

## HOW GLOBAL ARE GLOBAL CODES OF BUSINESS CONDUCT? THE CASE OF THE UN GLOBAL COMPACT AND ITS LOCAL NETWORKS

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# HOW GLOBAL ARE GLOBAL CODES OF BUSINESS CONDUCT? THE CASE OF THE UN GLOBAL COMPACT AND ITS LOCAL NETWORKS

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*Abstract:* The aim of the paper is to contribute to research on global initiatives for environmental, social, and ethical responsibility in business activities and their local embeddedness. Taking the example of the United Nations Global Compact and its local networks in Denmark, France, Germany, Japan, Spain, and the United States, the article discusses the relevance of dichotomous theoretical frameworks such as explicit/implicit CSR and its affinity with the VoC approach. Through a methodology of qualitative analysis of data collected from the websites of the various local networks, the article shows the way in which the dissemination of the UNGC by its local networks is contributing to the emergence of differentiated hybrids, reflecting the diversity of national institutional arrangements of CSR and that of the underlying models of capitalism defined by regulation theory. One of the paper's main conclusions is that the uniform and globalising character of the UNGC has not erased the national differences present in the local UNGC networks.

*Keywords:* United Nations Global Compact; implicit/explicit corporate social responsibility; institutional logics; diversity of capitalism

*JEL codes:* P51; P52; B52; M14

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## **Introduction**

Since the beginning of the 2000s, corporate social responsibility (CSR) research has been increasingly integrating issues of globalisation (Carroll, 2021). The latter include a reflection on whether a “one size fits all” model of CSR works at the global level as

well as a critical appraisal of new forms of global governance and international business standards (Perkins & Neumayer, 2010; Gilbert et al., 2011; Wilshusen & MacDonald, 2017). Whereas the CSR initiatives that emerged before the 2000s for the most part focused on human rights and workers' rights, those launched since the beginning of the twenty-first century encompass the various dimensions of sustainable development (SD). They are thus positioned as components of global governance of SD.

Involving 17,000 participants from close to 170 countries in 2021, the United Nations Global Compact (UNGC) is currently the world's largest corporate sustainability initiative. At the time of its official inception in July 2000, it contained nine principles: three on human rights, three on labour rights, and three on the environment. A tenth principle on transparency and the fight against corruption was adopted in 2004. The UNGC was launched in the absence of a legally binding global governance system to offer businesses the means and guidance to address the social and environmental consequences of their global activities. It could be seen as an important manifestation of continued private sector engagement in international SD meetings dating back to the first Rio Earth Summit in 1992 (Wilshusen & MacDonald, 2017). The Compact brings several mechanisms together in support of CSR strategies: normative principles, communication and transparency about CSR activities, and learning and cooperation networks. With nearly a hundred local networks in countries on every continent, the UNGC is the foremost "network of networks" when it comes to CSR (Rasche, 2012). Whatever its status (formal well-established structure or more informal arrangement), each local network connects up annually with the UNGC Office and renews its convention to operate. Despite the abundant literature on the Compact's advantages and limits as a "moral compass" of universal principles of business conduct, the ways in which its global logic is reflected in local contexts have not yet been the subject of thorough comparative investigation. An article by Perkins and Neumayer (2010) on how geography shapes the spatiotemporal variations of codified voluntarism can be considered a step in this direction. Yet, according to Voeglin and Pless (2014), local networks still remain one of the major lacking areas of research on the UNGC.

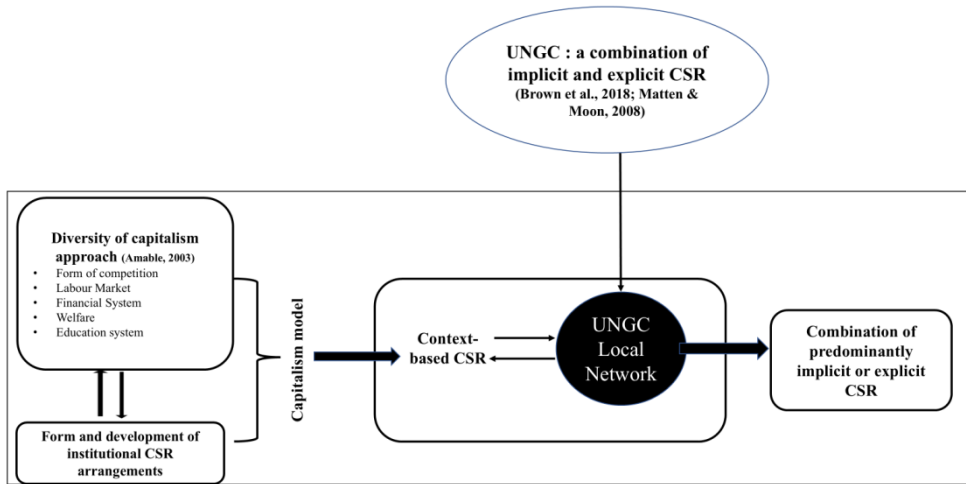
Our research aims at filling this gap by investigating the dominant CSR logic conveyed by these networks. Based on the theoretical interpretation of the UNGC as embodying competing "institutional logics" (Thornton et al., 2012; Brown et al., 2018), our research reveals how a combination of "explicit" and "implicit" CSR logics is implemented within the French, German, Danish, Spanish, Japanese, and US networks, which are embedded in various national institutional configurations of capitalism. In theoretical terms, our

interpretation seeks to go beyond the binary approach of the varieties of capitalism (VoC), underlying the implicit/explicit CSR framework of Matten and Moon (2008) by mobilising the diversity of capitalism approach (Amable, 2003) inspired by the French regulation theory (Boyer, 1990; Boyer & Saillard, 2002).

The rest of the article is divided into six parts. The first section sets out the theoretical framework and the analytic grid for studying the UNGC and its spread among countries representative of different models of capitalism. The next section presents the research method for the comparative analysis of the six local networks. The third section highlights the main institutional CSR arrangements we have identified in the six countries and sets them against the models of capitalism according to Amable (2003). The fourth section presents findings from our content analysis and coding of the main pages of the websites of the six UNGC local networks using Nvivo 11 software. It deals especially with operating modes, forms of coordination, and combinations of explicit and implicit logic specific to each country. Then the last section puts the results of our research into perspective and discusses the inflections from the original typology of five models of capitalism.

### **A theoretical framework for studying the competing logics conveyed by the UNGC local networks**

Since its inception, the UNGC has been the subject of research from different disciplines. Rasche et al. (2013) identify three interrelated research perspectives in the study of the UNGC: a historical perspective discussing the Compact in the context of UN-business relations, an operational perspective dealing with the composition and impact of its participants, and a governance perspective pointing to the constraints and opportunities of the initiative as an institutionalised arena for addressing global governance gaps. While the historical and governance perspectives are parts of macro-level discussions, the operational dimension falls within the scope of micro-level discussions. The weakness of these analyses is that they tend to neglect the role of national institutional specificities. The national level thus seems to have disappeared due to the influence of powerful actors operating at the transnational level (international institutions and firms). We propose taking an intermediate perspective focused on the UNGC local networks, which we consider to be at the intersection of competing institutional logics carried by the global initiative, on the one hand, and contextual CSR shaped by national institutional CSR arrangements and forms of capitalism, on the other hand (Figure 1).



Source: Authors' elaboration.

Figure 1. A theoretical framework for studying the UNGC local networks

### ***Implicit and explicit CSR frameworks and the UNGC***

Much of the CSR literature characterises the UNGC as “explicit” CSR in the sense of Matten and Moon (2008), who find that the distinction between explicit and implicit CSR rests on differences in historically formed institutional patterns. Explicit CSR is based largely on the choice of individual firms rather than on government authority or institutional requirements. There is no societal or governmental mandate as such specifying the nature or scope of the relevance of CSR. Implicit CSR for its part refers to “corporations’ role within the wider formal and informal institutions for society’s interests and concerns” (Matten & Moon, 2008, p. 409).

Brown et al. (2018, p. 730) employ the framework of Matten and Moon (2008) beyond its use in comparative analyses of CSR initiatives and show “how it can be used as a way to understand how the UNGC crosses cultures as a voluntary governance mechanism with co-existing logics”. This argument builds on the institutional logics perspective (Thornton et al., 2012) that views any context as potentially influenced by the multiple material practices and symbolic systems of different societal actors, providing meaning to daily activities of organisations and individuals, as well as organising time and space. Accordingly, it could also be mobilised to understand sources of heterogeneity in global CSR initiatives like the UNGC. Brown et al. (2018) identify three underlying elements pointing to the Compact as an example of implicit CSR (its overarching community logic, collective identity,

and structured attention through value identification) and three underlying themes that point to its role as explicit CSR (the role of market logic, firm-level identity, and structured attention that emerges from voluntary corporate policies).

While the original grid of Brown et al. (2018) is only theoretical, we consider that it could also be operationalised to compare the CSR logics for which the UNGC local networks are a vehicle on the scale of the countries where they have been introduced. The interest of the analysis is to discuss the relevance of arguments about convergence brought on by globalisation (Chandler, 1962; Fukuyama, 1992; etc.). According to these arguments, the combination of explicit and implicit logics should tend to become identical on the scale of the various UNGC local networks. Yet much of the literature underscores the non-unique character of capitalism and the non-convergence of national institutional structures. Most countries have indeed experienced a process of differentiated adaptation to the phenomena of intensification of globalisation or regional integration, rather than homogenisation related to the quest for an optimal structure or the abandonment of sovereignty for the benefit of supranational structures.

#### ***Varieties or diversity of capitalism; national institutional CSR arrangements***

The contemporary diversity of forms of capitalism was highlighted primarily by the “varieties of capitalism” (VoC) approach (Hall & Soskice, 2001) and before that by regulation theory (Boyer, 1990) that gave rise to the “diversity of capitalism” approach (Amable, 2003). The VoC approach is centred on the firm, viewed as the fundamental actor of the capitalist economy, and its relational dimension. The firm’s success depends to a large extent on the quality of the relations it can establish with internal actors (employees) and external actors (suppliers, customers, shareholders, trade unions, employers’ associations, government, etc.). Coordination problems therefore go to the heart of the VoC approach. Hall and Soskice (2001) identify five spheres of activity in which firms have to solve coordination problems that are decisive for the operation and development of their core competencies: industrial relations, vocational training and education, corporate governance, inter-firm relations, and relations with their own employees. There are two main ways of solving these coordination problems, differentiating the two main types of capitalism in developed economies: coordination based on market mechanisms typical of liberal market economies (LME), on the one hand, and non-market coordination or characteristics of coordinated market economies (CME), on the other hand. This distinction is taken up in the analytical framework of explicit/implicit CSR proposed by Matten and Moon (2008, p. 411) and by scholars who have built upon their work (Jackson & Apostolakou, 2010; Blindheim, 2015).

The theoretical affinity between Matten and Moon’s approach based on the

explicit/implicit CSR distinction and the VoC framework enables us to draw a parallel between the two approaches and to emphasise their contributions and limitations. Both approaches can account for the variety of models of capitalism (and of CSR) in developed countries by fitting into an institutionalist theoretical framework, the only framework able to grasp national differences which are primarily variations in institutional configurations. Moreover, both approaches propose a simple framework, focused on a distinction between the two models, which ensures an operational character and something of a heuristic dimension. The abundant literature on the broadening of these two approaches beyond the Western Europe/USA comparison or on using them in designing other models is evidence of this. However, on the other side of the coin, the simplicity of the framework runs up against certain limitations, especially with respect to the binary character of the analysis (explicit/implicit; LME/CME) that makes it difficult to include all developed countries in the typology because some have characteristics that fall under both categories and so need to be more finely differentiated. Hall and Soskice (2001, p. 21) acknowledge this by referring to the “more ambiguous positions” of some countries (France, Italy, Spain, Portugal, Greece and Türkiye). These intermediate cases have led them to contemplate “another type of capitalism, sometimes described as ‘Mediterranean’” (ibid.).

The limitations of Matten and Moon’s framework were recognised by the authors themselves recently. In their 2019 paper, they set about a review of their approach to “question the accuracy and usefulness of the proposed ‘implicit/explicit’ CSR dichotomy” (Matten & Moon, 2019, p. 22). They emphasise the relevance of finer differentiation of the CSR models related to their hybrid construct, which we find reflects the diversity of forms of capitalism beyond the LME/CME distinction. They also acknowledge the complexity of CSR and the need for an analysis that can articulate the micro, meso, and macro levels. Lastly, they see in the explicit or implicit character of CSR the weight of the “societal consensus on the social role and responsibilities of business” (ibid., p. 37). Despite its limitations, we answer affirmatively to the authors’ question about the utility of the implicit/explicit framework, given its already emphasised heuristic dimension. Yet, to overcome the limitations, it seems it should be articulated with a broader institutionalist approach – that of the French Régulation School (Boyer, 1990). This school focuses on the basic issue of national trajectories in time and space, an issue that underlies the other major strand of comparative capitalism, that of the diversity of capitalism (Amable, 2003; Magnin, 2020).

The “diversity of capitalism” approach proposed by Amable (2003) highlights five models of capitalism. To establish this typology, Amable studies the cases of 21 OECD countries using an analytical grid comprising five institutional “domains”, akin to the original institutional form of regulation theory: (i) the type of competition on the

market for products, (ii) the wage-labour nexus, (iii) the welfare protection system, (iv) the education system, and (v) the financial sector. Moreover, the diversity of forms of capitalism is also reflected by diversity in the combination of modes of coordination specific to each model and beyond the two alternatives considered by VoC. Thus, alongside state, market, hierarchy, community, and network are other modes of coordination (Boyer & Hollingsworth, 1997). By attributing to each institutional domain variables for highlighting this diversity, Amable (2003) comes up with some of the results of VoC by isolating a model corresponding to LME, “market-based capitalism”. However, the CME group is no longer homogenous, with a distinction being made between “continental European capitalism” and “social-democratic capitalism”. He further identifies an Asian capitalism and a Mediterranean capitalism. However, this approach to the diversity of capitalism does not make allowances for the diversity of national institutional CSR arrangements liable to contribute to differentiation among forms of capitalism and to influence other institutional domains. National institutional CSR arrangements can be defined as all of the institutions dedicated to the regulation of social, environmental, and corporate governance impacts. These institutions may arise from a statutory obligation or, on the contrary, from a voluntary international or national CSR initiative by government or important social groups.

The diversity of capitalism approach provides an empirical and theoretical base for understanding the national institutional dynamics in CSR and therefore UNGC local networks (see Figure 1). Moreover, we take the view that the interactions between the institutional domains proposed by Amable (2003) and the national institutional CSR arrangements contribute to the emergence of a context-based CSR within which the local network operates. The interactions between the context-based CSR, arising from the model of capitalism and including CSR institutional arrangements, and the UNGC local network are ultimately liable to influence the combination of implicit/explicit CSR logics disseminated by the network nationwide. Accordingly, models of capitalism are differentiated by the institutional domains identified by Amable (and regulation theory), but also by the form and development of institutional arrangements related to CSR.

## **Research methodology**

In order to understand the complex interplay between the institutional logics conveyed by the UNGC local networks, we have adopted a qualitative approach as detailed by Flick (2014) and Miles and Huberman (1994). This approach is particularly suitable for investigating new topics and relationships not previously conceived or codified as the interactions between the global CSR initiative and its local structures. To ensure the trustworthiness of our findings, the study has established (a) credibility through



triangulation of multiple cases, multiple data sources, and multiple investigators, (b) transferability by thick context description, (c) dependability through computer-assisted data analysis, and (d) confirmability and inter-subjectivity of the data by regular research team meetings, collective decisions, and double-coding with two different coders.

We have carried out a comparative study of six local networks of countries representative of different models of capitalism (as defined by Amable, 2003): France, Germany, Denmark, Spain, the USA, and Japan (see previous section). This comparison required, on the one hand, collecting data on institutional arrangements of CSR in each country and, on the other hand, conducting a qualitative analysis of the characteristics of local networks as reflected on their respective websites. Information displayed by the websites in 2021 was exploited as follows. First, we analysed the data for UNGC participation in the six countries. Then we compared the form and substance of their websites as a function of the following criteria: (i) the main items of the website map; (ii) the organisation of the items and the general description of the contents; and (iii) the activities proposed by the local network. Lastly, to understand the CSR logic(s) conveyed by the local networks, we conducted a qualitative analysis of the contents of their main webpages using our theoretical coding grid (see Table 1).

Table 1. Analytical grid for analysing the CSR logics conveyed by the UNGC network

<b>Implicit CSR logic attributes</b>	<b>Explicit CSR logic attributes</b>
1. Community logic <i>Highlighting normative and symbolic components</i>	1. Market logic <i>Highlighting membership advantages for firms</i>
2. Collective identity <i>Highlighting member collaboration and contribution to emergence of a new "social contract"</i>	2. Firm-level identity <i>Highlighting autonomy members may enjoy</i>
3. Members' attention structured by values <i>Priority to legitimacy of issues addressed by UNGC and firms' political role</i>	3. Members' attention structured by voluntary corporate activities <i>UNGC membership is a CSR communication argument with stakeholders</i>

Source: Adapted from Brown et al. (2018).

To this end, we began by capturing webpages with Ncapture, which is compatible with Nvivo11 qualitative data processing software. The latter offers the possibility to collect references about a specific theme in one place ("node") and then to look for

emerging patterns. In some cases, researchers develop nodes in the process of coding, e.g., Seitanidi and Crane (2009) in their study of CSR partnerships or Kim et al. (2013) analysing the CSR institutional context in South Korea. In our case, the topics explored were known since the beginning and referred to the analytical grid of Brown et al. (2018). First-order nodes corresponded respectively to explicit and implicit CSR logics. Each node contained three sub-nodes representing the logic attributes. The encoding consisted of gathering exported webpages into the six sub-nodes. Thus, a sentence like “Responsible businesses enact the same values and principles wherever they have a presence, and know that good practices in one area do not offset harm in another” draws attention to shared values and was encoded as part of the implicit CSR logic category. By contrast, the appeal to “join the UN Global Compact to make an even greater difference” clearly refers to membership advantages for individual companies and falls into explicit, market CSR logic.

### **Different institutional CSR arrangements in the six countries**

The main institutional CSR arrangements we have identified could be set against the models of capitalism according to Amable (2003). This interplay highlights the specificities of national CSR models.

In the United States, a country that exemplifies market-based capitalism, the federal government does not intervene in rulemaking concerning the social and environmental consequences of business activities. The emphasis lies more on questions of business ethics and governance as in the Sarbanes-Oxley Act, passed after financial scandals like the Enron affair. CSR is therefore left to the discretion of businesses and develops in particular through philanthropic actions instigated by major corporations. In recent years, a growing number of US firms have included CSR among their activities because they are aware of its potential added value in terms of strategy and image. Moreover, the advent of more responsible consumer trends means it is increasingly difficult to ignore CSR. Labels such as B-Corp are flourishing, a sign of growing interest in the United States towards stronger and possibly better supervised CSR action (Putnam Rankin & Matthews, 2020; Burger-Helmchen & Siegel, 2020).

Japan, a member country of the Asian capitalism family, stands apart through peculiar institutional mechanisms. It was one of the first countries to design a development model based on circular resources by establishing a “sound material-cycle society” in the 2000s (Ji et al., 2012) that rested on a well-structured legislative mechanism. Building on the strength of that experience, Japan currently lays claim as a front-runner on circular resources in the international arena. Evidence of this in particular is the Ministry of the Economy organising the Second World Circular Economy Forum in 2018

on the fight against marine pollution and plastic waste (Halada, 2020). However, these sharply defined policy issues aside, the state still has little involvement in CSR as a whole. It seems to opt instead for a form of mimetic dynamics, leaving major companies to give impetus to virtuous ecological and social behaviours and thereby serve as an example for SMEs. This role of the government in helping to lead companies (often state-run) making fundamental decisions that are followed by many other economic actors is usually referred to as “Japanese-style” CSR (Bartosch, 2019).

In spite of the European institutional framework that unites the other four countries in our sample, specificities in their institutional CSR mechanisms could be highlighted which corroborate their classification within different models of capitalism. Thus, the emergence of CSR in Denmark, a social-democratic country, can be viewed as the extension of the “Danish model” of social dialogue based on partnership between various sectors and stakeholders instead of legal regulation. In the 1990s, the country was among the first in Europe to launch CSR-labelled initiative schemes to encourage companies to employ immigrants, people with disabilities, and the long-term unemployed. Although the institutional framework of CSR was initially aligned with a limited domestic agenda on inclusive work-life issues, it gradually turned to more international and strategic CSR issues in response to local expectations and demands (Gjolberg, 2010). Thus, the Danish ethical multistakeholder trading initiative launched in 2008 to contribute to global SD issues has become a strong nationwide organisation that influences CSR in a range of export-oriented economic sectors. Moreover, in 2011, the country participated in the launch of the Nordic Strategy for Corporate Social Responsibility as a part of the Nordic co-operation programme for innovation and business policy. The achievements of the Danish social and environmental model are nowadays placed at the disposal of a strategic political vision of CSR that aims explicitly to promote the “excellence” of Danish firms on world markets. “Marketing Denmark for responsible growth” is one of the main action areas of the Danish government’s national plan for corporate social responsibility.

While France and Germany are both classified in the same category of what is termed Continental European capitalism by Amable (2003), they now represent two different models of CSR. Accordingly, while the high degree of social and environmental rules and regulations is the common point between the two countries, the relative weight of the actors contributing to its development differs, thereby reflecting the historical and political trajectory of each country. The German CSR model reflects a culture of subsidiarity that leaves considerable scope to the responsibility of actors, where the state lays down only the general framework of economic activities and social functioning and acts more as a mediator or host than as a referee. Accordingly, the CSR plans and strategies piloted by the federal government over the last 20 years have been

based on the negotiation and perpetuation of decentralised know-how. Moreover, they target SMEs, which are traditionally turned towards the international stage, providing them with financial support to develop CSR policies and train professionals in this domain. In order to improve economic competencies and disseminate CSR knowledge, the federal government counts on the *Schulewirtschaft* networks (school-business partnerships), piloted by the Ministry of Economics and Technology and by the Ministry of the Interior, which are commercial networks and professional federations that together provide internships and an anchor point for academic cooperation (Lipski, 2021).

Unlike Germany, the French state's intervention in the area of CSR is essentially by way of rules and regulations surrounding CSR reporting (Ben Rhouma et al., 2014). These regulations began in earnest in 2001 with the NRE Act, designed to protect against the risks of globalisation by requiring listed companies to disclose information in their annual reporting about measures taken to account for the environmental and social impacts of their activities. Subsequently, the legislative arsenal extended the category of companies subject to CSR reporting and boosted the indicators on climate and energy, the circular economy, and the fight against food waste. In 2015, the obligation for the main institutional investors to publish in a transparent way their efforts to combat climate change and their contribution to the energy transition was a world first. In 2019, the French PACTE law created the "Entreprise à Mission", defined as a company whose objectives in the social, societal, and environmental fields are aligned with this purpose and set out in its by-laws (Segrestin et al., 2021).

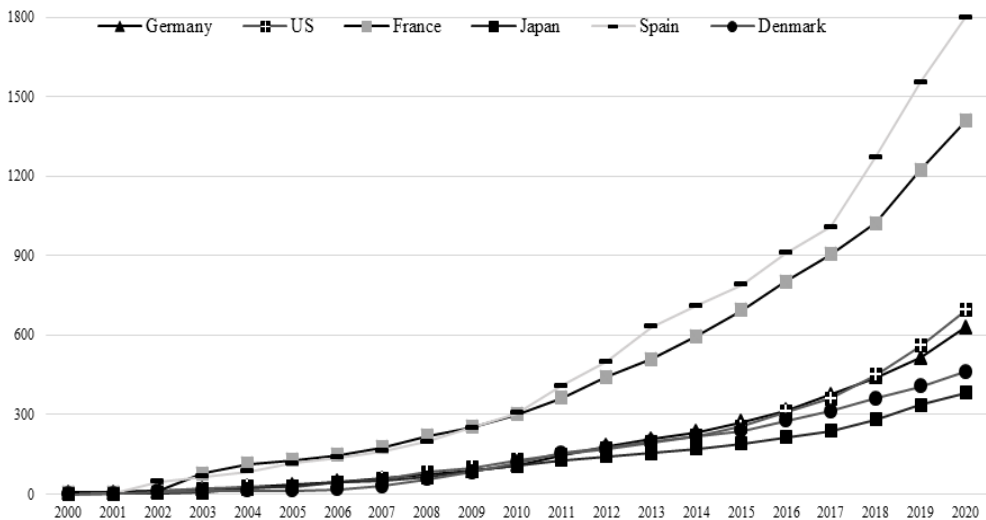
Lastly, Spain, a country that typifies Mediterranean capitalism in Amable's typology (2003), exhibits a low level of CSR regulation with the welfare state playing a smaller role than in France. The legislation on CSR has been promoted essentially by the European Union. It mainly concerns the legislation on a sustainable economy passed in 2011 and the Spanish CSR strategy approved in 2014. Existing empirical investigations indicate a diversity of views about CSR and opportunities for regulating it, as well as a lack of enforcement by the state due to a plurality of actors having conflicting agency in these regulations (Luque-Vílchez & Larrinaga, 2016; Ruiz-Mora et al., 2016).

The differences among the six countries in terms of institutional CSR arrangements clearly show that these arrangements have not been rolled out in places without a history but are embedded within differentiated institutional and political structures. The form and importance taken on by such arrangements depend on the model of capitalism into which they fit. The combination of the two is liable to influence the way in which the UNGC local networks operate and the logic that they are capable of conveying on a local scale.

## Different trajectories for establishing UNGC local networks and corporate membership in the six countries

The history of the six networks brings out fundamental differences in terms of timing, form, and founding actors. UNGC Germany was one of the very first local networks launched at the instigation of major German businesses at the time of the Compact's creation in 2000. In 2001, network coordination was taken up by the current German organisation for international cooperation, GIZ. In Denmark, a UNGC network initially operated from 2002, bringing together companies from all Nordic countries: Denmark, Sweden, Norway, Iceland, Finland, and Greenland. A Danish UNGC network was created in 2017. The official launch of the French local network took place in 2002 at the Elysée Palace, and then UNGC France was founded as a non-profit association in 2005. The Compact began its activities in Spain in 2002 before the establishment of a local network in 2004. After its official launch in 2003, the UNGC network in Japan became an independent non-profit organisation in 2007. The United States' UNGC network was launched only in 2007 in the form of a platform for exchange among various types of actors.

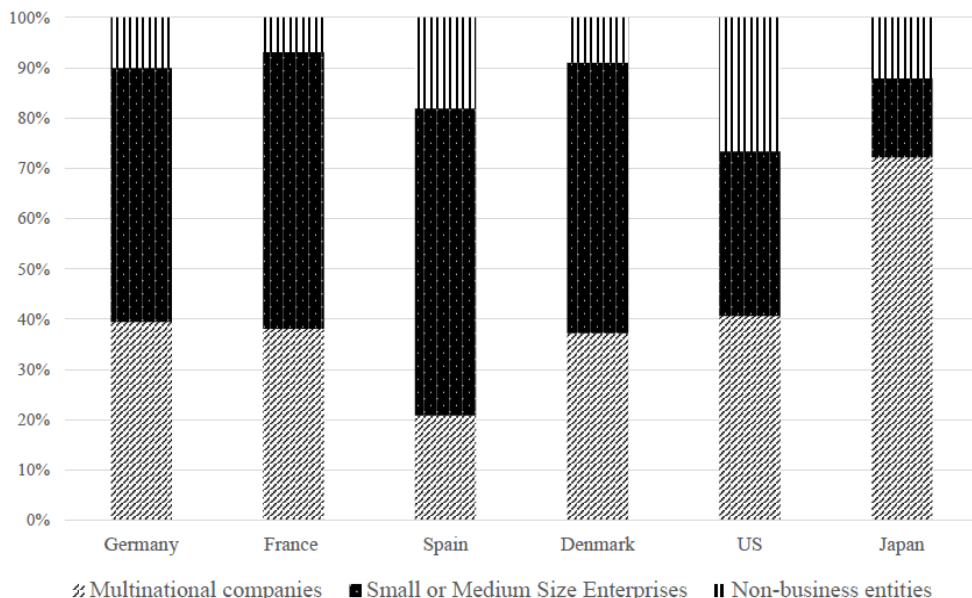
The differences among networks are confirmed by examining changes in the respective membership within the six countries (see Figure 2). Membership is growing faster in Spain and France than in the other four countries. The Spanish local network is by far the largest, with 1,799 members at the end of 2020.



Source: Authors' elaboration based on data from <https://www.unglobalcompact.org>

Figure 2. UNGC membership evolution in the six countries

Figure 2 also shows rises in UNGC membership in the six countries related to the 2008 financial crisis and the Paris Agreement on climate change adopted in 2015. Comparison over time may be supplemented by a typology of UNGC members in the six countries (see Figure 3). European countries stand apart in having a large number of SME UNGC members, with Spain leading the field. Japan stands out in having a high rate of membership among big companies; and the United States leads with its high rate of UNGC membership among NGOs.

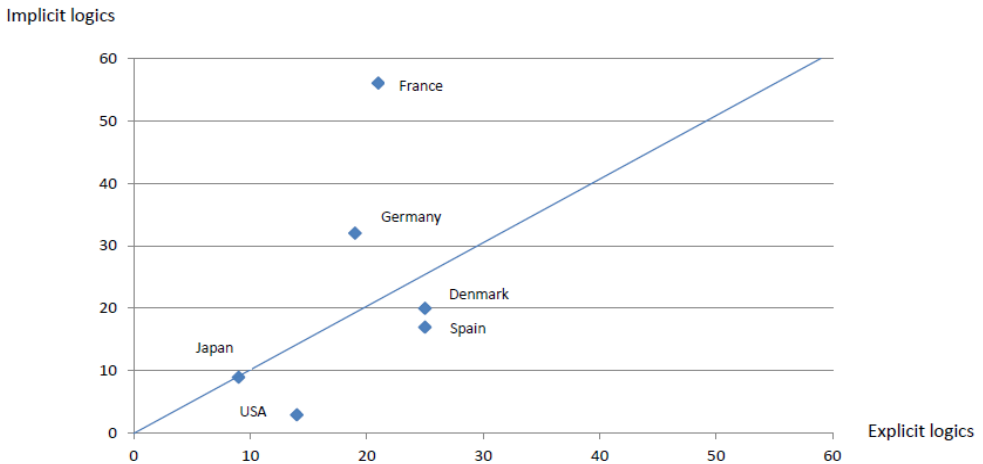


Source: Authors' elaboration based on data from <https://www.unglobalcompact.org>.

Figure 3. UNGC membership by type of entities

### Operating modes, forms of coordination, and combinations of explicit and implicit logic specific to each country

Figure 4 presents a summary of findings of our content analysis and coding of the main pages (“home page”, “about us”, “activities”, “join us”) on the websites of the six UNGC local networks using Nvivo 11 software. The values show the total number of references to explicit or implicit logic. When these values are below 10, we can speak of low intensity; when they are in the 10-20 ranges, they are considered to be of moderate intensity; lastly, values of more than 20 indicate high intensity in the form(s) of logic concerned.



Source: Authors' elaboration.

Figure 4. Website content coding results for the six UNGC local networks

Reading Figure 4 brings out a mix of logics specific to each country. This mix allows the countries to be classified into five categories. The first category is characterised by the prevalence of explicit logic and the low intensity of implicit logic (US case). By contrast, the French case stands out in that implicit logic prevails and is very intense (56 references to this logic counted on the French UNGC website). The websites of the other national networks under study combine implicit and explicit logics in a more balanced manner. However, the intensity of these logics is not the same from country to country, which adds three additional categories to the two already mentioned: the low intensity of both forms of logic (Japanese case) contrasts with the relatively high intensity observed in the German case, leaving the Danish and Spanish networks in an intermediate position with respectively moderate intensities.

So as to further our understanding of the differences in the forms of logic conveyed by the six national networks, we compared their site maps, the topics of the main events organised by the six national networks, and the tools developed for participating businesses and organisations. Analysis of all this information reveals a patchwork of local UNGC networks and their operational modes. The number of sections per website and their headings differ from one network to another, with some networks sharing a few points in common. For example, in presenting themselves, the French and Japanese networks highlight the worldwide UNGC initiative and its principles, whereas the Spanish, Danish, US, and German networks

highlight their local identity and present the principles by way of their own entities. Table 2 summarises the specific features of the operating modes of the six UNGC local networks.

Table 2. Specificities in the structuring and operating modes of the UNGC national networks

<b>Germany</b>	Based on action (implementation) and pragmatic support for businesses to make the principles their own. Main events organised in the form of training workshops on different aspects with climate and human rights at the fore. Since 2019, the country has played an important part in the UNGC initiative on refugees that rests on the membership of NGOs, research institutions, companies, and trade unions (e.g., design of programmes to reinforce the contribution of skilled migrant workers and members of the diaspora living in Germany to the development policy of their home country).
<b>France</b>	Institutional support for reporting with a club dedicated to the topic (more than 90 companies of various sizes and sectors having the highest, “advanced”, level of differentiation of the UNGC). Establishment of a reporting verification system called “peer review” and awards for the best communication on progress. Search for better local anchorage through various projects: Global Compact Tour de France, Ambassador Businesses, Regional Circles.
<b>Spain</b>	Working groups directed at the leading sectors of the economy (tourism, agrifood). Little activity in terms of collective events, decentralised operation. Emphasis on self-training through numerous handbooks, guidelines, and multimedia presentations (corporate integrity management, reporting, a gender business tool, etc.). Highlighting good practices (about 1,000 examples from 300 organisations).
<b>Denmark</b>	Structured in networks around four topics. Actions markedly directed at climate issues (climate accounting, “carbon literacy”, etc.), innovation (e.g., new circular solution for the catering industry), and SMEs that represent more than 50% of Danish UNGC membership.
<b>Japan</b>	Very formal and hierarchical structure (executive director, 11 directors, 2 auditors, 10-member advisory committee, 13 subcommittees). Emphasis on futurity and managing unpredictability and crises, along with issues concerning gender equality and anti-corruption. Top company executives take the lead in expanding horizons and improving CSR awareness among a generation of Japanese executives having grown up within their own companies and featuring inward-looking mentalities.
<b>USA</b>	Relatively limited staff (12-member board of directors and 1 academic partner). Organisation of events directed at improving performance, sustainable corporate finance, business agility, and risk-management. Highlighting worldwide UNGC tools instead of developing the local network’s own tools.

Source: Authors’ elaboration.



Beyond the variety of national institutional configurations, the diversity of models of capitalism also appears as the expression of different combinations of forms of coordination (Boyer & Hollingsworth, 1997). Content analysis of the UNGC local networks' websites makes it possible to highlight one or more dominant forms of coordination that are typical of the relevant model of capitalism. This does not mean, though, that the other forms are not present (see Table 3). In this way, the United States' UNGC website provides a glimpse at the dominant weight of market coordination: its emphasis is on individual freedom (voluntary initiatives), firm economic performance, and compatibility between profit seeking and the observance of Sustainability Development Goals. On the French UNGC website, it is the state and bureaucratic coordination that prevail. "Reporting" being central, aid in achieving it is particularly formal and detailed.

Table 3. Dominant forms of coordination in the analysis of UNGC national network websites

Forms of coordination Models of capitalism	Market	State	Hierarchy	Networks, Associations	Civil society, Communities
USA	X				
France		X			
Japan			X		
Germany				X	X
Spain	X			x	x
Denmark	X			X	X

Key: X – Strong trend; x – Weak trend.

*Source:* Authors' own elaboration.

The UNGC Japan website highlights the role of hierarchy in big corporations: references to company directors and their display of support (video) are ubiquitous. Studying the German UNGC website reveals the weight of networks and professional associations, the quest for cooperation among companies, federal ministries, and civil society by promoting the concrete success of firms ("good practices") in applying Sustainable Development Goals. The UNGC Denmark website attests to a balanced combination between the role of the market (emphasis on competitiveness), consensus-seeking by also involving "civil society, public institutions and other stakeholders" (especially employees), and relying on corporate networks. Lastly, analysis of the

Spanish UNGC website also shows an ambition to include all stakeholders in order to emphasise cooperation and voluntary work without overlooking profitability and economic efficiency, but in a less supported way than in the Danish or German versions and/or less consistently.

## **Discussion and conclusion**

In their survey of academic articles published in leading international journals over the period 1990-2014, Frynas and Yamahaki (2016, p. 273) observed that “multi-level CSR studies are still relatively scarce and open up many possibilities for future research”. In line with this perspective, our study deals with the interplay between transnational and national levels of CSR by focusing on the deployment of a global business code in various national institutional contexts. The study makes empirical and theoretical contributions to the existing literature on CSR initiatives and their geographical dissemination while offering stimulating avenues for further research.

### ***The local dissemination of the UNGC: Hybridisation of logics consistent with the diversity of forms of capitalism***

Whereas Matten and Moon (2008) consider the UNGC to be an example of explicit CSR because of its leadership-focused approach, other authors (Rasche & Guilbert, 2012; Voegtlin & Pless, 2014) on the contrary emphasise its implicit character because it conveys universal principles which are supposed to be shared by all members. The findings of the empirical study of UNGC local networks brings to the fore a variety of national forms of the UNGC, further to the variety of models of capitalism. Thus, our results show that participation in the UNGC is much higher in European countries compared to the United States and Japan. This finding is in line with that of Bremer (2008), which highlights that Western European companies are overrepresented in the initiative when compared with their US counterparts. Williams (2004) deplors the fact that very few large American companies joined the Compact in the first four years of its existence. While our results show a clear increase since the creation of the US national network in 2007, large US companies remain under-represented compared to their European counterparts. This imbalance could be explained by the fact that the general value of being associated with the UN is usually perceived to be higher in Europe than in the United States (Patrick & Forman, 2002). In addition, most companies operating in countries with strong labour rights and legislation (France, Germany, Denmark) have already integrated this issue within their activities, so it is easier for them to comply with four (out of the ten) core UNGC principles dedicated to labour (Abdelzaher et al., 2019). Overall, the analysis of UNGC local websites has

identified a variety of prevailing combinations of implicit/explicit logics, operating procedures, and modes of coordination in each country. These appear to be consistent with the diversity of forms of capitalism according to Amable (2003) while providing a few new elements.

Our different types of analysis converge to provide a panorama encompassing five models. However, the German and French UNGC networks no longer fall into the same group of countries (the European continental model, per Amable), which might reflect the divergent economic trajectories of the two countries over the last twenty years. Moreover, the Spanish and Danish UNGC networks seem to share certain characteristics, even if these appear more strikingly in the second case. Our empirical study therefore reflects the fact that the UNGC has been taken on board differently, depending on national institutional configurations, and fits in with a context-based CSR related to national institutional arrangements regarding CSR and underlying models of capitalism. Local versions of the UNGC initiative therefore appear to be consistent with the national institutional configurations into which they fit as a whole. The uniform and globalising character of the UNGC has not erased national differences, which are indeed present in the local UNGC networks, and has not entailed homogenisation of the UNGC at national level. This observation is reminiscent of the idea that the globalisation of goods and capital has not for all that led to the disappearance of nations and national specificities. From a theoretical point of view, it merges with one of the founding ideas of regulation theory, the diversity of national trajectories in time and space. From an empirical point of view, it corroborates the findings of other studies showing that the development and institutionalisation of CSR vary substantially in developed countries, whether they are geographically distant, as in the case of the United States and France (Avetisyan & Ferrary, 2013), or on the same continent (Midttun et al., 2007; Maon et al., 2017).

### ***Limitations and future research***

The empirical approach set out here, which rests on a textual analysis of the UNGC local networks' websites of six countries, is necessarily constrained by its qualitative character. It is all the more constrained because the sample of countries studied is comparatively small compared to the 67 networks that are identified as "active" by the United Nations Global Compact (2019). Even so, it provides an interesting amount of information, especially as to the diversity of local configurations that make the initial vision of Matten and Moon (2008) more complex but also call to be consolidated by a broadening of this analysis to other countries.

Furthermore, the framework of analysis proposed could be enhanced by allowing

for interactions between the macro level of worldwide CSR initiatives (that of the UNGC), the meso level (that of the networks that disseminate these principles), and the more micro level (that of the decision-makers and other members within the organisations adopting them). One might in particular question the way in which organisations – whether commercial companies, public organisations, or non-profit associations – articulate the various logics of action supported by the UNGC. That would put into perspective our analysis of the hybridisation of the global CSR initiatives and the neo-institutional work on “hybrid organisations” that are pervaded by several contradictory forms of logic (Besharov & Smith, 2014; Ometto et al., 2018). This is how Besharov and Smith (2014) categorise organisations in terms of their logic compatibility and logic centrality, explaining the ways in which organisational field and individual factors influence these two dimensions. For their part, Ometto et al. (2018) promote the role of “herding spaces” that connect an organisation’s members to its organisational context. Integrating that work into our analysis would require transversal comparative studies among organisations belonging to different UNGC local networks or longitudinal case studies to test the hypothesis of the emergence, within organisations, of herding spaces promoting the anchoring of the UNGC. On a more theoretical level, this macro-meso-micro perspective will contribute to a better integration of ethical considerations, dealing with the evaluation of conflicting moral norms, into regulation theory (see Seidel, 2005).

Lastly, despite the global nature of the UNGC, which aims primarily to disseminate universal principles around the management and consideration of SD issues, our findings show a diversity of logics adopted by its local networks that seek to adapt to the institutional specificities (including those of CSR) within the models of capitalism of the countries in which they operate. Such adaptation could certainly favour the legitimisation of international CSR initiatives and facilitate their deployment nationwide. However, this logic of adaptation might, in our view, weaken international CSR in world governance concerning crucial issues such as those related to the fight against global warming and the protection of human rights. For this purpose, we think that it is worth further examining the question of the role of global CSR initiatives in the governance of SD challenges in the context of future research.

### **Conflicts of Interest**

The authors declare no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

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