

Corporate Social Bullshit?

- or an investment for the future?

Abstract

The investments and establishments of Swedish companies are constantly increasing in South Africa. The economy in the country is growing, simultaneously the society has to deal with many problems such as unemployment, criminality and that a large portion of the population is infected with HIV/Aids. The interest for Corporate Social Responsibility (CSR) has in the recent years increased. What do the Swedish companies in South Africa think about CSR? Do they think they have a responsibility for the local community where they work? Why do they have a responsibility? And what do they actually do? These are some of the questions we wanted to find the answers to in this study. We visited Swedish Match, ABB, SKF and Saab around Johannesburg and discussed these issues with them. Furthermore we met with African Institute of Corporate Citizenship (AICC), which is a South African NGO working with CSR related issues. The reasons for why the companies choose to come to South Africa are many. Among other things the market has a strong potential to grow bigger, the population is used to changes, it is the most developed country in Africa, the industries where Sweden is well renowned are also well developed in South Africa and the salaries are relatively low.

Projects that the companies are involved in are mostly HIV/Aids projects and various education programmes. Swedish Match differs somewhat from the others because of the progressive legislation against marketing of tobacco products in South Africa, which prevent them from promoting their name. Therefore the company focuses on social projects for their employees instead of projects in the local community. Swedish Match has for example its own clinic with a nurse working full time. All companies except Saab mention that they are involved in the HIV/Aids project called Swedish Work HIV/Aids Programme (SWHAP), which runs for three years and is financed by International Council of Swedish Industry (NIR), Sida, the Swedish union Metall and other Swedish companies. Both Swedish Match and ABB offer Adult Basic Education Training for their illiterate employees. Saab has externally education projects that aim to increase the education level in South Africa. Saab and ABB emphasize the importance to financially sponsor universities with a technical alignment, since South Africa is lacking people with technical skills. SKF also cooperates with schools and universities in order to make young blacks and children continue studying also on the higher levels, in a project called 'Investing for people'. None of the companies felt strongly about the idea of more legislation concerning CSR. The consequence would most likely be higher administration costs, motivation might go lost and not all companies have the same financial prerequisites to work with CSR.

One reason why companies work with CSR is that it means good PR for the company. But it is also an investment for the future. Therefore, ABB uses the locution Corporate Social Investment (CSI) instead of CSR. Good health care for the employees means less sick leaves and more training increases the productivity. In a longer run, projects for higher education and HIV/Aids are investments that assure the companies an employable labour force in the future. Additionally, by investing in the country the economy will grow and this is refunded to the companies when the purchasing power increases. There is a gap between the needs in the society and what the government manages to do. This gap needs to be filled by the companies. All the people we talked to agreed on this and for them CSR/CSI is a matter-of-course. Therefore, we consider their work to be sustainable, not only another marketing tool.