ABSTRACT
In this paper an affirmation is given that the discussion on the democratization process in Latin America offers arguments for the reevaluation of the common political definition of democracy and, consequently, of Corporate Social Responsibility (CSR). First, a brief discussion is presented on political democracy as it was defined in western countries and the contradictions associated with this conceptualization when applied to more recent democracies. The concept of disjunctive democracy by Caldeira e Holston is introduced, which seems to have more descriptive power for emerging democracies. Second, a discussion is developed on the definition of CSR and the preconditions for its functioning. Third, a synthesis is presented of these discussions on the relationship between democracy and CSR in order to discuss CSR in the context of emerging and disjunctive democracies. Finally, the consequences of this discussion are considered for the general conceptualization of CSR.

Keywords: Corporate Social Responsibility, disjunctive democracy, emerging countries

Introduction

The question that motivated the writing of this paper is whether corporate social responsibility (CSR) should be reevaluated from the context of emerging countries. That is, should it be affirmed that the context of the countries that are in a process of democratization requires rethinking of CSR conceptualization? In this paper it is stated that the discussion of democratization in Latin America, and more specifically, in a country like Brazil, offers arguments in favor of a reassessment of the common definition of democracy and, therefore, of CRS as well.

First, a brief discussion of political democracy is presented, as defined in western countries, and the contradictions associated with this
conceptualization when applied to more recent democracies. Second, a discussion is developed on the definition of corporate social responsibility and the preconditions for its operation. Third, a summary is presented of the discussions on the relationship between democracy and CSR in order to discuss CSR in the context of emerging democracies. Finally, the consequences of this discussion is considered for the general conceptualization of CSR.

**Disjunctive Democracy**

In its narrower conception, democracy is defined in purely political terms. As long as there is a constitution, its codification through laws, and free election, a country is commonly referred to as democratic. Caldeira and Holston, in their article, “Democracy and Violence in Brazil” (2004) state that this definition of democracy has been broadened in the west, particularly Europe and the United States, and represents a form of political organization that is particular to western history. Modern, political democracy presupposes certain social, cultural and economic conditions that have been developed throughout western history, but that are not necessarily present in the histories of new democracies in other parts of the world. By focusing only on the political aspects of democracy, which often are reduced to those concerning free elections, other important components are denied. The result is that the new democracies experience a disjunction between the installation of democratic institutions, which operationalize the elections, and the component of citizenship, which suffers systematic violations. According to Caldeira and Holston, political democracy ignores the elements of justice and rule of law in the real lives of citizens and results in an uncivil and disjunctive democracy (2004, p. 691-692).

Caldeira and Holston demonstrate some of the consequences of this disjunction that violate the rights of citizens within a purely political but uncivil democracy. They focus on the various forms of systematic violence that occur in parallel with political democracy. Formal political democratization occurs without the corresponding social, cultural or economic democratization. The continuation of social inequality, corruption, excessive bureaucracy, inefficient and discredited judiciary, police abuse and the criminalization of poverty along with an increase in criminal violence are examples of conditions in Brazil and other emerging countries that preclude a rule of law for all citizens. These types of violence are part of the development of an extremely unequal society with an irregular distribution of rights. Although emerging countries have been able to move forward, have overcome the authoritarian military regime and are passing through a transition to political democracy, the social, cultural and economic conditions have not accompanied this
advance, leaving a large proportion of the population with formal rights but without rights de facto (Caldeira and Holston 2004).

It seems that the conceptualization of Caldeira and Holston about disjunctive democracy offers a sophisticated and detailed description of emerging democracies, such as Brazil. But in addition, this description provides grounds to criticize the often idealistic and overly optimistic conception of democracies described only in political-electoral terms, which is further reduced to the right to vote.

Caldeira and Holston (2004) do not conclude with the analysis of emerging democracies, but also make a comparison with more traditional and structured democracies, pointing out the contradictions inherent in all democracies. Theories about political democracy neglect the conditions of social, cultural and economic citizenship, that are actually constitutive of political possibilities (p. 719). Thus, democracy can best be characterized as *normally* disjunctive, “uneven, unbalanced, irregular, heterogeneous, arrhythmic, and indeed contradictory” (p. 717).

**Definitions of CSR**

Based on the description of disjunctive democracy, I would like to explore the issue of corporate social responsibility within the context of disjunctive democracies. First I will make a brief review of recent literature on CSR and then analyze the conditions for its development within an emerging democracy.

In recent years, there has been a proliferation of literature on CSR with a wide range of theories, case studies, terminologies and approaches to the topic (see for example Godfrey and Hatch 2007). It can be easily affirmed that there is generalized confusion about the definition of this term. The vocabulary used to differentiate the aspects and approaches of this theme continues to grow. Expressions such as *business ethics, philanthropy, corporate citizenship, social accountability, social reporting, corporate social responsibility and global responsibility*, among others, have entered our vocabulary without exact definitions or distinctions.

In addition, there are a number of approaches and theories on these topics. For example, macro ethical theories include areas of law as well as sociopolitical and economic philosophy and deal with mechanisms of distribution of goods within the free market, property rights and public policies. On the other hand, theories focusing on micro ethics focus on the individual within the company and her role and behavior inside and outside the company. While in a private company, discussions may focus on the relationship of the company with employees and community members with regard to discrimination, sexual harassment, the quality of the product, labor relations and other issues (Solomon 1992).
Garriga and Mele (2004) attempt to make sense of the numerous approaches on this issue through a mapping of CSR theories according to four categories: instrumental, political, integrative and ethical theories. Instrumental theories understand CSR within the capitalistic context of wealth creation. Included are theories that propose a win-win approach based on the ideas of enlightened self-interest or competitive advantage. All theories within this category propose that the company transforms responsibility into competitive advantage, which offers a way to increase profit, recognition and acceptance of the product, service or brand. Often these theories show case studies in which the company adopts a socially responsible approach or introduces programs of environmental responsibility and, thereby, improves its position in the community and, consequently, increases its profit (Garriga and Mele 2004).

Political theories consider that the company should be understood as an integral part of the political culture. The power position of the company corresponds to its level of responsibility within societal interactions. Theories within this category include conceptualizations defined as constitutionalism and corporate or business citizenship, which are often based on social contract theories, although other approaches are possible. These theories are used to make a value judgment on the company’s activities (Garriga and Mele 2004).

The integrative theories consider social demands and the consequences of these demands within the company. The theories focus on the company’s ability to understand both the social demands of their time and space as well as develop corresponding responsible actions to achieve legitimacy, acceptance and prestige. The focus of these theories is on the process instead of results and includes topics such as stakeholder management, or areas of influence (Garriga and Mele 2004).

Finally, ethical theories are based on values or principles that should guide the practices of companies. Such theories are based on normative principles proposed by the philosophies of Aristotle, Kant, Freedman, Rawls and others. Other approaches have been developed in accordance with general concepts such as human rights, sustainability or the common good (Garriga and Mele 2004). These theories deal with defining the role or behavior that the company should follow in accordance with universal standards.

Although the work of Garriga and Mele certainly is not the last word in terms of making sense of all the theories about CSR, it shows the intense and varied discussion on this topic in the international literature. All these theories include consideration of the company’s interaction with society and can be divided according to descriptive and prescriptive theories, or rather, those that reflect on the real and concrete actions of the company and its pragmatic motivations and those theories concerned with what the company should do or be, offering a
A shared vision within the industry was that technological advances improve the conditions of human life and any environmental difficulties only need a simple technical adjustment to be resolved. With the social organization of society around environmental issues and increased criticism against the chemical industry in the 1970s, along with the installation of the federal agency for environmental protection, industries become defensive and started to resist federal regulation (Hoffman 1999).

Between the years 1983-1988, there was an increase in the activities of NGOs. With this increase in social pressures, industry initiated programs with limited effect to try to relieve the pressure on them. But the concern for the environment within the industry continued to grow, as evidenced by the number of articles in the industrial journals oriented towards environmental strategies. Over time, caring for the environment became a normative institutional pillar within the industry. With continued external pressures, industries perceived the importance of integrating environmental responsibility into their activities and processes proactively. Instead of seeing the NGOs only as organizations hostile to the industry, the industries have developed collaborative relationships with these organizations (Hoffman 1999).

This evolution of social responsibility is propelled by the organization of civil society, the events that occur, and the existence or not of government regulations (Hoffman 1999). Once more, the development of reference to judge the company by using certain concepts or categories. Regardless of their category, theories always presuppose the existence of components outside the company, for example, the community, social demands or stakeholders. Characteristics that the company is encouraged to develop such as legitimacy, acceptance and prestige, also imply a value judgment made from outside the company.

Historical approaches to CSR demonstrating the evolution (or involution) of socially responsible practices of companies can also be included. For example, Joseph Smucker (2007) shows that, in the United States, social responsibility and the discussions on this topic increased or decreased according to the role of government in industrial regulation. Other authors have demonstrated an evolution in European industries through stages in which the companies progressively incorporate more responsibility with respect to social and environmental conditions (Swift and Zadek In 2004).
of CSR is measured not in terms of a purely endogenous movement within the company itself, but as a reaction to social, economic and cultural processes and contexts.

The attempt to organize theories according to certain categories or by historical approaches have been seen on the evolution of CSR up to this point, mainly in the U.S. and Europe. Now an approach is presented from the perspective of Latin America. For the countries of Latin America, Antonio Vives, speaking for the Interamerican Development Bank, states:

“CSR is a development tool that should not be implemented just for the purpose of image building, or being morally correct, but also because it brings benefits to the firm itself. A major part of our countries’ future, especially in emerging economies, lies in the firm recognizing its social responsibilities, and that being socially responsible, far from being a burden, is a tool for competitiveness.” (Vives 2003 p.12)

Vives (2008) affirms the competitive aspect of CSR and also points to the role that business can play in the development of the region. In general, for CSR to be adopted by the company and sustainable, the company must be convinced that social responsibility is good business.

He continues with his argument, describing the preconditions or drivers for CRS to have a competitive impact (2008). The drivers that he describes in more detail are: effective laws and regulations, an active civil society, developed financial markets, educated consumers and buyers, activist media; monitoring and reporting institutions; activist employees, committed top management; exposure to globalization and competition (Vives 2008, p. 225-227). Thus, Vives shows the advantages together with the limits of the law and the social, cultural and economic context in the promotion of social responsibility. He warns that we still have “imperfect” tools to promote social responsibility (p.228) and that the “line between law and market will be a different place in every country and every sector of the economy, depending on the relative development of each. “(p. 229).

The list and description of the drivers by Vives, once again, demonstrate that CSR depends on factors outside the company and that these factors are not necessarily present in every country.

This final quote brings us back to the theme of democracy because the preconditions listed are very similar to the ideal conditions for a civil democracy.
Disjunctive Democracy and Corporate Social Responsibility

Based on this brief sketch of theories about CSR and its evolution, it’s noticed that the development of CSR depends on the interaction of the firm or industry with external entities and conditions. Concepts such as stakeholders, a strong civil society and rule of law are necessary components for the evolution of responsibility, its sustainability and competitiveness. Normally these components are present in structured and traditional democracies with good civic organization that develop from social, cultural, economic as well as political preconditions. It was civil society that forced companies to rethink their responsibility to society. It was an informed public that was sure of its rights that demanded changes in the policies of the companies. It was a legitimate rule of law that has implemented regulations that work in practice. Educated consumers recognized the differences in business practices, supported responsibility and, consequently, made social responsibility competitive. In addition, it was international movements and organizations that adopted universal principles to evaluate the behavior of governments and companies.

How then can corporate social responsibility be conceptualized within an emerging, disjunctive democracy? From the discussion it can be concluded that in an irregular political and civil democracy, CSR will unlikely evolve as indicated in the examples above. In such a situation, the development of CRS will also be irregular, competitive in some spheres and not in others, regulated and unregulated, visible to the public and also not visible. The share of people who suffer civil violations in the form of systematic violence has less political and civil resources to vindicate their rights and demand better conditions before a company. Within a weak rule of law, irregular regulation generates confusion and corruption, a situation that discourages the company to adopt universal principles as prescribed. Where there is disjunctive democracy, there is also disjunctive CSR.

But these conditions are not seen only in countries with emerging democracies. As pointed out by Caldeira and Holston, the disjunction is also seen in countries with stable democracies. Unfortunately, the violation of civil rights is a continuous theme in democratic development and this situation may have ramifications for our understanding of CSR. Therefore, Caldeira and Holston can be paraphrased and CSR can be characterized as typically disjunctive “uneven, unbalanced, irregular, heterogeneous, arrhythmic, and indeed contradictory.”

Conclusion

This discussion was initiated questioning if CSR is different in emerging countries. A critique was made of the purely political defi-
nition of democracy, characterized as a result of the particular history of western countries, but not representative of others, especially the emerging democracies of today. A quote was made of the work of Caldeira and Holston in their assessment of disjunctive democracy in which the contradictions in the rule of law, violations of civil rights and inequalities produce a disjunction between civil life and civil rights within a democracy. From the discussion of CSR it was found that the development of CSR always includes the co-participation of entities outside the company, for example, civil society, government regulation, global competition, international organizations, among other. The presence of these external factors allows conditions for CSR to be viable and competitive for companies and for democracies to be strengthened and to interact with the business sector.

In emerging countries, the lack of these preconditions is more prominent, but it is recognized that no country has reached a level of development in which all of these factors are present and strong. Therefore the theory of disjunctive democracy in emerging countries also provides methods for the analysis of established democracies. In addition, the theory on disjunctive democracies can be applied to CRS. Whether or not there is co-participation of external components to the company is highly significant in the development of CSR. Therefore, CSR would have disjunctions corresponding to democratic disjunctions. CSR is not within the company nor the universal principles written in their CSR reports or in the constitutions or declarations, rather CSR is on the line between the company and the limits of democracy itself. Therefore, the condition for and the actual characteristics of CSR are different in each country. The work of advancing CSR also requires the advance of preconditions or external drivers to the company and the development of a democracy that includes the social, economic and cultural, as well as political rights.

References


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