BUCKLER, S. 2021. CSR, local content and taking control: do shifts in rhetoric echo shifts in power from the centre to the periphery? In *Vertigans, S. and Idowu, S.O. (eds.) Global challenges to CSR and sustainable development: root causes and evidence from case studies. Cham: Springer [online], pages 87-104*. Available from: https://doi.org/10.1007/978-3-030-62501-6_5

CSR, local content and taking control: do shifts in rhetoric echo shifts in power from the centre to the periphery?

BUCKLER, S.

2021

This is the accepted manuscript of the above chapter, which is distributed under the publisher's terms of use for accepted manuscripts: https://www.springernature.com/gp/open-research/policies/accepted-manuscript-terms

OpenAIR @RGU

This document was downloaded from https://openair.rgu.ac.uk

SEE TERMS OF USE IN BOX ABOVE

DISTRIBUTED UNDER LICENCE

CSR, Local Content and taking control – do shifts in rhetoric echo shifts in power from the centre to the periphery?

Sarah Buckler

Robert Gordon University

In 2014, returning to Ghana for a short visit after having lived there for a while, I managed to speak to a senior manager from one of the oil companies operating in the country, looking to establish a firm foothold in the fairly new landscape of Ghanaian commercial oil production. We had an interesting conversation over tea and coconut water in which he confessed to the major difficulties his company was having trying to anticipate and plan for the Local Content Regulations that were about to be made law. It turned out that the large companies who were operating in Ghana at that time had grave concerns over the Local Content Regulations that were being proposed and this sparked my interest and persuaded me to dig further in an attempt to understand what the significant tensions were and how they had come about.

In this chapter I explore the issue of Local Content, what it aims to achieve and why it is often problematic, both for companies that have to ensure compliance and also for countries that expect to benefit. I do this through an examination of the tension between Corporate Social Responsibility (CSR) and Local Content showing how the shift from one set of principles to another marks a shift in power from the developed centre towards the periphery and how that shift is now a site of global tussles regarding where and to whom the benefits of the global economy do, and should, accrue. More specifically I will trace the ways in which CSR, Local Content regulations and political rhetoric are closely intertwined and how these shift according to the ebbs and flows of the global economy. To begin the chapter I will trace the origin and development of contemporary local content policies, their link to rhetoric around resource nationalism in the developing world and the shifts now taking place in the populist rhetoric of developed nations. I will then go on to show how this shift in rhetoric is leading to a shift in understandings of the relationship between business and society and how that, in turn, is resulting in changes of both approach and language when it comes to CSR, with the CSR agenda being completely dropped at times. I will argue that local content became a means of developing nations asserting their authority over the development agenda and control over the resources that fall within their geographic boundaries. I will also show an echoing rhetoric is now being adopted by politicians in the developed world wanting to establish a populist foothold amongst the electorate and resisting the apparent shifts in power that are emerging. I will finish with some reflections on whether shifts in language really do reflect shifts in power or whether it is merely rhetoric.

Corporate Social Responsibility has long been understood to be a voluntary action that corporates take in response to various social and environmental pressures and orientations. It has also long been noted that there is no clear definition of what CSR is. These two factors combine to make CSR and related activities a fluid set of responses that corporates can draw upon to manage their economic and political relationships in the global economy. In this chapter I note that neither CSR nor local content requirements can achieve sustainable development without integration into a meaningful economic strategy. Conversely, whilst governments point towards the benefits they claim can be gained from the operation of the global economy through implementation of local content policies, the increasing nationalist rhetoric across the world (i.e. emanating from both developed and developing nations) is attempting to reframe the relationship between business, government and the global economy. As part of this process expectations and delivery of CSR policies and projects have shifted as the ways in which corporations contribute to the societies within which they operate becomes more defined by the expectations of the governments of those countries. At such time the resources that may have been directed towards CSR initiatives are now being ploughed into programmes intended to meet Local Content requirements (both formal and informal). Ultimately I argue that CSR appears not as a clear cut practice but as one kind of response to political and economic contexts without any meaningful substance or philosophy underpinning it.

Local Content – a brief introduction

Speaking in 2016 Silvana Tordo, Lead Energy Economist of the World Bank said of Local Content:

"Local content in the extractive industries is being given ever higher priority by host governments through a wide array of policy instruments. And oil, gas and mining companies now rate local content among the most significant expectations in the communities in which they operate."

World Bank, 2016

Local Content Regulations relate to a variety of measures that national governments put in place with the intention of ensuring benefits to the national economy. Such regulations can relate to numbers of employees from the national workforce, goods sourced from within the country and services sourced from national companies and they can range from very prescriptive percentage quotas that companies are expected to achieve to more fluid processes that companies are expected to comply with, such as procurement processes.

Contemporary local content regulations and the debates around both their legitimacy and effectiveness have their origins in the world recession prior to World War II. This period of history saw an increase in nationalist, protectionist rhetoric which blamed the recession on 'others' and attempted to shore up national economies by measures intended to bolster national companies and the jobs they created (Ikenson, 2009; Heffernan & Thorpe, 2017). Importantly, the perceived link between the vagaries of the global market and the fortunes of nation states inevitably informed the policies of struggling governments and attempts to protect local (i.e. national) economies and associated businesses and jobs led to demonization of 'others' and eventually leading to the conflicts of the Second World War[1].

As the world started to emerge from the war the international community began to look at the factors that had led to that war and consider what might be done to try to prevent a recurrence. One element that was noted was how the rise in nationalist rhetoric was tied to increasingly protectionist economic policies. Partly in response to this, and in an attempt to prevent such tensions resurfacing the General Agreement on Trade and Tariffs (GATT) was created, stating:

> "Recognizing that their relations in the field of trade and economic endeavour should be conducted with a view to raising standards of living, ensuring full employment and a large and steadily growing volume of real income and effective demand, developing the full use of resources of the world and expanding the production and exchange of goods.

[1] The literature on the economic policies that underpinned the tensions leading up to WW2 is huge and it is not my intention to review it here but see, for instance Ahamad (2009) and Kitchen (1988)

> Being desirous of contributing to these objectives be entering into reciprocal and mutually advantageous agreements directed to the substantial reduction of tariffs and other barriers to trade and to the elimination of discriminatory treatment in international commerce."

World Trade Organisation, GATT papers

In effect the stated intention behind the GATT was for nation states to come to a cooperative agreement around how to manage international trade and persuade nations not to enact policies which would (deliberately or otherwise) impact negatively on other states, making them more vulnerable to the kind of protectionist reaction that had been seen prior to the war. At the outset, with only 23 signatories[2], it was generally those economies connected to the allied powers and which were also considered to be more powerful or influential that were involved. Clearly there still needed to be some bridge building and development of relationships before nations that had been engaged in mortal warfare could come together to sign a trade agreement. Furthermore, those countries which were still colonies[3] were not involved in signing the agreement, it was the colonial powers who were negotiating with one another. It is perhaps worth noting that it was the nations of the developed world which had created the conflict that led to the war, conflicts in the underdeveloped world tended to be extensions of conflicts between colonial powers or wars asserting the power and dominance of the coloniser over the colonised. As such they were geographically focused and minimised any sense of the significance of the colonised peoples or nations[4]. This was an attitude that continued for some time after the war and into the time these 'peripheral' countries gained independence and asserted their significance. Nonetheless, countries that had been colonised by the more powerful were gradually gaining independence, including trying to establish independent economies and influence over the raw materials that they were so rich in, and for which they were so valued by the west. Gradually more and more countries became signatories to GATT and as the years went by a variety of agreements and amendments were made which exercised significant controls over the ways in which the newly independent former colonies could establish trading relations (Copelovitch & Ohls, 2012).

Perhaps inevitably, given the global situation at the end of the war and the impact of the cost of the war on national economies, the GATT can also be considered as a gateway to a new kind of colonialism. It has enabled erstwhile powerful, colonial nations to continue to have some kind of foothold in countries becoming newly independent and to exercise ongoing control over a variety of natural resources found in those former colonies (Davis & Wilf, 2017; Weissman, 1991). At the same time the nascent economies of newly independent nations were attempting to flex their power in terms of being able to sit at the negotiating table and have some say over the ways their wealth was extracted and value added by the powers of the developed world.

In fact the GATT acknowledges that there were power discrepancies between developed and developing states which might prevent developing states from participating fully in the GATT process. To counter these differentials there are various exemptions made as regards provisions which might favour local companies when companies are national to the developing world. These exemptions are made given an understanding that in order to participate fully in the global market

---

[2] Australia, Belgium, Brazil, Burma (Myanmar), Canada, Ceylon (Sri Lanka), Chile, China, Cuba, Czechoslovakia, France, India, Lebanon, Luxembourg, Netherlands, New Zealand, Norway, Pakistan, Southern Rhodesia, Syria, South Africa, UK, USA.

[3] With the exception of Burma and Ceylon which became an independent nation as part of the Commonwealth shortly after signing the GATT, in February 1948 and Southern Rhodesia which was a self-governing territory of the UK

[4] Again, literature on colonial conflicts is large and it is not my intention to review it here.

then developing countries may have some need invest in their own growing economies before opening up fully to competition. It was recognised that some countries in the developing world needed to have some level of differential treatment in order to be able to develop to a position whereby they could be on more or less equal terms as the developed nations who instigated the GATT. For example, it states in the TRIM agreement[5]:

> "Developing countries are permitted to retain TRIMs that constitute a violation of GATT Article III or XI, provided the measures meet the conditions of GATT Article XVIII which allows specified derogation from the GATT provisions, by virtue of the economic development needs of developing countries."

Nevertheless, in the eyes of some, as the GATT developed, these principles ended up benefitting multinational corporations and the developed nations in which they were registered rather than developing states from whom they extracted resources (Weissman, op. cit.).

In 1995 the GATT became the World Trade Organisation, an organisation perhaps better equipped to deal with the new face of global economic trade in a 'post-colonial' world in that it is a permanent institution with more powers to negotiate and reach agreements in trade disputes (WTO, b). The WTO also reaches further than the GATT in that it includes agreement over trade in services and intellectual property, not just trade in goods (ibid). Since its inception the WTO has set certain standards and requirements that all members are required to sign up to – its basic operating principle being that access to markets and opportunities should be both liberalised and equally available to all. However it does, as does the GATT, also recognise that the global economy is not a level playing field and there are some states that should be enabled to have some preferential, or at least differential, treatment in order to enable them to come closer to being able to compete with already established national economies (WTO, c).

Link to growth of resource nationalism

There is clearly a tension between discouraging protectionism and allowing some level of encouragement for developing countries to do just that – develop – and that tension is further reflected in the growth of resource nationalism and the identity politics that have accompanied it (Ndlovu-Gatsheni, 2009; Wilson, 2015). Commonly understood as a move by a nation state to bring under its control the raw materials and produce that come from within its borders, resource nationalism is in effect a statement that the world's resources do not belong equally to humanity and the planet as a whole, they primarily belong to the nation state within whose geographical boundaries they are found. By implication this means also that control over these resources rests with the government of whichever nation state has geographical sovereignty over locations where those resources are found.

In fact, even this rather complex understanding over-simplifies the issue, not least because, as is often pointed out, national borders are permeable and unfixed (Barth, 1998; Elden, 2006), especially in the parts of the developing world where many valuable natural resources are found. For instance the war-ravaged, mineral-rich edges of the Democratic Republic of Congo or the oil-rich waters off the coast of Ghana and Cote d'Ivoire. In fact it would seem that rhetoric around resource nationalism is often rooted in the desire of government to establish a strong identity and, with that, reliable electoral support (Bremmer & Johnston, 2009; Andreasson, 2015). On the other hand,

[5] TRIM agreement refers to Trade Related Investment Measures negotiated under the umbrella of GATT (see https://www.wto.org/english/tratop_e/invest_e/trims_e.htm)

resource nationalism can be concerned with maintaining a negotiating position at the table of multinational deliberations around trade and so on with nations using their resources as bargaining tools in order to get the best deal for itself (Childs, op cit). Whichever way it manifests, resource nationalism is about identity politics writ large and concomitant power relations far more than it is about identifying who owns what resource and this is significant when looking at the shift towards local content legislation in resource rich nations.

Further, the desire to establish a firm, national, political identity is also linked to a sense that one's nation, or one's rule, is under threat in some way (Mann, 1997; Abbink, 2014; Schmidt, 2019). So, a rise in resource nationalism can also be linked to increasing national uncertainties in a world where much of the global economy seems to operate in spaces that don't belong to nations – virtual spaces and offshore spaces, for instance. This sense of threat can be exacerbated in the developing world where boundaries are contested and nebulous. Increasing insecurity develops around the ways in which governments can exercise some kind of control over such a globalised and dislocated economy, where multinational and transnational corporations seem to have the upper hand. In such an economic set up the benefits from the operations of corporations can appear to fade away as company registrations move from one state to another or to tax havens and out of the purview of countries who may need to benefit from the taxes and fees they might expect to receive had those companies been registered in the countries in which they operated[6]. In fact tracing the rise of massive multinational corporations is crucial to understanding the emergence of first CSR and more lately local content requirements which is where I will turn my attention to next.

The rise of the multinational corporation

Links between the emergence of the post-colonial world and the emergence of a new form of multinational corporation have been noted (Ohmae, 1990; Rajak 2011, 2014) and it certainly is no accident that as more countries became independent, companies which were based at the centre of the colonial powers developed strategies to maintain a presence in the newly independent states by establishing bases there. Hence a new kind of colonialism was borne, one not rooted in political power and rule but one rooted in economic power. Furthermore these companies were largely 'extractive' corporations – not only those involved in mining and increasingly those involved in oil but also those concerned with trading agricultural commodities which would be 'extracted' from the countries where they were grown and transported to the developed world for processing and turning into goods that could make huge profits – see, for instance cocoa, coffee and cotton.

This era of expanding neoliberal policies was a time that saw the rise of huge multinational and transnational corporations that could use their supply chains to ensure that maximum profits were directed to their investors and away from producers and nation states. It was during this time that discussions around Corporate Social Responsibility increasingly began to be the subject of debate and when 'classic' CSR theorists such as Milton Friedman defended the interests of shareholders above all others (Friedman, 1970). A responding increase in thinking around stakeholder theory (Freeman, 1984) led to mounting pressure on multinationals from the public and a growing awareness in the developing world that their governments, their producers and their own, national

[6] That this is an issue that reaches beyond the developing world can be seen in the fact that a non-profit organisation, the Fair Tax Mark, has been established in the UK and is working on standards applicable on a global level for 2021. See https://fairtaxmark.net/

businesses were all potential stakeholders in the operations of global corporations and all had the potential to impact upon business practices for their own benefit.

Whilst the global economy developed more and more of a tension between the sovereign claims of nations and the machinations of multinationals, so too emerged debates around the nature of the relationship between business and society (Donaldson and Preston, 1995; Mitchell et. Al. 1997; Phillips, 2003). As these discussions continued an accompanying growth in activities which could be labelled CSR also grew. Understanding that in an increasingly networked and 'virtual' world it was important to manage how people understood and perceived of your business activities became of increasing concern to multinationals. A variety of events which perhaps in the past would not have gained so much attention and influence, came to put pressure on corporates' activities (see, e.g. Brown, 2008). In some part this was also a means by which nations could exert their authority and their own power in the situation. In this environment the concept of CSR quickly gained a foothold and became a way that huge corporations could demonstrate their values as regards their various stakeholders (Porter & Kramer, 2006; Pang et. al., 2018; Heijkant & Vliegenthart, 2018). We can note that as publics began to exert their influence over perceptions of multinational corporations those same corporations began to put in place programmes intended to improve the relationship between the company and its various stakeholders. At first these initiatives were largely philanthropic and tended to replace projects which had been the province of the colonial governments and their associated development NGO spin-off, the aid agencies. However, the manifest failures of many of these schemes (Porter & Kramer, op. cit.; Utting, 2008; Jamali & Keshishian, 2009) led to an increasing awareness of the difficulty of delivering CSR programmes for companies whose business was in a different sphere and it also led to accusations from the host governments of neo-colonial attitudes and the suspicion that this was just another way of the developed world attempting to control and suppress the developing world.

So, intially CSR activities tended towards the voluntarily philanthropic (Carroll, 2016), drawing on a colonialist narrative where the poor and disenfranchised needed the helping hands of others to lift them out of their misery[7]. Projects focused on building health care centres, hospitals, schools and so on, with little thought given to how the ongoing running and maintenance costs would be met. There was very much a sense that businesses were doing something that they didn't need to, out of the 'goodness of their heart' and because they felt some kind of responsibility towards society (even if they weren't paying taxes to that society). This kind of language and the activities which accompany it perpetuate the disenfranchisement of people in the developing world and there have been numerous accusations that the CSR activities of multinationals are often more damaging than is acknowledged and instead of acknowledging the history and traditions of the people intended to benefit it actually perpetuates an agenda in the interests of those carrying out the initiatives (Gilberthorpe & Banks, 2012; Katamba & Nkiko, 2015).

Many of these early CSR projects not only did not work, in some instances they backfired and corporates left a trail of white elephants and a bad taste in the communities where they had operated and then pulled out with little or no regard for the unintended consequences of their largesse. Corporations were criticised by a variety of stakeholders for wasting resources (time, expertise and money) on projects that were poorly thought through and were not linked to any meaningful, strategic business aims. In response to this, gradually the face of CSR changed becoming more strategic and more tied in to corporates stated values. CSR projects began to be seen as ways

[7] For a useful illustration of this process see Pearson et. al. 2019.

in which corporates could benefit their business activities – gaining social license to operate, ensuring suitably trained employees, a healthy workforce and so on.

In the context of poorly managed business initiatives with suspect rationale behind their implementation and arguments about neo-colonialist attitudes towards the countries in which these projects were being delivered, a move towards taking control through development of local content requirements became ever more inevitable and apparent. This move became even more predictable when considered alongside the potential to exercise some identity politics through linking local content to resource nationalism. I will now go on to explore how this move has played out in specific cases with a focus on business response to changing times and a shift from CSR to local content related initiatives.

In an age when massive corporations can have a turnover greater than some national economies, and when those employed by such corporations can exceed the populations of some countries, an insecurity around the future of nations and the exercise of political and economic power grows. Alongside that burgeoning sense of insecurity and threats to national identity comes a rise in nationalist rhetoric which often centres upon a form of resource nationalism with nation states trying to maintain control over resources in the face of pressure from hugely powerful multinationals. It is in this context that CSR and Local Content Requirements begin to impact upon one another

Local Content and competition

In terms of Local Content the GATT and later the WTO have established some basic principles preventing protectionist policies or at least trying to limit their impact. Signatory nations are expected to treat one another equally and not to favour one over another by imposing differential tariffs. However, power imbalances between the developed and the developing world are very apparent when considering the emergence of local content regulations. For instance, with the discovery of commercial quantities of oil in the North Sea, Norway successfully established Local Content requirements which meant that it could ensure benefits from the discovery would go to Norway rather than be distributed across the world and into the pockets of the multinationals and the countries in which they were registered. Norway's Local Content requirements also underwrote investment in the national economy and infrastructure, requiring as they did a certain amount of uptake of national firms, workforce and services (Columbia Centre on Sustainable Investment, 2016; Asiago, 2017).

Norway's particular manifestation of local content requirements was, in general, not considered to be protectionist as such, instead it was considered to be in line with the socialist/democratic values common in Scandinavia and generally acceptable to the developed world. Furthermore, the language which framed it did not appeal to a populist resource nationalism which was fast emerging in the developing world and becoming a significant force in terms of the shift from CSR to local content requirements as I will discuss below. In Norway, in contrast to the ex-colonial states, there was less identification between raw materials and the identity of the nation and more focus on skills and human attributes (Heum, 2008). Nevertheless, what Norway's legislation and requirements did demonstrate was that governments could work successfully with private, multinational corporations in order to ensure that national economies benefitted without damaging international trading agreements. It also showed that if this was to happen, the relationship between government and corporation needed to be quite sophisticated – to simply expect business to fill the gaps that government couldn't fill themselves was unrealistic and unachievable (Santon & Milanez, 2015; Eikeland & Nilsen, 2016). Norway also demonstrated that GATT need not stand in the way of national economies benefitting from the resources that lay within their own geographical boundaries.

In brief, it could be pointed out that whilst CSR was contending with a perception of neo-colonial interference and public image management, local content was establishing itself as a way of developing business responsibly, enabling a level of sustainable development and political control that CSR couldn't.

Rhetoric around local content today

Having described some of the historical and policy context behind the development of local content regulations I will now go on to explore the ways in which they are manifesting today (2000 to present). This is particularly pertinent because as we move away from the years of Cold War post colonialism and the enmities of those times we have moved into a new war of words (and increasingly, actions) whereby some influential politicians scrabble around trying to find any visible target to 'other' and serve as a scapegoat for the insecurities and fears of our lives today. Such scapegoats at the present time tend to be migrants, or Muslims, they have tended not to be multinational companies that pay little to no corporate tax, despite social movements trying to force this. Nor does the media often find itself scapegoated, instead it is often the media that is doing the 'othering' and profiting from it through sales to an already convinced readership. In this context protectionist, populist rhetoric is gaining a foothold in the developed world whilst attempts to force local content regulations are gaining popularity in the developing nations. Whilst they are not diametrically opposed to one another (and indeed look remarkably similar to one another from some perspectives) these two forces do demonstrate different currents that are working in different ways towards different ends, and this creates some tension between them.

In a relatively benign way I was witness to one aspect of this tension in Ghana where the various oil and gas companies had all been practising their own versions of CSR (as had other multinationals from telecoms companies to agricultural commodity exporters). Such CSR programmes ranged from modest grants given to community organisations to entire departments concerned with managing the interface between business activity and communities. Each company had its own approach to CSR and rarely, if ever, were they coordinated with similar or complimentary programmes operating in the same location or community. In many communities this could lead to immense confusion amongst the local populace who weren't sure who was doing what, or why. It was with this as the background that local content requirements were being drawn up that were to be applied to the extractives sector. These local content requirements were detailed and numerous and would impact upon all aspects of oil and gas operations. One key complaints from a number of companies at the time was that they had not been involved in consultations about what these Local Content requirements should be, the timescale over which they should be achieved or even what was practicable.

Whilst the local content requirements were being drawn up aid agencies and government departments were involved in discussions around how CSR could be made both more effective and more efficient. They had come up with an idea of trying to get corporations to work cooperatively together and combine CSR approaches and funds. After some discussions the Western Coastal Foundation (WCF) was established with the intent that it would serve as a foundation into which companies could place their CSR funds. It was also the stated intention of the WCF that it would consult with communities to identify what kinds of initiatives were most needed. In the context of diverse, uncoordinated and frequently unsuccessful CSR programmes this seemed like an eminently sensible approach. In the context of imminent local content requirements it enabled CSR funds to resource training facilities and programmes that should allow corporations to meet those requirements in the near future. Hence in a very reasonable, responsive and orderly way CSR funding was diverted from a voluntary engagement between the corporation and the community to a business investment to ensure the sustainability of corporations in the light of new legal requirements. It was a move well supported by the government[8] and one which meshed well with the government's moves at the time to become more vocal in asserting their rights over offshore waters that were being contested by Cote d'Ivoire – they had a plan, they had a strategy and the government was in control.

Adding to the narrative, these events took place shortly after the 2013 trial regarding accusations of corruption in the previous general election which was followed by a great deal of national pride that the law had served its purpose and the country had not descended into civil conflicts as had happened in numbers of neighbouring countries in similar situations[9]. There was a definite sense of Ghana being 'on the up' – handouts from aid agencies or multinational corporations did not fit well with this mood whereas Local Content regulations felt a whole lot more appropriate and in keeping with a strengthening sense of national self-confidence.

This brief illustration demonstrates the ways in which resources for CSR can subtly shift and become more regulated and prescriptive as a result of shifts in the wider national, or international, mood and the rhetoric accompanying that shift. In this case the move was generally well received by all parties, and whilst there is still some debate as to the effectiveness or otherwise of local content (Ablo, 2015, 2017, 2019) it was felt that these developments were likely to be more beneficial than the rather ad hoc approach that there had been previously. In short, business and government were partnering up to deliver development, rather than relying on the interventions of agencies from erst-while colonial powers. Elsewhere in the world similar shifts that re-formulate the expected relationship between business and society can also be observed and it is to these that I now turn my attention.

Current moves towards populism and protectionism

Whilst the world has moved on from the cold war and the national tensions that developed around that, and whilst it has also moved on from the tensions which erupted following the collapse of the Iron Curtain, it has moved into a period whereby the rhetoric from the developed world, perhaps especially the US, has developed into a clear 'us vs them' narrative which has its roots in the attacks on the Twin Towers in 2001. At that time President Bush made a speech outlining the new world order – an order in which the US was embattled by the dark forces of Islam and the 'axis of evil' (Bush, 2001; Carrithers, 2005).

Insecurities created at this time were exacerbated by the global economic crash caused by the implosion of the banking and finance sector in 2008 – what had previously been the certainties and

[8] During my visit I was able to arrange interviews with ministers and other officials involved in drawing up the local content regulations and also with the representative of DfID who was developing the work on the WCF.
[9] I was resident in Accra at the time of the trial and witnessed first-hand both the nervousness and the sense of pride that followed the trial.

assurances of the neoliberal world started to look rather flimsy in the light of the restructuring, job losses, housing collapse and so on that occurred at this time.

The above should also be seen in the context of a global economy in which national borders are becoming eroded and less relevant (Enderwick, 2011). Business operates more and more offshore, meanwhile global conflicts have led to movements of population across the world and the pressures of refugees and migrants looking for a better, more stable life. In other words, the global economy has become seen as a threat to states who are insecure and who are struggling to establish a sense of self-confident certainty in this new world order (Nakano, 2004; Kalyuzhnova et. al. 2016). Once it was the lot of 'peripheral' states to suffer major economic crises and lack of confidence whilst the privileged states at the 'centre' imposed on them numerous interventions and 'aid'. In this new world order resource rich states are not only exercising more control over how their resources are extracted they are also starting to compete in terms of wealth-generating industries in both manufacturing and services (Sirkin et al, 2008; Cooper, 2019). Now the expensive countries of the developed world struggle to generate the value they had taken for granted and alongside that struggle comes a change in the political rhetoric and accompanying policies that intend to reshape the relationship between business and society.

Recent years have seen a well-documented rise in populist rhetoric and protectionist tendencies in the global economy, which from the writer's perspective are best seen in the rise of Trump in the USA and the debates around Brexit in the UK (Van Reenen, 2017). These, the USA and UK, are of course countries that have been used to wielding significant economic and political power and influence on the world stage – the issues are not the same as those facing the countries of the developing world such as Ghana and yet some of the arguments they express seem similar, at least on the surface. Much of the rhetoric is around identity politics; being a great country again, taking back control and so on. However much of the rhetoric emanating from the UK and USA ignores the crucial significance of the global economy to the industries they are so dependent upon – Trump's spats with China seem to disregard the vital nature of Chinese supply to Walmart and Apple whilst his focus on 'homegrown' steel disregards the economics of the automotive industry that needs to maintain trade relations across borders, both to ensure a cost-effective supply of materials and also to provide access to the emerging markets of South and Central America. Meanwhile the rhetoric in the UK about 'removing bureaucratic red tape' that emanates from the EU ignores the importance of the European market for much of its agricultural and fisheries output and also disregards the vital nature of European supply to the pharmaceutical and health industries. This rhetoric is not quite the same as the 'resource nationalism' of the developing world, but it echoes it as a kind of 'produce nationalism' and the sense that there is a political need to establish a strong identity that resonates with the electorate is very much present.

There is another side to this rhetoric too, and one which echoes further the development of local content regulations in the developing world but in a kind of inverse, topsy-turvy way. There is a suggestion that national identities are being eroded due to porous borders and that this foreign threat is denying nationals their livelihoods. These observations are well rehearsed by some politicians and some branches of the media; less well examined is the impact upon expectations around the relationship between multinationals, CSR and local content. We have seen how expectations for national benefits play out in terms of local content in the developing world, and how that can come to impact upon delivery of CSR. However, we don't often think about these debates around national identity and self-confidence in the context of the developed centre – these are the province of the periphery, yet the impact is there, it just looks rather different, let us see how, with a focus on the UK.

Business and Government – who owes what to society?

At the time of writing major businesses with locations in the UK are trying to understand how they will be impacted by Brexit as the UK tries to establish new trading relations and agreements outwith those of the EU. It is (May 2020) a time of great uncertainty exacerbated by the Covid-19 pandemic. How this will play out in economic terms is as yet unknown. News coming from the Sunderland Nissan plant is not promising and there are suggestions that a combination of uncertainty related to Brexit and nervous markets responding to the pandemic mean that it cannot sustain its operations in the North East of England. When it first arrived in Sunderland, Nissan was the object of great hope both from the City Council and from the local populace. Having suffered through numerous recessions, the manufacturing and extractive industries of Sunderland (glass, ship building and coal) had died a death, there was very little industry remaining. Nissan was a beacon of hope, allowing Sunderland to imagine itself as once again part of a powerful global economic power, rather than a forgotten back water (Evening Chronicle, 2016).

As the plant became established it provided both jobs and a sense of pride and focus for the city's aspirations. Sunderland also became a recipient of the Nissan corporate citizenship scheme – it's way of addressing CSR issues, incorporating environmental and social issues. In terms of the communities of Sunderland, however, the most important thing was that the plant would continue to exist and that it would continue to provide jobs (and associated training and apprenticeships) for locals. It could be said that 'local content' was more important to Sunderland than CSR[10]. Recently, however, things have shifted. First, with the events leading up to (and emerging out of) Brexit, the future of the plant has by no means been certain. In this context the expectation of both locals and their political representatives is that government will step in to persuade Nissan to continue investing in the area. Far from corporations being expected to invest in communities, here local communities (or their governments) are expected to invest in corporations.

More recently, with the developments of the COVID-19 pandemic, Nissan has been manufacturing and supplying personal protective equipment (PPE) using a scaled back facility. In what could be seen as a traditional manifestation of CSR a multinational corporation is now voluntarily providing a benefit to society that the government can not provide. This is an ironic echo of how corporations were once perceived to operate in the developing world with a corporate gaining purchase and power in a political sense by carrying out actions that go beyond its core business but which are designed to develop and maintain favourable relationships.

Conclusions

We now have a situation whereby nations in the developing world are trying to assert their identity, at least partly through control over the resources which lie within their geographical borders. Meanwhile an echoing rhetoric is emerging from the developed world whereby politicians trying to capitalise on the difficulties faced by ordinary people attempt to exert authority by control over their manufacturing and importing power and influence through protectionist and populist rhetoric. In effect these two rhetorics are pushing the global economy in the same direction – towards a more

[10] The author was a senior manager at Sunderland City Council from 2003-2011 with responsibility for community engagement and development – Nissan was notably absent from any activities around community issues being far more engaged with business development.

fractured and fractious state of affairs whereby corporations struggle to maintain a smooth flow of various capitals in the face of increasing demands from nations that they should benefit most.

CSR is getting caught in the middle of this – as corporations struggle to meet the various requirements of governments they spend more resources on meeting and managing those requirements. If there is a demand for employees to come from a nation's workforce then monies that might have been spent on a variety of CSR initiatives now go towards specific training programmes. Monies that might have been spent on community programmes now go towards entrepreneur development in order to meet requirements that services and goods are sourced from national companies. Meanwhile in the developed world, when it seems that governments are no longer able to provide the skilled workforce that corporations require, those corporations increasingly invest in educational and technical training initiatives (see e.g. Shell and BP's 'Techfest' in Aberdeen and Nissan's apprenticeship schemes in Sunderland) to ensure an appropriately skilled workforce into the future.

Perhaps it is no accident that whilst the political language is becoming increasingly populist and nationalist the corporate language around CSR is also changing. Corporations now have budgets and operations related to 'social investment', 'sustainability', 'stakeholder relations', 'corporate citizenship' and local content. Fewer and fewer are investing any resources in something called CSR. Activities have also shifted focus with programmes becoming more geared towards seeing quantifiable and verifiable results that enable local content requirements or expectations to be met.

At the time of writing the political and economic relationships between corporations and nation states are defined by attitudes which veer towards the populist and nationalist and corporates are operating in an environment hemmed in by increasing local content expectations. In truth this does not mean an enormous change in direction for corporates as many of the activities engaged in to address these expectations are similar to activities previously engaged in and labelled CSR. However it does mean that the language around CSR has changed and is now less redolent of the colonial past and starts to reflect the increasing flexing of power that comes with the ownership of precious resources. Local content talk represents a shift away from the colonialist past and places more power and initiative in the hands of developing countries. In response to that the developed world is kicking back and demanding preferential trade deals, placing embargoes and becomes increasingly insular in terms of rhetoric.

CSR, then, could be seen as a reflection of the privileged position of the developed world and the orientation of multinational corporations towards that privilege. Now things are shifting and the language of local content is about the power of the resource rich developing world. This is not happening unopposed, as could be predicted and the response from the privileged, developed world, as reflected in political rhetoric, looks very much like a 'tooth for a tooth' reaction. Ultimately CSR appears not as a clear cut practice but as one kind of response to political and economic contexts without any meaningful substance or philosophy underpinning it.

List of References

Abbink, J. 2014. "Religious freedom and the political order: the Ethiopian 'secular state' and the containment of Muslim identity politics." *Journal of Eastern African Studies* 8(3) 346-365

Ablo, A. D. 2015. “Local content and participation in Ghana’s oil and gas industry: Can enterprise development make a difference?” *The Extractive Industries and Society* 2 320-327

Ablo, A. D. 2017. “The micromechanisms of power in local content requirements and their constraints on Ghanaian SMEs in the oil and gas sector” *Norsk Geografisk Tidsskrift-Norwegian Journal of Geography* 71(2) 67-78

Ablo, A. D. 2019. “Actors, networks and assemblages: local content, corruption and the politics of SME's participation in Ghana's oil and gas industry” *International Development Review* 41(2) 193-214

Ahamad, L. 2009. *Lords of Finance: the Bankers Who Broke the World*. London: Penguin

Andreasson, S. 2015. “Varieties of resource nationalism in sub-Saharan Africa’s energy and minerals markets” *The Extractive Industries and Society* (2) 310-319

Asiago, B. C. 2017. “Rules of Engagement: A Review of Regulatory Instruments Designed to Promote and Secure Local Content Requirements in the Oil and Gas Sector” *Resources* 6(46)

Barth, F. 1998. *Ethnic Groups and Boundaries; the social organization of culture difference.* Prospect Heights, Ill: Waveland

Bremmer, I. & R. Johnston. 2009. “The Rise and Fall of Resource Nationalism” *Survival* 51(2) 149-158

Brown, R. 2008. “Sea change: Santa Barbara and the eruption of corporate social responsibility” *Public Relations Review* 34(1) 1-8

Bush, G. 2001. The text of President Bush's address Tuesday night, after terrorist attacks on New York and Washington: Transcript from CNN: http://edition.cnn.com/2001/US/09/11/bush.speech.text/ (accessed 14/06/2020)

Carrithers, M. 2005. “Anthropology as a Moral Science of Possibilities” *Current Anthropology* 46(3) 433-456

Carroll, A. B. 2016. “Carroll’s pyramid of CSR: taking another look.” *International Journal of Corporate Social Responsibility* 1(3)

Childs, J. 2016. “Geography and resource nationalism: A critical review and reframing.” *The Extractive Industries and Society* 3. 539-546

Columbia Centre on Sustainable Investment. 2016. *Local Content: Norway – Petroleum.* http://ccsi.columbia.edu/files/2014/03/Local-Content-Norway-Petroleum-CCSI-May-2016.pdf accessed 15/06/2020

Cooper, A. F. 2019. “ ‘Rising’ States and Global Reach: Measuring ‘Globality’ among BRICS/MIKTA Countries” *Global Summitry* 4(1) 64-80

Copelovitch, M. S. & Ohls, D. 2012. “Trade, Institutions and the timing of GATT/WTO accession in post-colonial states.” *Review of International Organisations* 7(1) 81-107

Davis, C. L. & Wilf, M. 2017. “Joining the Club: accession to the GATT/WTO” *Journal of Politics* 79(3) 964-978

Donaldson, T. and Preston, L. 1995. “The Stakeholder Theory of the Modern Corporation: Concepts, Evidence and Implications.” *Academy of Management Review,* 20, 65-91.

Eikeland, S. & T. Nilsen. 2016. “Local Content in Emerging Growth Poles: Loal effects of multinational corporations’ use of contract strategies” *Norsk-Geografisk Tidsskrift – Norwegian Journal of Geography* 70(1) 13-23

Elden, S. 2006. “Contingent Sovereignty, Territorial Integrity and the Sanctity of Borders” *SAIS Review of International Affairs* 26(1)

Enderwick, P. 2011. “Understanding the Rise of Global Protectionism” *Thunderbird International Business Review* 53(3) 325-336

Evening Chronicle. 2016. “30 years of Nissan: How the Sunderland plant transformed the North East” from https://www.chroniclelive.co.uk/business/business-news/30-years-nissan-how-sunderland-11854830 (accessed 25/06/2020)

Freeman, R. E. 1984, *Strategic Management: A Stakeholder Approach* Boston; Pitman

Friedman, M. 1970. “The Responsibility of Business is to Increase its Profits” *New York Times Magazine 13/09/1970*

Gilberthorpe, E. & Banks, G. 2012. “Development on whose terms?: CSR discourse and social realities in Papua New Guinea's extractive industries sector” *Resources Policy* 37(2) 185-193

Heffernan, M. & Thorpe, B. J. 2018. “ ‘The Map that would Save Europe’: Clive Morrison-Bell, the Tariff Walls Map and the Politics of Cartographic Display” *Journal of Historical Geography* 60 24-40

Heum, P. 2008. *Local Content Development: Experiences from Oil and Gas Activities in Norway*; The Institute of Research and Economics and Business Administration: Bergen, Norway

Ikenson, D. 2009. “Protectionist Pandemics? The durability of free trade.” *Georgetown Journal of International Affairs* 10(2). 15-22

Jamali, D. & Keshishian, T. 2009. “Uneasy Alliances: Lessons Learned from Partnerships between Businesses and NGOs in the context of CSR.” *Journal of Business Ethics* 84(2) 277-295

Kalyuzhnova, Y; Nygaard, A; Omarov, E. S.; Saparbayev, A. 2016. *Local Content Policies in Resource Rich Countries.* London: Palgrave MacMillan

Katamba, D. & Nkiko, C. M. 2015. “The Landscape of Corporate Social Responsibility in Uganda: Its Past, Present and Future” in Idowu, Vertigans & Schmidpeter (eds.) *Corporate Social Responsibility in Sub-Saharan Africa.* London: Springer

Kitchen, M. 1988. *Europe Between the Wars: a Political History*. London: Routledge

Mann, M. 1997. “Has globalization ended the rise and rise of the nation state?” *Review of International Political Economy* 4(3) 472-496

Mitchell, R. K., Agle, B. R. and Wood, D. J. 1997. “Toward a Theory of Stakeholder Identification and Salience: Defining the Principle of Who and What Really Counts” *The Academy of Management Review* 22(4) 853-886

Nakano, T. 2004. “Theorising Economic Nationalism” *Nations and Nationalism* 10(3) 211-229

Ndlovu-Gatsheni (2009) “Making Sense of Mugabeism in Local and Global Politics: ‘So Blair, keep your England and let me keep my Zimbabwe’” *Third World Quarterly* 30(6) 1139-1158

Ohmae, K. 1990. *The Borderless World: power and strategy in the interlinked economy.* London: Collins

Pang, A; Lwin, MO; Ng, CSM; Ong, YK; Chau, SRWC; Yeow, KPS. 2018. "Utilization of CSR to build organizations' corporate image in Asia: need for an integrative approach." *Asian Journal of Communication* 28(4) 335-359

Pearson, Z; Ellingrod, S; Billo, E; McSweeney, K. 2019. "Corporate social responsibility and the reproduction of (neo)colonialism in the Ecuadorian Amazon" *The Extractives Industries and Society* 6(3) 881-888

Phillips, R. A. 2003. *Stakeholder Theory and Organizational Ethics*. San Francisco: Berrett-Koehler Publishers

Porter, M. E. & Kramer, M. R. 2006. "Strategy and Society: the Link Between Competitive Advantage and Corporate Social Responsibility" *Harvard Business Review* 84(12) 78-93

Rajak, D. 2011. *In Good Company: An Anatomy of Corporate Social Responsibility*. Palo Alto: Stanford University Press

Rajak, D. 2014. "Corporate Memory: Historical Revisionism, Legitimation and the Invention of Tradition in a Multinational Mining Company" *Political and Legal Anthropology Review* 37(2) 259-280

Santos, R. S. P. d. & B. Milanez. 2015. "The Global Production Network for iron ore: materiality, corporate strategies, and social contestation in Brazil" *The Extractive Industries and Society* 2 756-765

Schmidt, I. 2019. "The Populist Race: Neoliberalism Falling Behind, New Right Forging Ahead, the Left Stumbling Along." *Perspectives on Global Development and Technology* 18 (1-2) 61-78

Sirkin, H. L., Hemerling, J. W. & Battacharya, A. K. 2008. *Globality: Competing with Everyone from Everywhere for Everything.* Business Plus

Utting, P. 2008. "The Struggle for Corporate Accountability" *Development and Change* 39(6) 959-975

van den Heijkant, L. & Vliegenthart, R. "Implicit frames of CSR: The interplay between the news media, organizational PR, and the public." *Public Relations Review* 44(5) 645-655

Van Reenen, J. 2017. "Brexit and the Future of Globalization?" *Centre for Economic Performance, Special Paper 35.* London School of Economics

Weissman, R. 1991. "The Real Purpose of GATT: Prelude to a New Colonialism" *The Nation* March 18 1991

Wilson, J.D., 2015. "Understanding resource nationalism: economic dynamics and political institutions." *Contemporary Politics* 21 (4), 399–416.

World Bank, 2016, "Local Content in Oil, Gas and Mining" https://www.worldbank.org/en/topic/extractiveindustries/brief/local-content-in-oil-gas-and-mining accessed 15/06/2020

World Trade Organisation (a). n.d. GATT papers https://www.wto.org/english/docs_e/legal_e/gatt47_01_e.htm (accessed 29/05/2020)

World Trade Organisation (b). n.d. Understanding the WTO https://www.wto.org/english/thewto_e/whatis_e/tif_e/fact3_e.htm (accessed 29/05/2020)

World Trade Organisation (c). n.d. Developing Countries https://www.wto.org/english/thewto_e/whatis_e/tif_e/dev1_e.htm (accessed 29/05/2020)