Lin Ji

Feb. 27

**Global Backlash 4.7**

In “Can Advocacy-Led Certification Systems Transform Global Corporate Practices?”, Conroy mainly talks about product certifications offered by the Forest Stewardship Council (FSC) and the Fairtrade Labeling Organization (FLO), how they work respectively, and their achievements in bringing market pressures to bear upon corporations. Citizen-led advocacy campaigns, undoubtedly, played a crucial role in the establishment of certification system, and with the widely advocacy and recognition of this system, demand increased largely, thus more and more firms begin to apply these certificates which make them become more aware of the environmental consequences of their business conduct. This strategy is good because it is based on incentives for corporations. However, for the forest management standards, I’m quite concerned about the different sets of standards developed by different organizations. May be to set up a set of international standards will be better for corporations and consumers. And for the fair trade

**Global Backlash 4.9 with 4.10**

The two articles present letters of statement by Academic Consortium on International Trade (ACIT) and Scholars Against Sweatshop Labor (SASL) respectively regarding anti-sweatshop campaigns on American campus. In my view, to eliminate sweatshops requires efforts of ultimate consumers, NGOs, and governments.

Many people contribute the existence of sweatshops to the greed of corporations or factory-owners, and thus introduce the concept of corporation social responsibility. That is partly true as in this profit chain, the most beneficial party is the buyer (usually those transnational corporations). They buy products from suppliers (sweatshops) on a very low price and sell these products to ultimate consumers on a relatively high price, making profit from these transactions. In order to maximize their profits, these transnational corporations try hard to bargain price with suppliers, and suppliers have to offer their price as low as possible in order to be competitive and win orders. Then as a result, the winner factory gets the order on a very low price, so it has to give its workers low wages and minimum welfares so that it can maximize its own profit. You can say they are immoral, however, corporations are designed to make profits rather than to be moral, and they are responsible to their shareholders but not necessarily responsible for the society. Take China for example, many factory-owners are getting aware of the importance of their relationship with workers and are trying to increase their wages as well as improve accommodation conditions, but if the cost and profit margins can’t be proportionized which may result in the negative profit of the corporation, obviously they will stop making the effort. Most of these workers in China are from rural areas. They actually would rather work in sweatshops than farm in their home villages because they can earn a bit more money in factories for their families.

Since ultimate consumers are the group that can influence corporations’ conduct, I think it is important to advocate the idea of ethical consumption among people, to change their concept of consumption, thus force corporations to change their conduct. Besides, NGOs’ efforts are crucial. Their monitoring can help to better implement the codes of conduct and expose irresponsible corporations’ conduct to the public. And, the government’s support is indispensible. Government should enforce labor laws strictly, help workers to form labor unions, and improve social welfares.

 **Jagdish Bhagwati**

In this article, Bhagwati talks about the edifice of corporate social responsibility, its two foundations (namely altruism and regulation), as well as the three complementary approaches which consist of social norming, voluntary codes, and mandatory codes. I’m impressed by the author’s opinion that it is essential that some of the voluntary codes be drafted by developing countries and that the currently available codes overemphasize developed-country perspectives and neglect developing countries’. (193) Different countries are on different stages of development, and thus it is impossible to simply use one country or several countries’ standards as universal codes. For workers in the developing countries, it surely is better for them to live in crowded dormitories than to sleep outside on the street, and to work sixteen hours a day and earn low wages are at least better than starving. And I’m still hold the idea that corporations are profit-driven, therefore, the biggest factor that affects a corporation’s moral behavior is economic profit. If an immoral behavior can bring huge profit to a corporation in short-term, then the corporation may take the risk unless there’s a punishment to this behavior and that the punishment exceeds the potential profit of the immoral conduct. Conversely, a corporation that strictly implements its social responsibility will gain good reputation and thus can increase its competitiveness in the long run. So an effective approach to corporate social responsibility might be to form a strong external monitoring and regulatory system which can impose pressure on corporations in order to make sure that they are obeying the codes of conduct, and finally internalize their responsible conduct under pressure to their own voluntary choice of behavior.

**Green Corporate Partnerships**

The reading presents a debate about partnerships with corporations on global environment issues between Mark and Marcus. I’m for the opinion of Mark that “smart partnerships with the corporations are an essential tool in achieving the conservationist mission”. (30) The Global Compact, which is mentioned in Bhagwati’s article, is such an effort to encourage corporations to adopt social responsibility policies and to engage more NGOs as monitors in order to cope with the now unsustainable ways of development together. For NGOs and civil societies, to simply stand opposite to corporations and say “no” can’t bring any long-lasting changes to the world; while to establish a kind of strategic partnership with corporations, especially influential transnational corporations, can make those corporations’ strategies and operations to be more sustainable.