

## Session 2 Q and A

### **Jessica:**

*How do you see these different management approaches have either affected or have been affected by (the formation of) class and gender? This is a rather broad question, so I am intrigued by any thoughts on this!*

As business in capitalism is a cat-and-mouse game between industrialists and workers, all management approaches are in one way or another class related. They are attempts to control the workforce and the operational environment (society, state). I cannot say that I immediately see any obvious gender influences, though. If you can, please share your thoughts with me. Intriguing.

### **Miki:**

*Can tobacco companies greenwash themselves successfully? (Is it possible for them to get revoked from the exclusion?) Tobacco manufacturing is harmful to the society. But if they cannot greenwash themselves, they will get eliminated eventually.*

They will not be reinstated by the Norwegian fund, as Norway has a very strong anti-tobacco policy. Globally, smoking tobacco may (slowly) be on its way out, but the companies move on to other products which may or may not be equally harmful. Or do you disagree?

### **Ashley:**

*If human resource management was never invented, do you believe working people today would be ethical? In other words, everyone knows right from wrong; but without any repercussions from their actions, would people be worse at work?*

Interesting question. There had been repercussions before. Workers were penalized or fired if they acted against the employers' wishes and will. In that situation, they saw the conflict clearly and knew that they were up against the bosses. Personnel and human resource management attempt to get workers to internalize the employer's rules.

It is in one sense softer and in another sense a modern-day Panopticon:  
<https://en.wikipedia.org/wiki/Panopticon>

**Elena:**

*If Corporate social responsibility does not hurt earnings, why is it undervalued?*

*If CSR is just a matter of secure profit, is it that bad? From the lecture, the professor seems sceptical that CSR is not for actual interest but more for profit.*

For the first, I think that it is easier for many traditional businesses to do what they have done before, and if CSR has not been an integral part of that, it may be ignored more than undervalued.

For the second, according to the CSR business model, securing profits is the reason for being responsible, or being seen to be responsible. The professor is not in any way sceptical about that. Businesses sometimes seem to be.

We'll get further elucidation for both matters as the course progresses and the professor reveals his true madcap anti-capitalist nature.

**Elin:**

*You say that: Human resources management developed partly as a variation partly as an alternative to personnel approach, the boundaries between the two are quite blurred. (p. 60) The question is: What do you mean by variation in this context? I understand that the differences between them are blurred but overarchingly, did the approaches work complementary or substitutionally to each other? Or do variations simply mean that a company could switch between the approaches? They are quite different, aren't they and therefore I question whether a company really could first focus "on making the boss happy" and then change approaches to human resource management, focusing on "making everybody happy" for a while but then switching back at some point.*

I paint with such a wide brush that it sometimes takes me a while to reconstruct what my own thinking is. In this case, I have a hunch – and I may be horribly wrong. From the little I know of these, PM was/is/can be a genuinely worker-wellbeing-oriented management approach. A happy

workforce is an efficient one. Take care of their health and needs and their children's education and you'll be a wonderful employer. One of our guest lecturers will probably tell you about captains of the Finnish forest industry doing this already in the nineteenth century. HRM, at least in its current form, is more concerned about obeying labor laws and taking the most out of the workers within those laws. It is a consultancy model of people management, and consultancy models tend to be a little short-sighted. Am I completely wrong here?

**Labiba:**

*Will we ever find an alternative economic/political system that would ideally work towards benefitting all stakeholders? Or is this just unrealistic?*

Tautologically saying, we are not going to find an alternative to the capitalist system within the capitalist system. If capitalism is unviable in the long term – if it produces so much environmental damage that the planet, or large parts of it, become utterly unlivable – a different system may emerge. But it could be a survival-of-the-fittest Mad Max system rather than one that benefits all stakeholders equally.

**Alberto:**

*What is the commonly provided socio-political reasoning for the “enjoyment of manual labor” in pre-industrialized big scale companies especially after the enlightenment period of the 1800s?*

If you mean the romantic idea that workers were happier when they worked with their hands outside factories, Karl Marx has a rather poetic teleological explanation. People are by nature beings designed to do many things – this is their goal and when they get to do it they flourish. When they are forced, in the factory, just to repeat one task day in day out, they become alienated from their labor and true self. I suppose people have something like that in mind. Was this what you meant?

**Vida:**

*In a globalized world, one of the challenges of applying CSR is the difference of laws and regulations applied beyond the borders of where*

*businesses operate. How then the business could recalibrate to abide by what is 'ethical'? An example case is a case for labor rights, where one country might accept significantly lower pay than some others or longer hours than some others, to what extent is ethics or 'what is good' here compromised?*

There is no easy fix to this, and companies will continue "country shopping" for as long as the differences remain. In my third lecture on Monday, I will try to build a model for alleviating the harmful consequences on people, societies, nonhuman animals, and the environment. (The lecture is in MyCourses already.)

### **Henna:**

*As the companies such as Lockheed Martin are still successful even though they are excluded by major investors such as NGPFG – is the outcome ethically more on plus or on minus when the company is not effected, but the pensioners do not get the maximal profits that they could?*

That is the question that the critics of the ethics council have asked over the years. It is idealism versus pragmatism – or, cynically put, virtue signaling versus just doing what has to be done. The jury is out, so to speak.

*Are the companies that produce weapons of mass destruction responsible for the outcomes and if yes, to what extent?*

Morally yes and fully – but corporations are not really moral agents in the same sense as individuals, are they? Legally no – but interesting product liability cases are tested all the time in jurisdictions all over the world, so the situation may change gradually.

### **Sofia:**

*Henry Ford's decision to pay considerably higher salaries for his factory workers is often linked to the efficient wages theory, as the investment made into higher salaries likely paid itself back as these workers were more productive and less likely to quit.*

*Do you believe that Ford was motivated primarily by business performance, or were the higher wages instead motivated by more*

*personal reasons such as keeping unions out from his factories and/or brand building and attracting mass attention as a part of his empire building?*

I am not sure but what we know seems to indicate that putting business first and having a somewhat acidic attitude towards labor unions are the main factors here. The brand would be a part of the business dimension. We know that he liked brand building, as in the pun about the color of the cars and the proud message that a Ford worker can afford to buy a Ford.

**Katri:**

*Is it CSR business if the CEO wants to be responsible and do philanthropy even if it does not contribute to the production of returns for the shareholders?*

Not as such. If there is no connection, not even an indirect image-related one, between the philanthropy in question and returns to the shareholders, the CEO is involved in something that we could call idealistic, or ethical, CSR.

**Siiri:**

*There are a lot of unethical production in markets like clothes and food that could be excluded from the NGPFG but isn't. So, how the Council on Ethics can draw a line between the companies/production which is unethical, and which isn't?*

The Council makes decisions about ethical business risks, based on the analysis of their outsourced risk firm. That something is unethical is not in and of itself a reason for exclusion, it also has to be financially dangerous. The fine lines are drawn by the Council members in the light of their expertise and own ethical views. Back in the day, when my University of Oslo ethics colleagues served in the Council, they were more trigger-happy. Now there are more business-friendly people in the Council.

**Camille:**

*How can we conciliate shareholders ownership of corporations – which defines our current economic model and leads to a duty for firms to maximize short time financial returns – with the necessity to address broader interests (social, environmental) which most of the time require to adopt a longer term perspective as well as extra-financial elements?*

With great difficulty. A change of attitude would be needed, aiming at financially more sustainable practices. And it does not seem to be forthcoming. Revolution? Good ideas are welcome.

**Heini:**

*I was wondering if there are some examples of companies that have succeeded well, even though they have inadequately reacted to bad resistance (by threatening, surprising "nastily", or in some other inadequate way). Would Amazon and its poor working conditions be an example of this? And a follow-up question: what factors make that success possible?*

I would think that success by nasty reactions to employee concerns are more the rule than the exception in low-paid jobs. Amazon, yes, but any number of others. What makes this possible? The fact that big nasty corporations can dictate governments and hence legislation would be my guess.

**Sanna:**

*On the slides 90–93 it is explained why companies should recognize and use CSR and the reasons given are based on the idea that companies' main purpose and reason to exist is to earn returns to its stakeholders. To me this seems quite a capitalistic view of the purpose of companies. So my question is, what do you mean when you say that companies' purpose is to earn returns to stakeholders? If this refers merely to earning money, do you think this idea of companies' main purpose also applies in socialistic countries? Could the reasons to use CSR be different in socialistic countries?*

The definition of corporations' function as return earners for shareholders is not mine – it is the cornerstone of the Business Model of

CSR. Lectures 3-5 present different versions or models of CSR. By saying “to earn returns” instead of “maximizing profits” I actually take a (maybe illegitimate within this model) step away from the most capitalist interpretations. My formulation allows “returns” in other forms if shareholders so wish. As to your question on socialism, only so-called communist dictatorships like North Korea might have factories which are not supposed to earn returns to their private owners. Soviet Union may have had those, too. Everywhere else, including state capitalist China, some money or good is generated to some owner-type people.

**Antonia:**

*Regarding your comments on company managers/CEOs having to care due to CSR management, what is your view on how well companies are complying with CSR in the world? Are companies doing enough?*

From the viewpoint of business CSR this is an empirical question and I have not studied it in detail. Business CSR requires that CEOs do everything that it takes to optimize returns to the shareholders, and insofar as CSR in one of its forms does that, its promotion is their professional duty.

## Session 3 Q and A

### **Ashley:**

*People have different views on the types of justice that a person should receive. Some would want minor sentencing, while others expect full justice for the crime committed. Because justice can have a different meaning to others based on their country, do you believe that if there were no laws and people (citizens) were given a chance to give justice, would they use it for evil? In other words, would people use it to seek revenge for those who wronged them, or would it get someone they know out of trouble?*

According to social contract theorists (look the concept up if you are unfamiliar with it) people are, at least in larger societies, incapable of fair legal exchanges by themselves. Disputes get out of hand and endless chains of revenge emerge. This is why rational people come together (not in real life, this is just a rational-hypothetical description) and agree to give the power to keep the peace to one trusted person or institution. In the past, the institution could be a village council, now it is the state. Some legal scholars argue that we should return closer to the village council model because “justice” in the modern system is too far removed from the people to be just.

### **Jessica:**

*According to Carol Gilligan, the mother-child relationship is something unique in nature. Do you think this unique relationship could also be achieved between a father and a child? Does the notion of mother-child relationship uniqueness have something to do with gender roles, in your opinion?*

In Gilligan’s original thinking, the uniqueness of the mother-child relationship had everything to do with gender – Gilligan did not at that point clearly separate being a woman from being put into the role of a woman. This was the time of second-wave equality feminism, although Gilligan was one of the pioneers of the next wave, with identity within relationships also being emphasized. Later studies by other social psychologists showed that similar special relationship developments can be found in non-women, as well. But suggesting that a father-child



relationship could be as important as the mother-child one would be a bold move, I think.

**Elin:**

*I liked your reminder that we should not forget to give attention to non-humans, whereby I wonder if, through the lens of communitarian ethics, you have any knowledge regarding their importance and value in such communities? Is there any evidence of communities where the responsibility of members within it also includes non-humans?*

The theories of justice in my map interact with those close to them. Communitarianism may split into two main versions, one shaking hands with libertarianism and the other with care-and-relations ethics. I rather suspect that the first of these might produce a nationalist traditionalism that would at least not see any intrinsic value in nonhumans or the environment. “Our” production animals could be given lip service but they would not be seen as our genuine community members. An alliance with care and relations could produce a different sense of community with nonhumans and the natural environment but the depth of the alliance would, I believe, depend on local history and tradition, thereby still leaving the need for compensating CSR.

**Elena:**

*- How can we look at a firm's good decisions or good actions and ask if they are based on business needs or only ethics? Can't they be both? We are never moved by just one reason when we do a thing. - Premised that I understand that today's thoughts have been briefly and summarily described. But is it right to talk about women taking morality to a higher level than utilitarianism, as described by Gilligan? We have not discussed culture and nature, but many have defined this as behaviour driven by society and culture. How good is it to encourage it in modern society?*

The division into business reasons and ethical reasons is not carved in stone. Both reasons can converge. But they can also diverge, in which case the question is: Should businesses be profit seeking or ethical, if there is a clash? – Gilligan's results were partly overturned by other social psychologists who concluded that members of all sexes and

genders can develop a sense of special relationships. And it has been ascertained that cultural and social factors have a strong impact in this. It may be detrimental to stress women's exclusive role as caregivers but stressing the value of caregiving is surely needed in modern as well as pre- and postmodern societies.

**Labiba:**

*Why are there not more instances of mixing and matching, i.e. certain ideologies which fit firms better being applied to firms, while other ideologies which make more sense for individuals being reserved at a citizen-level? I'm not sure if this question made any sense...*

If you mean that we could tailor-make theories of justice to meet the needs of corporations, nations, and citizen groups, that has already been done. Libertarianism fits perfectly dog-eat-dog global capitalism, preference utilitarianism is, give or take, the basis of Scandinavian welfare states, and conservative communitarianism is a good ideology for nationalists everywhere. This is why I suggested the reverse – that justice-related CSR could oppose rather than promote these, to balance the situation.

**Miki:**

*Despite there are flaws in every definition of justice, is there an ethic dominating the world?*

Not really, no. We may all agree that we should be ethical and just but when it comes to defining ethics and justice more specifically, we tend to let our own interests influence the result. If we could actually go behind the veil of ignorance envisioned by John Rawls, things could be different. But we cannot, so the best we can come up with are suggestions for rational and moral views.

**Heini:**

*What factors motivate companies to include CSR in their core business if there are no laws to limit the harm produced to the environment and society? Can CSR be expected from companies if such laws don't exist?*

Investor attitudes for one. If the Norwegian fund walks away and others follow, that is bad for business. Similarly if no one wants to buy the product due to environmental or social negligence. In both cases, even in the absence of laws, it may make sense to include CSR in the company's core business.

**Alberto:**

*How can the provision of shared and common security in a society be balanced with the Western democracies upon individual rights, if utilitarian approach to providing security is blocked by human rights of the individuals that would suffer for the greater good of society?*

With some difficulty, as we well know. It becomes – has become, has always been – a balancing act between the two goods. Assuming, of course, that governments respect our need for common security and individual rights in the first place. The treatment of conscientious objectors provides a glimpse to a nation's priorities.

**Sofia:**

*How do ideologies that promote democracy as a central aspect address situations where an individual expert could plausibly make a better decision than what the population would vote for due to the lack of in-depth understanding of the topic?*

I think that to a certain degree ideologies that genuinely promote democracy would or at least should allow the people to make their own mistakes in the name of participation and compliance. It is easier to accept decisions and their consequences when you have been involved in making them. Another alternative, of course, is to democratically decide that we delegate our decision-making powers in, say, matters of health or national defense to experts.

**Siiri:**

*It is extremely hard to find balance between providing equal opportunities to everyone (Socialism) and still making the individual responsible of one's actions (Capitalism). Do you think that CSR could give any help on balancing these political dimensions of justice?*

Is the tension you mean between the satisfaction of needs regardless of contribution and motivating people to contribute? CSR did in a way address this back in the nineteenth century when Finnish captains of forest industry turned their industrial sites into mini-welfare states by taking care of the non-contributing sick and the old. The logic was, and some argue should still be, that people whose needs have been satisfied first are the only ones who can make a good contribution.

**Sanna:**

*Do you believe a state could apply only one of these theories as such? In other words, could any of these theories exist alone?*

There are, from time to time, attempts to let only one ideology rule. State capitalist China, “communist” North Korea, Margaret Thatcher’s United Kingdom, you name it, someone has attempted it. In time, the experiments have metamorphosed into hybrid models of some kind or met too much resistance to prevail. So no, abiding by only one theory does not seem to work in the long run.

**Katri:**

*It remained a bit unclear to me, why could not the defence against excesses in justice be completely the task of law? Could there be a situation where the laws could actually defend against all the “evil” and CSR would not be needed? Or are all law systems always leaning too much towards one of the political philosophies?*

Good question. Yes, of course, law could, in theory, do it all. I guess my thinking here is based on political realism. Laws seldom, if ever, protect all interests and ideologies equally. The idea of “compensating CSR” is a thought experiment whereby the voluntary actions of corporations could actually fill in the gaps. I am not holding my breath waiting for this to happen, though.

**Vida:**

*A continual question on CSR: Previously I asked to what extent ethics or ‘what is good’ here compromised, which was partially answered through this session, with more relativity, as different schools of thought endorse*

*different views. But on continuing on that note, how then, say a multi-national company's CSR programs could successfully encourage more less the same “good” in all the countries they operate, despite the differences in say—community values?*

In short, they cannot and they should not. CSR should not be the same in Ukraine, China, Kenya, Mexico, the US, or France, because laws already address some things in some of these countries but not others. Hence my call for “compensating CSR”, going ever so slightly against the grain of the legislation of the country in which the corporation operates.

**Camille:**

*Should the economic definition of welfare be reviewed or redefined in order to be more fair, ie by taking into account differences in capabilities or opportunities between individuals, as well as the wellbeing of future generations (especially in the perspective of climate change)?*

The economic definition of welfare as used by nations and international coalitions should absolutely be reviewed and redefined for the reasons you state. I will return to this in my last lecture on 30 March but if you want a sneak peek, it's all here: <https://doi.org/10.1007/s10668-022-02720-w>

**Antonia:**

*I didn't fully understand from the presentation - do you think that different CSR for different political contexts is a viable option for dealing with e.g. sustainability-related issues, or just CSR in general (the same for all)?*

I meant the whole range of CSR activities. On sustainability, my final lecture on 30 March will show how sustainability can mean different things seen from different viewpoints, much like you demonstrated in your third-lecture report's “compensating CSR” section. If for any reason you want a sneak peek, it's all in here: <https://doi.org/10.1007/s10668-022-02720-w>