

The Ecopolitics Podcast - S01E14: Corporate Social Responsibility

<https://www.ecopoliticspodcast.ca/episode-14-corporate-social-responsibility/>

Hosts: Peter Andrée (Carleton University) and Ryan Katz-Rosene (University of Ottawa)

Guest: Hamish van der Ven (McGill University)

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Greenwashing, or legitimate Corporate Social Responsibility? It can be hard to tell the difference. In this episode, Dr. Hamish van der Ven, Assistant Professor at the School of Environment and Department of Political Science at McGill University helps us understand these two concepts before walking us through two case studies.

Episode 14: Corporate Social Responsibility

Hamish van der Ven: *Markets and value chains are potentially a very important medium for change. And you know, it's not just scholars that recognize this. As Gerry Butts, who was the former director of WWF Canada, said in a 2011 Globe and Mail interview, WWF could spend 50 years lobbying 75 national governments to change the regulatory frameworks for the way that aluminum, citrus, sugar cane, glass, and coffee are grown or produced, or the folks at Coke could make a decision that they are not going to purchase anything that isn't grown or produced in a certain way, and the whole global value chain changes overnight. Coke is literally more important than the United Nations.*

[00:00:48] **Ryan Katz-Rosene:** Hello, everyone. Welcome to the Ecopolitics Podcast, a podcast series tackling some of the big questions in the field of environmental politics for university students in Canada. I'm Ryan Katz-Rosene from the University of Ottawa. And my co-host for the show is Dr. Peter Andrée from Carleton University. Peter, how are you doing?

[00:01:09] **Peter Andrée:** Doing really well, Ryan, it's been a beautiful fall here in the Gatineau Hills, as we all try and forget that it's still COVID-19 season.

[00:01:17] **Ryan Katz-Rosene:** Well, I'm trying to forget too, and I'm enjoying the beauty as well, but glad to hear that you're doing well. I'm going to introduce our guest for this episode and then pass it over to you to ask the first question.

[00:01:31] So Dr. Hamish van der Ven is an assistant professor in the School of Environment in the department of political science at McGill University and his research focuses on sustainable production, eco-labeling, global environmental governance and corporate social responsibility among other themes. So we're quite excited to have him join us for our conversation today about efforts to govern sustainability within the corporate sector.

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[00:01:58] So this is our second episode within the sub theme on corporate social responsibility and the environment. So, you know, make sure you also check out our interview with Rory McAlpine of Maple Leaf Foods for an insider's look at this theme, but for today, we're really happy to have an expert in the academic literature about this topic.

[00:02:20] So Hamish's 2019 book titled 'Beyond Greenwash: Explaining credibility in transnational eco-labeling' forms a really important part of that literature. And we're looking forward to hearing some insights from that book and his research at large. So I'm going to turn it over to Peter to ask the first question, but before I do, let me welcome you to the show Hamish.

[00:02:42] **Hamish van der Ven:** Thanks, Ryan. Thanks Peter. A long time fan of the pod and really happy to be here.

[00:02:48] **Ryan Katz-Rosene:** Well it's great to have you.

[00:02:49] **Peter Andr e:** Yes, thanks for joining us Hamish. And let's just start with some definitions. Today we'll be discussing terms like corporate social responsibility and greenwashing. So can you explain to listeners what's your definition of these two terms?

[00:03:05] **Hamish van der Ven:** Yeah, great question and a great place to start our conversation today. So we can think about corporate social responsibility or CSR as it's commonly referred to as a company's commitment to manage the social, environmental, and economic effects of its operations responsibly and in line with public expectations.

[00:03:28] So basically it's the idea that businesses have broader responsibilities beyond simply generating a profit for their owners or shareholders. We can think about CSR as meaning that corporations aren't just responsible to shareholders, but to stakeholders, a broader community. So any party that has an interest in a company, or is it affected by it in any way.

[00:03:51] So stakeholders might include the company's employees, its customers, the communities in which it operates in, the plants and animals affected by its operations, or the environmental NGOs that speak on behalf of those plants and animals, et cetera. So corporate social responsibility is in some ways the antithesis to Chicago economist, Milton Friedman's statement, that there is one and only one social responsibility of business: to use its resources and engage in activities designed to increase its profits.

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[00:04:26] CSR proponents would say, well, actually companies have a much broader set of responsibilities than simply their bottom line. Of course not all CSR is created equal. Some CSR isn't really about taking responsibility, it's about advertising and marketing and diverting criticism. And when CSR that's related to environmental goals is either superficial or false or misleading, we can call this greenwash.

[00:04:58] So greenwash can happen at the company level, or it can happen at a product level. So for example, cigarettes that claim to be 'all-natural' might be accused of being greenwash, because what does all natural actually mean in this sense? Arsenic is a naturally occurring substance. That doesn't necessarily mean that, you know, the cigarette is somehow preferable to alternatives.

[00:05:23] Similarly, we could look at spray cans that proudly proclaimed that they are CFC-free, even though CFCs have been banned in aerosols in Canada and most countries around the world since the mid-nineties. So claiming to be CFC-free is a form of greenwash because you're not really, you know, denoting a new environmental attribute of a product.

[00:05:44] At a company level, we might look at a company that's claiming to be carbon neutral because it planted a bunch of trees. And here there would be concerns about greenwash related to, well, you know, exactly what is the carbon footprint that's being offset here? Is it the entire company's operation? Is it the operation of its suppliers? Or is it much more narrowly defined? And also what is the permanence of putting those trees in the ground and how do we know that those trees are going to be here 25 years from now and still absorbing carbon emissions that would have been produced through the company's operations.

[00:06:20] So greenwash is a really slippery concept. What may seem like greenwash to one person can appear like credible CSR to another person. So it's important to consider the positionality and the value set of the person or organization that's making a greenwash accusation. If their starting point is that capitalism and commerce is inherently harmful to the environment, then the bar for what constitutes greenwash is pretty low.

[00:06:48] So just as we treat CSR skeptically, we should also interrogate allegations of greenwash and avoid making sweeping generalizations about all corporate social responsibility being greenwashed, necessarily.

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[00:07:03] **Peter Andréé:** That's really helpful Hamish. I think you've you've really given us a sense that context matters and you know, be critical of the CSR statements and maybe be just as critical of the greenwashing allegations and really look into what's going on.

[00:07:19] As Ryan mentioned, you've recently published a book called Beyond Greenwash that looks at the practice of eco-labeling by transnational corporations. What is eco-labeling? And maybe can you give us some examples? And you know, students are probably aware they go into a store and they see all kinds of labels on all kinds of products with all kinds of claims.

[00:07:40] So can you just give us a little bit of a sense of, can anybody make an eco-label, and are there industry-wide standards at play when it comes to eco-labeling?

[00:07:50] **Hamish van der Ven:** Yeah. Thanks, Peter. Those are really good questions. So an eco-label is a logo or an image that's clearly visible to consumers that indicates that a product or a company has followed a set of rules about proper environmental conduct.

[00:08:08] So the rules underlying who wins an eco-label and who doesn't are called a sustainability standard. And as you mentioned, you can see examples of eco-labels everywhere, and some prominent ones might be organic certifications that you could find on produce at the grocery store, a bird friendly coffee that you could find at your local cafe, or Rainforest Alliance-certified tea or bananas, or even LEED-certified buildings.

[00:08:38] There's an equal label in pretty much every commercial sector that you can think of. And by some recent government of Canada estimates, around one in every five products that's traded across a border is now certified to some kind of sustainability standard or bears some kind of eco-label associated with it.

[00:08:58] To your second point about whether there is more the eco-labeling than simply slapping a label on something. Yeah, that's complicated. And in some cases there really isn't. Pretty much anyone can create and market an eco-label. In fact, anyone does create and market eco-labels. So, you know, the players in this field, they're very diverse. You have everyone from environmental NGOs - like the groups behind Rainforest Alliance certification, to government agencies - so the Environmental Protection Agency of the United States is behind the popular Energy Star eco-label, to industry

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associations - the group behind the Sustainable Forest Initiative, and even private for-profit standard setting bodies - like some of the groups that manage carbon neutral certification.

[00:09:51] Basically if you have a graphic design program and a printer, you could presumably draw up an eco-label, invent a set of rules for who can display it and market it to your friends and neighbours. In fact, if you want it to, we could create an eco-label for this podcast and green podcasts right now. So eco-labeling is the wild west. There are voluntary standards and best practices in place for how to design and manage eco-labels. But there's really nothing resembling a cohesive regulatory framework or oversight body internationally.

[00:10:27] And it's for this reason that there's so much variation in the credibility of eco-labels. Some of them really represent earnest good faith efforts to wrestle with environmental challenges associated with a specific product or a specific industry. And others are really just straight up greenwash.

[00:10:48] **Peter André:** So in, in a recent description of your book, you suggest that the credibility of an eco-label doesn't depend so much on who's creating or managing the label so much as which types of businesses use this label. And I think that really fits in with what you were just talking about. So can you elaborate on that point a little bit?

[00:11:05] **Hamish van der Ven:** Yeah. So I think there's a tendency to think of who is behind an eco-label or who owns or manages it as what determines whether that eco-label is credible or not. So if an eco-label is created by an environmental NGO or a government, we might think, well, it must be credible.

[00:11:29] And if it's created by an industry association, we might assume, well, that's probably greenwash. What my book *Beyond Greenwash* shows is that ownership matters, but there's actually something else that is far more important. And that is, what kinds of businesses are being asked to use the eco-label?

[00:11:51] What I argue in the book is that eco-labels that are targeted at large consumer-facing multinational corporations - so the Walmarts and Costcos of the world - tend to be far more credible than eco-labels that are targeted at smaller regional corporations or companies that are buried upstream on a supply chain. The reason is that the scrutiny directed at big retail companies by environmental NGOs, by the media and by consumers is much more intense and consequently, any

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eco-label that goes on a product that Walmart is selling or Costco is selling or that's going to affect its branding is going to have to be pretty rigorous and credible to withstand that critical scrutiny.

[00:12:39] So the takeaway is that credibility depends not so much on who is behind an eco-label, as who is being targeted by that eco-label. And what I find is that credible eco-labels can in fact come from a variety of different sources, including industry associations and for-profit businesses in some cases, as well as environmental NGOs and governments.

[00:13:04] **Ryan Katz-Rosene:** So I'm going to jump in here, Hamish and I think that's a really interesting point - I like your idea of creating an eco-label for this podcast. So maybe we can, we can work on that or maybe it would be a form of greenwash. I want to take us back to something you did touch on briefly in one of your earlier answers.

[00:13:24] And that is around the role of the multinational corporation, or the corporation and the profit motive in global capitalism. So as corporate sustainability becomes more ubiquitous, there is also this growing skepticism about it. And we kind of spoke about that from a crowd that sees this as essentially just another variant of greenwashing.

[00:13:47] And you kind of presented this as, you know, if this is your starting point, your critique of green capitalism, then that's how you're going to see all variants of CSR. And I take that point, but I want to hear a little bit more about your perspective on green capitalism and the possibilities therein.

[00:14:06] So I'm curious to know. I mean, I have a lot of students who are, who seem increasingly skeptical about the possibility of a green variant of capitalism. And I'm assuming you also have students who come back to you at that sort of fundamental point of view. What do you, what do you say to them? When the, sort of the premise for evaluating CSR is from this point of view, that they're just not a place for an entity that has as its fundamental motive, this profit, you know, this requirement for for profit, how has that commensurate with a, a genuine form of sustainability?

[00:14:48] So to put this more clearly stated question, you know. What do you say to students who come back to you and say the corporate sector just doesn't, it doesn't contribute to a genuine form of environmental sustainability?

[00:15:05] **Hamish van der Ven:** Yeah. What I would say to those students is yes, certainly. That some degree of skepticism about corporate social responsibility is entirely justified and that there are certainly

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enough examples of greenwashing historically to warrant significant scrutiny. Moreover, as our Canadian ecopolitics colleague Peter Dauvergne at UBC has noted, even if companies are making improvements to the environmental footprints of individual products, that the net impacts of consumption of those products far outweigh any kind of environmental benefits that are accrued by increases in per product efficiency and sustainability. So, you know, if corporate sustainability is about continuing to sell products with less social and environmental damage. But, you know, if we know that consumerism and economic growth are to some extent at the heart of the problem, then there's a hard ceiling on what corporate sustainability and CSR can achieve.

[00:16:13] Now with that said, I think that any critique of corporate sustainability should have to confront two realities. And the first is that there are just as many challenges associated with other forms of environmental governance and other means of addressing environmental challenges. So we need to take a long, hard look at progress made in international environmental negotiations, or even in domestic public policy before we throw corporate sustainability completely under the bus. You know, it's easy for myself and students to sometimes sit back and snipe at Microsoft's promise to be carbon negative by 2030. And yeah, there are lots of problems with investing in carbon offsets and then claiming carbon neutrality or even carbon negativity.

[00:17:02] But as other people have mentioned on your pod, there are plenty of obstacles to enacting climate governance in Canada and the USA as well. So before we call out greenwash, I think it's worth considering whether other pathways don't face just as challenging barriers to progress. So we know, for example, that national governments, states are territorially bounded and can construct laws and regulations that exist within their borders.

[00:17:31] However, we also know that environmental challenges have a nasty tendency to creep across borders as well, too, which makes them, to some extent, not entirely amenable to domestic regulations. We furthermore that efforts to negotiate environmental agreements internationally confront this problem of two-level games where negotiators basically have to fund an outcome that is agreeable for all their - all the other international negotiators participating in an agreement, and then have to travel back home and sell that agreement to their constituents and the citizens of their country as well, too.

[00:18:13] And so, you know, if we think about the progress that has been made on an issue like climate change through international negotiations, I think many scholars of environmental politics would

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characterize them as incremental at best. You know, we have this landmark Paris Climate Agreement that certainly for the first time brings the countries of the world on board to cooperate towards keeping global temperature increase below two degrees Celsius by the year 2100.

[00:18:44] But if we look at the commitments that have been made by countries under the Paris climate agreement, they don't actually get us all the way to that two degree target. They leave this emissions gap, right? That exists between what countries have promised they are going to do in a best case scenario, and where we actually need to be in order to prevent the worst impacts of climate change.

[00:19:06] So, you know, one thing to consider is that some degree of business involvement is probably going to be needed in order to fill that emissions gap and to keep the planet below that two degree average temperature increased target. The second thing to consider is that corporate sustainability doesn't necessarily have to be an either/or option.

[00:19:31] So whether we're talking about climate change, biodiversity loss, fisheries collapse, we're looking at massive changes that are going to happen within our lifetimes or potentially at the lifetimes of our children. From my perspective, that means that we need to look at the tools and instruments that we have at our disposal now.

[00:19:51] So at this very moment, there are things that we can do while also thinking about broader transformative shifts that may happen in the future. All of which is to say that corporate social responsibility is not the only thing we should be doing, but can it form one tool in a broader toolbox of environmental governance strategies to address these environmental challenges?

[00:20:15] I think so. And is it a medium through which we can address environmental challenges right now? I think so, too. So, you know, consider the potential of corporate sustainability as a medium for change. We have these global value chains with lead firms embedded in them that extend around the world. So we have big companies like Patagonia or Walmart or Costco that can make changes to how they procure certain products that are in line with environmental goals.

[00:20:54] Because of their size and their economic leverage, changes made by those lead firms have the potential to ripple across their global supply chains and around the world as well. So from this perspective, markets and value chains are potentially a very important medium for change. As Gerry

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Butts, who was the former director of WWF Canada said in a 2011 Globe and Mail interview, Coke is literally more important than the United Nations.

[00:21:26] Now this is, you know, at the time, the head of one of the biggest environmental NGOs in Canada, is making this statement about the role of Coke in kind of fomenting environmental change. So, you know, it gives you a sense of, of some of the potential that even environmental NGOs see in using markets.

[00:21:46] A counter argument to this approach would be to say that corporate sustainability actually lowers political will for other forms action. But I haven't really seen convincing evidence either way on this. I think that it's just as likely that CSR creates an environment that allows other forms of environmental governance to take place, including domestic or international law. So, you know, as an example the USA amended the Lacey Act in 2008 to ban imports of illegally harvested wood. At least part of the motivation for this piece of law was the success of voluntary market-based certifications or eco-labels for wood products. Like those of the Forest Stewardship Council.

[00:22:32] So, you know, I think there's all of which is to say that I think there's room for both governments to play a role and business, to play a role without necessarily cannibalizing each other's political will to take action.

[00:22:47] The final thing I should say. Is that we need to be careful not to treat all corporate sustainability efforts as equal. Again, there's a lot of variation here. There's real efforts being taken to address environmental challenges alongside greenwash. And one thing that I think we need to consider is the motivation for businesses to go green.

[00:23:08] So is the motive to go green determined by strategic interests or is it determined by value-driven ones? So a lot has been made about the business case for sustainability or this idea that going green is good for the bottom line. And I think that this is where some of the most potential for greenwash exists.

[00:23:28] So we can look at Amazon ordering a hundred thousand electric delivery vans and say, cool. But then we learned that Amazon is a key investor in this electric vehicle startup that it's sponsoring, and then this comes off as a more self-interested move. So the question that we're left with is, what does Amazon do when acting sustainably isn't also profitable?

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[00:23:51] So as political scientist David Vogel has said, the market for virtue is inherently limited. But of course there's other reasons why businesses go green. One of them comes down to the values of the management team and also the corporate culture. So if you look at a company like Ben and Jerry's ice cream, I don't think you can explain their particular environmental commitments without knowing something about Ben and Jerry.

[00:24:17] These two childhood friends from Brooklyn who came of age as hippies, following the Grateful Dead on tour. So there are practices like paying farmers extra, tracking their chemical use and having no-till practices on their pasture land that you can't explain through looking at the profitability of these actions alone. And I don't think it comes down to branding either. I think to some extent, we have to explain these kinds of actions to the owners or investors in a company using their businesses as extensions of their personal values.

[00:24:51] So to circle way back to the original question. Yes, there are very good reasons to be skeptical of corporate sustainability, but I think we also need to acknowledge its potential for good and make sure that we don't tar all actions with the same brush.

[00:25:06] **Ryan Katz-Rosene:** Well, thanks Hamish. That's a very comprehensive answer to the question. And you know, I take your point about the need to critique other pathways in particular, and the need to think about this in a, you know, it's complicated and it's a nuanced challenge, and you did a good job of explaining those nuances.

[00:25:25] In your answer, you did briefly mention Patagonia and that takes us to the next series of questions that we wanted to ask you. So, as you know we have two campaigns that we had kind of identified, and we asked you to examine these ahead of time so we could get your analysis. And we're curious to hear your thoughts.

[00:25:45] So the first involves a campaign by the Canadian Association of Petroleum Producers to essentially relay the environmental protection and green innovation work that its members are doing in the oil sands. So it includes numerous ads that are quite frankly, not really about the oil sands per se, but there are both the scientific research that is being done - by these you know, by Big Oil, essentially - into ecosystems restoration, wildlife protection and you know, other restorative projects within the Northern Boreal ecosystem where these oil sands projects are located. So I think listeners will probably be familiar with some of these ads. You know, they often feature scientists who are, you know, sitting

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down to talk about the restoration work they're doing. some of these ads are actually no longer available, at least we couldn't find them online.

[00:26:44] But the general thrust is available in the short spot that we're going to play. Now, we're only going to include the first few seconds of the clip in the episode, in order to make sure that we're following fair dealing rules, but we have posted a link for listeners to see it on YouTube.

[00:27:02] So let's just have a listen to our first few seconds here. And then listeners can find the full clip on our website.

[00:27:09] [Audio from COSIA video] Who wants Canada to innovate for a cleaner environment and a healthier economy? We all do, through Canada's Oil Sands Innovation Alliance. [End video]

[00:27:19] **Ryan Katz-Rosene:** So Hamish, what are your thoughts? You know, to what extent is this innovation and ecological science making the oil sands more sustainable in a genuine sense. And to what extent is this just greenwashing?

[00:27:33] **Hamish van der Ven:** Yeah. So I actually fell down a bit of a rabbit hole researching this campaign as well, too. So I have lots of thoughts on the matter. If we circle back to that earlier definition of greenwash that I provided, as superficial misleading or false environmental claims, I certainly think that this campaign falls under the broader umbrella of superficial or misleading.

[00:27:58] So, back in 2007, a marketing firm called TerraChoice published this seminal article called The Seven Deadly Sins of Greenwashing. And one of the sins that they identified, they call it 'the lesser of two evils', which is where you have a slightly better version of a product that is inherently harmful to the environment.

[00:28:20] So, you know, examples that they provide would be like "light" cigarettes or fuel efficient SUVs, right. Where you're taking something that already has this kind of big environmental footprint as a product category. And you're making it just a little less less harmful as well, too. It's better than the conventional alternative, but the product itself is still harmful to the environment and to human health.

[00:28:43] So I think fossil fuel industry efforts to present the tar sands as a greener alternative to other sources of oil, kind of fall into this category. You can dress up the industry all you want, but in the end, you're still kind of putting lipstick on a pig. The oil and gas sector, as we know, represents about a

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quarter of Canada's greenhouse gas emissions, and the emissions from the sector have increased by about 82% between 1990 and 2018.

[00:29:12] Moreover, the Alberta energy regulator estimates the total liabilities associated with oil sands mines is around \$30.8 billion. So cleaning up tailing ponds, cleaning up pipeline spills are costs that should be born by the industry, but all too often fall on taxpayers, especially if an oil and gas company goes bankrupt.

[00:29:37] So part of this campaign by CAPP is pledging all of this research money, I think just over a billion dollars, that's going to go towards kind of improving the environmental impacts of oil production in the tar sands. But you know, what we see is that that amount of money is to some extent offset by all of these other expenses that are associated with oil and gas production.

[00:30:00] So most recently, you know, the COVID bailout funds from the federal government provided a billion dollars to the industry to safely seal oil and gas wells. So everything that's been invested into researching ecosystem restoration, wildlife protection is more than offset by the cost of cleaning up the mess that the industry made.

[00:30:20] We can also juxtapose CAPP's investment into research with the significant amount of money spent lobbying, federal and provincial policy makers to avoid putting a more fair price on carbon. Recently the Canadian Center for Policy Alternatives found that oil and gas industries lobby government officials at about five times the rate that environmental groups do.

[00:30:45] And a leaked industry memo in from April of this year gave us some inside perspective onto what industry is actually looking for in a COVID bailout. And those asks included a massive rollback and regulatory oversight, a stop to the development of any new climate policy and for the industry to be exempted from requirements to report lobbying activity.

[00:31:08] So what we have here, it seems like is a classic case of kind of self-interested industry. Self-regulation, where the industry is trying to project this image of being cleaner and greener to avoid potentially having more coercive regulation from federal authorities. And where I fell down the rabbit hole is in looking at what CAPP is actually spending this research money on.

[00:31:36] So if we click through to the link that's shared at the end of these videos, we can get some more details on the areas of research being funded. And those include pipeline spill prevention, marine

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ecosystem cleanup, and improving the management of oil sands tailings, and reducing greenhouse gas and water usage intensity per barrel of oil produced.

[00:31:57] So in essence, all of this research funding is going towards addressing problems that would not exist in the absence of the tar sands. Note that none of this money is being spent on reducing demand for fossil fuels. So you don't see the Canadian Association of Petroleum Producers launching a massive investment into wind or solar energy research.

[00:32:19] So the justification that's given is often, Well, Canada should be a player because global demand for oil is projected to increase. And what that does is takes demand as a given, or as something that the industry doesn't have some control over. But of course that's a bit misleading because there's always this option of pivoting energy production towards renewables and away from fossil fuels.

[00:32:44] So at best, I think what we can say about this campaign is that it's a bit twofaced. It's promoting environmental goals. On one hand, albeit somewhat superficially. While at the same time the industry is working directly against these objectives, on the other hand.

[00:33:02] **Peter Andréé:** Thank you Hamish, that's a really interesting analysis of this campaign and I'm certainly left with the lipstick on a pig metaphor in my mind. And I think you did a really nice job sort of just comparing the resources that CAPP and its companies are putting into some of these eco- ecological efforts around restoring land in the oil sands and so on, and then juxtaposing that against what they spend lobbying in Ottawa and beyond.

[00:33:36] I was thinking, as you were talking that I understand that the Alberta government has a whole war room that will now come after us for everything, everything we've said on this podcast to tell us if there are any mistakes. So we look forward to getting that feedback from the government of Alberta.

[00:33:51] **Hamish van der Ven:** I look forward to that feedback as well.

[00:33:53] **Ryan Katz-Rosene:** It's okay. We will have an eco-label to to protect our reputation.

[00:33:58] **Hamish van der Ven:** Does the Ecopolitics team have an in-house lawyer?

[00:34:03] **Ryan Katz-Rosene:** Maybe, well, maybe we did interview some, some experts in environmental law. So we'll have to get back in touch with them.

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[00:34:11] **Peter Andréé:** I think we've, we've given it a fair treatment. So thank you for helping with that Hamish. Now the second campaign we're curious to hear your take on is spearheaded by Patagonia in association with a number of other corporations. but they appear to be the most well-known one in the group. And they're advocating what they call Regenerative Organic Certification in agriculture. The company now produces some foods and is also making clothing items out of wool. And they've joined forces with other firms to launch a form of agricultural certification called Regenerative Organic Certified. So just like with the last clip, we'll play a short segment of their video now. And listeners can find the link to the full video on our page. And in fact, that's part of a three-part mini documentary about Patagonia's commitment to Regenerative Organic Certified eco-labeling. So check out the links and then we'll come back to you, Hamish, to hear your take on this particular campaign.

[00:35:12] [Audio from Patagonia video] There's a new certification that's out in the world called the Regenerative Organic Certification, and Patagonia has been piloting this for the past two years.

[00:35:22] Regenerative organic agriculture takes the best parts of organic agriculture and it builds on it and says, what's the best practices that we can use for soil health, for animal welfare, for labour, for farmers. And it combines it into one standard, which has really been missing over the last 25 years.

[00:35:41] We started with 150 farmers in India. They did it all naturally, and they had complete success.
[End video]

[00:35:48] **Peter Andréé:** So Hamish, this company has a reputation for being a leader in sustainability and has clearly invested a lot with its partners in this corporate social responsibility initiative. What do you think about it? Is this a model for how corporations can help sustainability more broadly in society? Or do we still see an element of greenwashing in here too?

[00:36:09] **Hamish van der Ven:** Look, there's no question. That Patagonia is a leader in sustainability and they have been for quite some time now. I know Patagonia has been exclusively sourcing organic cotton since 1996, which puts them well ahead of most of their competitors in the outdoor gear space. The move to source cotton from regenerative organic agriculture is next level and definitely represents real leadership in corporate social responsibility.

[00:36:41] And I'll also add that you can't explain Patagonia's actions through looking at the profit motive alone. There is a sense that sustainability is part of the culture, and that this goes back to its

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founder, an avid rock climber who saw Patagonia's financial success as an opportunity to fulfill his personal environmental goals.

[00:37:03] So over time, companies like that tend to attract a certain amount of like-minded people who share those same values. And so they're going to make decisions that aren't purely motivated by the bottom line, and decisions like this one to basically do things a little bit differently.

[00:37:21] But that doesn't mean that we should shut off our critical thinking when we see a very nice slick well-produced video with a Michael Pollan cameo in it. So I would similarly interrogate this campaign with a few critical questions. So the first one would be, what percentage of Patagonia's products are actually going to adhere to the regenerative organic agriculture standard? Is it going to be every jacket that Patagonia sells? Or is it going to be a nice segmented product line that consumers can choose, but it's going to cost about four times more than one of their other pieces of outerwear.

[00:38:05] So this makes a difference, right? Because, you know, on the one hand, Patagonia is making this claim about regenerative organic agriculture certification, which is wonderful, but you know, is it a small fraction of its overarching business or is it something that's a little bit larger to that?

[00:38:22] And to that point, You know, according to its 2017 annual report, only about 19% of Patagonia sourced material for worn wear was from cotton or other plant-based materials, while about 51% was from virgin petroleum products to make polyester and nylon. So on the one hand, it's cool that Patagonia has this really high, progressive, organic cotton standard. But we're talking about less than a fifth of the raw materials that go into their outdoor gear.

[00:38:58] The second question I would have is, why did Patagonia choose to go it alone here and create its own brand new regenerative organic standard? So there are other third-party regenerative organic agriculture standards out there, and some of them are quite well-established. Demeter Biodynamic has had international standards available since 1992. And so Patagonia could have simply said, Okay, suppliers go off and get Demeter Biodynamic certification, but they didn't.

[00:39:31] And so that might suggest that there was something in those external standards that the folks at Patagonia either didn't like. Or that they preferred to maintain control over this standard in a way that guarantees that certain preferred suppliers can definitely get certified can meet the threshold for being regenerative organic certified.

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[00:39:53] The third question I would ask is who actually created the rules behind the standard. So, you know, Who sat there and drafted up the criteria for what it takes to be Regenerative Organic Certified Patagonia's website. And the website of the standard seems to give a sense that this was a multi-stakeholder process, but as other eco-labels or certifications go, this one's pretty skimpy on the details of how this thing was actually put together.

[00:40:24] In the very best sustainability standards, it's usually public knowledge of who is exactly on the technical committee making those rules behind a standard, how those decisions are made, which stakeholders were consulted, what did those stakeholders say, et cetera, et cetera. But because this is a really new initiative, we don't have any of that information in front of us yet.

[00:40:47] So it's tough to say how much industry voices kind of played a leading role in determining what goes into the standard and what stays out, and how much there was broad consultation with farmers, with environmental NGOs, with agricultural scientists in terms of what is an adequate threshold for achievement to win this eco-label.

[00:41:11] And then, you know, the final issue I would bring up is who pays. So to get full Regenerative Organic Certification, a farmer already has to have three other third-party certifications. So they need to be USDA organic. They need an animal welfare certification. And then on top of that, they need some kind of social welfare certification, like Fair Trade, if you're not a producer that's based in the global north.

[00:41:42] So the problem is that farmers, the producers of cotton are on the hook for all of these costs. So on top of paying costs associated with getting certified to these baseline standards, farmers will also have to pay somewhere between \$350 and \$750 to just apply for Regenerative Organic Certification. And then an auditor's fee to check that they're in compliance with the standard, you know, which would be an initial auditor's fee and recurring audits every two years or so. And then plus a licensing fee that's equal to 0.1% of their total crop production value.

[00:42:22] So that's a lot of money that farmers are paying to be able to sell a product to Patagonia. And given that this is a brand new certification, it's brand new eco-label, there's no guarantee that the farmers are going to receive a price premium for their cotton that's sufficient to offset those costs. So imagine you're a cotton farmer in India without a wealth of capital at your disposal. That's a very big cost to pay upfront for an unproven return.

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[00:42:53] So look, I don't want to be that persnickety scholar who finds fault in every well-intentioned act of corporate social responsibility, but I do think there's value in holding even the very best companies to a higher standard. And so with that in mind, Patagonia definitely deserves praise and kudos for taking the leadership on agriculture in the textiles industry, but that doesn't mean that we should stop paying attention or scrutinizing its actions in this space either.

[00:43:23] **Peter Andréé:** Thanks so much Hamish. I just want to follow up, we're getting close to closing here, but I have to say your analysis of these two examples was fascinating and carefully thought through. And I'm struck with the idea that increasingly we're asking consumers and citizens to become experts on almost everything related to the supply chains of what they eat and wear and drink and drive and so on. And I just want to go back to this question of where's the role of the state or of you know, perhaps there can even be an NGO emerging or industry standards that ensure transparency around these kinds of claims so that, so it's not such a complex decision every time somebody goes out to buy something.

[00:44:13] What's your sense of this, you know, the number of eco-labels has I expect kind of been exponential in their growth in the last couple of decades. Is there a way that this is then getting directed to, a way that that allows consumers and citizens an easier way to make decisions?

[00:44:36] **Hamish van der Ven:** Yeah, that's a really good question, Peter. You know, I think I certainly agree that it's an unfair burden to place on consumers who are already juggling so many other priorities in their lives that, you know, if you're anything like me, you're trying to squeeze in a grocery run after a day's work before picking up the kids from daycare and, you know, going home and preparing a meal.

[00:45:01] I don't have time to sit in my local supermarket and, you know, carefully Google, every eco-label I see on a product doing an in-depth kind of background screening before making like a decision on what kind of peanut butter I want to buy. The way that I see some of these decisions being taken out of the hand of consumers is through exclusive procurement agreements that are being made by big branded retailers. So you've seen kind of a number of big brands recently make proclamations that they are only going to procure products that are certified to, say, a credible third party eco-label by the year 2025, et cetera.

[00:45:48] So, you know, Unilever being one of the leaders in this space has promised that all of the tea that's certified that basically goes into Lipton teabags is going to be certified to Rainforest Alliance or

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equivalent standards by the year - I think that was 2020 actually. So what this does in essence is when a company makes this kind of decision, it implies that the accountability for scrutinizing the credibility of that standard lies with the company itself and that they're taking that power out of the hands of consumers by saying, regardless which type of Lipton tea you buy, you have some reasonable assurance that it has been produced in accordance with a particular baseline environmental standard.

[00:46:37] So I think what needs to happen a little bit more is for the big downstream players that sell to consumers, that are consumer facing, to make these kinds of proclamations that they're not going to sell products that aren't produced to a certain standard. And what needs to happen on the civil society side is that the people who are carefully paying attention to these things - so scholars like myself, environmental NGOs - need to make sure that we are keeping a careful eye on the types of third-party eco-labels that businesses partner with, and that they are setting a appropriate threshold for achievement that is in line with the kinds of claims they are making about their environmental responsibility.

[00:47:26] **Peter André:** Well, thank you, Hamish. This has been a fascinating conversation today. I'm just gonna sum up a few of my takeaways. You gave us some great definitions off the top of CSR and greenwashing, but then pointed out right away that, you know, we have to be careful in analyzing who's making claims on one side or another. And then your point from your book about how it really matters, whether those making a CSR claim their relationship to consumers and the surveillance that either consumers or civil society plays over them makes a big difference to the credibility of their claims.

[00:48:07] I also really liked your response to Ryan's question about green capitalism, where you, you know, you took us down the path of saying, what are the alternatives and what success has there been, whether it's in intergovernmental environmental agreements at the international level, or the role of state regulating on many of these areas is often slow and cumbersome process, and they are also have all kinds of pressures on them that don't necessarily lead to the strongest environmental regulations. Further, you know, you pointed out that in the timeframe that we have to deal with an issue like climate change, time is not on our side and we're working with the world as it is now. And you know, I think it'll stick with me the idea that a Coke might be more important than the United Nations.

[00:48:56] So, you know, I really - and then your analysis of those case examples is, you know, provides a really good example for students in that who might be listening to this to, you know, have the kind of

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interrogation that's necessary of any claims for corporate responsibility, social responsibility or eco-labels, you know, you need to dig deeper and then dig deeper still.

[00:49:21] I want to give you a chance, is there anything you want to leave students with who've been tuned in today, on what are your thoughts for where this is all going into the future?

[00:49:33] **Hamish van der Ven:** Yeah. Well, let me just say, it's been an absolute pleasure being on the pod here, and thanks so much for the wonderful questions that allowed me to ramble on and nerd out a little bit on my favorite topic. You know, what I would leave students with is just that - and I think we got a sense of this on your podcast - is that within the community of scholars that research environmental politics, there are really substantive differences in theories of change, in pathways that we all believe we should travel to achieve environmental objectives.

[00:50:13] But what I think we all share in common is fundamentally where we need to get to. Where we would like to end up. So, you know seeding this idea that it's okay to be critical of different theories of change as well, too. But that fundamentally we're all on this planet together. We're all looking for a parallel outcome. And to be open-minded I think in considering the types of strategies that we may use to address issues like climate change, biodiversity loss, et cetera, and basically to consider multiple different avenues of moving towards a common objective.

[00:50:57] **Ryan Katz-Rosene:** Well, thanks Hamish. That's a great concluding point. And I want to echo Peter's comments about this being a really fascinating discussion. So, thank you for sharing your time and your thoughts and your wisdom with us today, so we should probably end it there. So that concludes this episode of the Ecopolitics Podcast.

[00:51:19] Don't forget to check out some of the other episodes in the series at our website, ecopoliticspodcast.ca or on your podcast player of choice. So we're on Apple Podcasts, Spotify, Stitcher, and tunein and you know, let us know what you think. Give us a shout on Twitter at our handle [@ecopoliticsP](https://twitter.com/ecopoliticsP) or send us an email.

[00:51:39] So thanks once again to our guest and to the audience for tuning in and we'll catch you next time.

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