-2006)
- Benedicte Bull, Senior Researcher, Centre for Development and the Environment (SUM), University of Oslo - Free Trade Negotiations, Business Participation and the Impact on Environmental and Labour Regulation: The Case of Chile
- General discussion

11.00 - 11.30

BREAK

#### Session 5 New Social Pacts and Regulatory Politics

Numerous literatures point to the fact that collaborative institutions for dialogue and decision-making have been the basis for economic growth, equitable development and effective regulation. The legitimacy of these governance structures depends on their inclusiveness and ability to mediate interests. To this effect, what private, public or multipartite governance institutions exist or are emerging that contribute to both industrial competitiveness and social well-being? Do these governance structures grant sufficient voice and influence to concerned social groups? Can these institutions improve or replace government regulation?

11.30 - 13:15

Chair: Anne Miroux, Head of Investment Issues Analysis Branch, United Nations Conference on Trade and Development (UNCTAD)

- Doris Fuchs, Professor of International Relations and European Integration and <u>Agni Kalfagianni</u>, Researcher, University of Stuttgart Private Food Governance and Implications for Social Sustainability and Democratic Legitimacy
- Paola Perez-Aleman, Associate Professor of Strategy and Organization, McGill University
   New Standards, MNC-NGO Partnerships and the Inclusion of Small Producers in Latin America: Some Lessons for State Policy
- Atul Sood, Associate Professor, Centre for the Study of Regional Development, Jawaharlal Nehru University - Changing Nature of State-Business Relations in India: Implications for Social and Labour Market Policies
- Catia Gregoratti, PhD Candidate, Centre for International Politics, University of Manchester
   Sustainable Business in East Africa: Old Issues and New Institutions
- General Discussion

13.15 - 14.30 LUNCH BREAK

## Session 6 Transnational Activism and Multi-Scalar Regulation

Regulatory politics and social contestation of corporate power are increasingly becoming a transnational and multi-scalar phenomenon. Collective action networks may in some cases link movements and organizations operating at the local, national, regional and/or global levels. How successful are these emerging countervailing centres of power at disciplining business and promoting inclusive development? What organizational and institutional challenges do they face? How do these networked organizations compare to traditional labour movements? To what degree are governments supportive of these movements and why?

14.30 - 16.15

Chair: Auret van Heerden, President and CEO, Fair Labour Association (FLA)

- Florence Palpacuer, Professor of Business Studies, Université Montpellier New Forms of Social Dialogues in Transnational Production Networks: A Comparative Analysis of Activist Campaigns in the Global Apparel industry
- Jeroen Merk, PhD Candidate in International Relations, University of Sussex, and Research coordinator at the International Secretariat of the Clean Clothes Campaign - The Structural Crisis of Labour Flexibility: Strategies and Prospects for Transnational Labour Organising in the Garment and Sportswear Industry
- James Van Alstine, PhD Candidate, Dept of Geography and Environment, London School
  of Economics and Political Science, and Team Leader at the International Institute For
  Sustainable Development Linking the Global to the Local: The Institutionalization of
  Industry's Contribution to Social Development in Durban, South Africa
- Ngai-Ling Sum, Senior Lecturer, Politics and International Relations, and Programme Director of MA on Globalization and the Information Age, Lancaster University – Articulation of 'New Constitutionalism' with 'New Ethicalism' Wal-Martization and Corporate-State-Union-NGO Attempts to Bring CSR to Developing Countries
- General Discussion

## **Closing Session**

16.15 - 16:30

Closing remarks

 Peter Utting, Deputy Director & Co-ordinator, Markets, Business and Regulation Programme, UNRISD