The Paradox of Corporate Social Responsibility in Africa: Case of French Multinational Corporations

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Abstract

In the context of globalisation Africa requires investment by multinational corporations (MNCs) to improve its competitiveness and to facilitate micro-level structural changes required for alleviating poverty and reducing its riskiness for investment. Economic theory recognises that MNCs can contribute to economic growth in developing countries through generating positive externalities. However, the extent to which Africa benefits from spill-over effects of MNCs remains to be empirically investigated. While some multinational corporations that operate in Africa take the corporate social responsibility (CSR) policies seriously, on the other hand there had been several complaints in many African countries on how these French multinational corporations conduct business within the continent. Thus, this paper intends to analyse the various paradoxes that are surrounding the activities of French multinational companies operating in Africa.

Keywords: corporate social responsibility, MNC, paradox, under development, exploitation, conflicts, corruption and environmental degradation

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Introduction

Contemporary exigencies due to the end of the Cold War, globalization, the information technology revolution and the bifurcation of world politics have all necessitated the reevaluation of the business-society relationship and facilitated the emergence of innovative business social responsibility practices. The re-invigoration of the idea that business has social responsibility that goes beyond profit making to include helping to solve social and environmental problems otherwise known as corporate social responsibility (CSR), has provided fertile ground for the debate that has shaped the present direction now assumed by business-society relationships. Critics have argued that CSR is a distraction for business in meeting its primary goal of profit making, and an inefficient means of allocating scarce resources, and that business lacks the legitimacy and competency to take on any such responsibility outside its primary area of expertise. In contrast, proponents of CSR have responded that the monumental increase in business power, the widespread incidence of corporate misdemeanours, issues of ethics and the increasing inability of governments to meet their basic responsibility to society, as well as regulate business activities, have meant that the acceptance of social responsibility by business has been both inevitable and necessary (Moon: 2001; 385-408).

While this debate is far from resolved, emphasis has since shifted from whether corporations should imbibe the principles of CSR, to the extent to which CSR principles can influence corporate decisions and practices and how business can best address its social responsibilities. However, it has been noticed that while some multinational corporations are
making an effort to involve stakeholders in their activities, others are using the CSR initiative to present an acceptable image to the general public while they remain wolves in sheep skin. This attitude is what this paper has termed the paradox of corporate social responsibility. The paper opts to lay this paradox bare using the activities of some French MNCs as cases to justify its stand.

At the dawn of the 21st century, characterized by economic globalization, states and organizations have tried to adapt to new tendencies to understand the stakes of the challenges. The movement of corporate social responsibility (CSR) is one of these phenomena that call to order companies, NGOs and trade unions. In a post-fordist context where the modes of regulation have to go beyond national framework, challenges are as well global and the question of social and ecological inequalities in the world constitutes one of the bases of reflection. It is against this backdrop that this paper is destined to understand the implication of French multinational corporations in the corporate social responsibility agenda in Africa. The study leans on an investigation carried towards the representatives of some NGOs – that are concerned with the actions and activities of MNCs. In addition to profit maximization which is the underlying objective of all MNCs, French MNCs equally have as mission to act as promoters of Francafrique.

For more than a century, France was a great colonial state whose economic development depended on the exploitation of raw materials and natural wealth that it procured cheaply in the territories under her domination (agricultural produce, forestry products, oil, minerals etc). The end of the colonial empire in the 1960s did not stop her from
conserving a privileged position particularly in Africa by relying on cultural networks, military presence, control over the monetary zone (franc CFA) and by maintaining cordial relations with local political actors who were equally put in place by France and ready to satisfy the greedy and egoistic interests of the former colonial power.

What was later referred to as Francafrique is an expression that mingled with political, economic and commercial interests associated with personal interests that were guided by corruption, nepotism, and maladministration (Verchave:1998). Francafrique designed a nebulus of economic, political and military actors in France and Africa, organized in networks or lobbies polarized on the buying up of two incomes: raw materials and Aid. The logic of this draining is to ban initiatives which are out of the circles of the initiated. This self-degrading system which recycled itself in criminalization and naturally hostile to democracy was promoted by French multinational companies operating in Africa.

The peculiarity of this system was the overlapping relations between the Government of Elysee and Africa on the one hand, and the mangers/directors of French companies implanted in Africa at the end of the decolonization process. The legitimacy of this policy and these practices that all Elysee Governments have supported since 1960 was presented by the necessity to ensure a constant source of energy supply (oil and uranium, etc) in order for France to be energy independent. In effect, given that France no longer possessed neither coal, oil nor gas in her soil, France was forced to engage in an energy bargain that has been a constant but distracted search for the supply of oil through her companies such as Total, Areva and Cogema that have free access to the petroleum and mineral resources in her former colonies in Africa.
French MNCs have been the principal agents and beneficiaries of the exploitation of resources in Africa. Agents in the sense that they have always played a decisive role in the putting in place and maintaining some African leaders in power; as beneficiaries because they have contributed in plundering the resources of many African countries and they are involved in the practice associated to mal-development. The latter does not only involve a social dimension but it is also accompanied by given environmental consequences that equally constitute one of the characteristics of inequality between the North and the South. Deforestation, desertification, impingement on biodiversity, importation of toxic waste, and urban pollution can attest to this mal-development.

Among French companies present in Africa, we have Total, Bouygues et Vinci (construction), la compagnie francaise de l’Afrique de l’Ouest (CFAO), Pinault-printemps Redonte (PPR) in (distribution), Rougier (forestry), Veolia and Suez (water distribution), Accir (hotel), Bolloré (logistic and transport), Air France, Paribas and Societe Generale among others. Submitted to a constant competitive growth from Asian countries (with China taking the lead), French postcolonial capitalism that has lived on proceeds made through the exploitation of Africa’s resource and its narrow links with the political milieu is in its demise. The disengagement is general and new investments are weak: Apart from oil, Africa represents just five percent of FDI from France. Total that realised 30% of its global revenue in Africa, does so out of former French colonies (Nigeria and Angola). Given that French companies have a growing appetite for Africa’s resources, this paper sets out to outline and analyse the activities of some French companies in Africa that have help to maintain Africa under the hinges of underdevelopment yet preaching good corporate social responsibility. Our case studies include
Total, Areva, Suez, Rougier and Bollore which are present in the oil, mining, water distribution, timber and agribusiness exploitation sectors respectively. We will use these case studies to demonstrate the paradox of CSR by French companies in Africa. To this effect, the paper is partitioned as follows: part one deals with the theoretical paradigms associated with CSR. Section two analyses the behavior and commitment of French MNCs in Africa while part three looks at the implementation CSR by French companies. The last section seeks a way forward to the implication of French companies in CSR in Africa.

Theoretical Interpretations of CSR

A general internet inquiry of the term corporate social responsibility provides 104 million results, while the same query in Google Scholar delivers one million and a half entries. The highly debated concept of CSR got popularised in the business and management literature in the 1950s. Although its embryonic form dates back to the Industrial Revolution (Archie: 2009; 19-46) CSR activities emerged in the USA in the 1920s in the context of a labour defeat from corporate executives, who favoured minimal government regulation( Marens: 2012; 59-84). While its home base is in the States, the neoliberal revolution has provided a fertile ground for CSR spreading in Europe and other parts of the world( Matten & Moon: 2008; 404-428).

As Moon (2004) has pointed out, CSR is a difficult concept to pin down. It overlaps with other such concepts as corporate citizenship, sustainable business, environmental responsibility, the triple bottom line; social and environmental accountability; business ethics and corporate accountability. It is highly contextual not only in terms of its corporate environment but also in terms of its national environment. Moreover, CSR is an essentially
contested concept. Thus any definition will necessarily be challenged by those who wish to contest the reach and application of any version of CSR.

Within the literature there exists three discernible ‘schools’ of thought and practice about corporate social responsibility. These schools may be characterised as the neoliberal, neo-Keynesian, and radical political economy approaches. In defining CSR, neoliberal writers tend to see it fundamentally as the adoption of a set of voluntary policies, codes or guidelines, initiated and driven by the corporation. For example, the Australian Treasury, in a submission to the Joint Parliamentary Inquiry on CSR, defined CSR as ‘a company’s management of the economic, social and environmental impacts of its activities’ (Australian Government: 2006).

The neoliberal discourse around CSR generally shares the view articulated by Milton Friedman in the New York Times on September 13, 1970: “... there is one and only one social responsibility of business-to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud” (New York Times: 1970).

Much of the discourse about CSR in business and management publications shares this assumption. For example, the neoliberal journalist Albrechtsen writing in an Opinion piece for the Australian newspaper wrote:

The fundamental flaw with corporate social responsibility, and why it is a backward step, is the underlying premise that capitalism and companies have something to be embarrassed about, that they must justify their existence by going in search of some higher moral purpose. ...This shame-faced capitalism is an unfortunate development. The idea pushed by advocates that the pursuit of private profit is inconsistent with public good does not stack up. ... How quickly we forget that Adam Smith knew a thing or two about human nature ... Smith pointed out that “it is not from the benevolence of the butcher, the brewer or the baker that we expect our dinner, but from their regard to their own self-interest” (Albrechtsen: 2006).
However, while this perspective leads some neoliberal commentators to the view that CSR is basically an unreasonable intrusion into and restriction on business’ primary purpose, most neoliberal adherents who engage in CSR discourse take the view that, while Friedman was basically correct, the adoption of CSR policies by companies can be rational and profitable in the long run. Furthermore, even if doubt exists about the positive role of CSR in profit-making, it can be seen as an important insurance strategy to minimise risks from negative government intervention, adverse media coverage and consumer or stockholder backlash to corporate behaviour. However, even here, the neoliberal assumption is that CSR is a minor component of corporate strategy at best.

Neo-Keynesian approaches tend to utilise a wider definition that more clearly recognises the active role of the corporation’s ‘stakeholders’, and perhaps also the state, in the definition of what is corporate social responsibility. Again, however, CSR is generally defined as an approach adopted voluntarily by corporations and without external regulation by either stakeholders or the state. For example, the European Union’s (EU) Green Paper Promoting a European framework for Corporate Social Responsibility (2001) described corporate social responsibility as concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis’. The Certified General Accountants’ Association of Canada paper, Measuring Up: A Study on Corporate Sustainability Reporting in Canada (2005) describes CSR as ‘a company’s commitment to operating in an economically, socially, and environmentally sustainable manner, while recognising the interests of its stakeholders, including investors, customers,
employees, business partners, local communities, the environment, and society at large’ (Association of Canada: 2005).

Neo-Keynesian discourse around CSR differs from the neoliberal perspective in several important ways. Firstly, there is recognition that corporate behaviour can at times have negative impacts whether through market failure, corporate lack of awareness or deliberate strategy. These concerns are reflected in neo-Keynesian CSR discourse around the impact of corporations’ environmental policies, workplace practices and the social and economic consequences of corporate activities. Consequently neo-Keynesian analyses focus on quite different reasons for the development of CSR strategies including avoiding problems caused by unfettered corporate behaviours, ensuring environmental and social sustainability and achieving other desirable social and economic goals. Furthermore, neo-Keynesian analyses and discussions of CSR are frequently more inclined to entertain the idea of a positive role for the state in the development and regulation of CSR practice.

Radical political economy approaches take a far more critical stance around CSR on several issues. All ‘schools’ of thought in these debates of course possess normative views about the role of business in general and corporations in particular in society. However, radical political economy analyses more openly articulate a very different set of assumptions about the existence and abuse of corporate power in global, national and local economies. Global corporations are seen as possessing enormous power which is often wielded ruthlessly in their own self-interest and frequently at the expense of society and the environment. Advocates of voluntary CSR are perceived as lacking a critical political economy analysis and therefore fail to fully understand and incorporate a realistic view of the power structures that exist in society.
and its economic environment. Hence many of the policies and practices that have been developed to promote CSR are viewed as naïve, ineffectual and inadequate. Furthermore, radical political analysts not only are sceptical about the effectiveness of CSR programs but are also concerned that self-regulatory and voluntary CSR policies are frequently deliberately designed by corporations to deflect attention away from external regulation and control of corporate behavior and power and to disguise and legitimate other activities that are socially and environmentally destructive.

Many activist groups, and others who adopt a radical critique of CSR approaches, openly reject voluntary CSR and advocate an alternative strategy that is generally described as ‘corporate accountability’. For example, in its submission to the Australian Joint Parliamentary Inquiry on CSR, The Public Interest Advocacy Centre (PIAC) uses the term ‘corporate accountability’ to mean ‘holding corporations accountable and responsible for the social and environment impacts of their decisions and practices. This includes the impacts, both direct and indirect, on human rights, labour rights, the broader community and the environment (Australian Government: 2006).

Having looked the various opinions held by the different schools, this paper subscribes to the radical political economy school to demonstrate that though many French multinational corporations considered themselves as good corporate citizens the facts and evidences on the ground prove the contrary. To support its argument, the paper focuses on the corporate social irresponsible behaviours of some French MNCs in Africa.

**Implication of French MNCs in CSR in Africa**
In the economic milieu, the interest of French MNCs for the CSR agenda is manifested at two levels: level of national chambers and the level of individual firms. A good proportion of big French MNCs respect the rules and regulation put in place by the European Union and other international organization when it comes to promoting CSR initiative such as CSR Europe and the UN Global Pact. CSR occupies a great deal of their communication unit and an immense effort is made towards presenting themselves as responsible enterprises and are proud of their merit when it comes to sustainable development. Beyond social and environmental reports, TV adverts and internet ads, the particular attention of CSR initiative put in place in social and environmental issues by French MNCs is very glaring. However, there is a considerable distance between the rhetoric and reality by these companies, the pragmatic principles demonstrated on the ground by these companies and poor practices of these MNCs in developing countries general and Sub Saharan Africa in particular. This distance is mostly manifested by French companies operating within the extractive, forestry, agribusiness and water distribution industries in Africa as we are going to discuss below.

For many years, pioneering French companies came together to act in favour of environmental protection in the framework of associations like Oree and “Entreprise pour l’environnement or acting in concert with local communities through the implementation of the Action 21 (Palpacuer: 2006; 45-61). This was the case of the Committee 21 established in 1995 whose purpose was to assist its members (businesses and local authorities) in the implementation of sustainable development and mobilization of the commitments made.
In January 2004, some 15 companies signed the UN Global pact. The then French president, Jacques Chirac, having noticed that this was manifestly insufficient, he invited companies to sign it. A good number of the companies signed the pact but were unable to modify their practices. On the contrary, a number of depositions were proposed and were in the course of been experimented in France (Ibid). Against this backdrop, we are going to examine how French MNCs operating in Africa implemented CSR initiative.

In this section we will present five case studies that are particularly significant to the behavior of French companies in Africa in particular and the developing countries in general. The companies under review in this paper include Areva (uranium production) Total (petroleum sector) companies in the water distribution sector, Bollore (agribusiness) and Rougier (timber exploitation).

**AREVA**

With this company, it is a practice inherited from the colonial past of France, the exploitation of raw materials and natural resources from her ex-colonies that is strongly questioned (Najim, et al: 2003). In 1957, the mining office of oversees France known as le Bureau Minier de la France d’outre-mer found the first traces of uranium in Niger and the Commissariat à l'Energie Atomique put up a prospecting campaign (Eva & Beccaria: 2004). In the context of the cold war at that time, the exploitation of uranium was classified in the framework of defense agreements given that uranium exploited and sold to other countries could be risky to France, which justified the establishment of an exploitation monopoly of the resource.
In 1968, France created la societe des mines de l’Air (SOMAIR) and the first ton of uranium was extracted in 1971 (Najim et al: 2003). Engaged in the production of nuclear energy, France was in need of this uranium to operate its nuclear plants (a ton of uranium gives the energy equivalent of 10,000 tons of oil) (Ibid). In 1969, the exploitation of uranium by AREVA (an affiliate of COGEMA, the French organization which manages the nuclear industry), was done in return for economic aid to Niger's development. In 1974, Niger called for a revaluation of the purchasing price. France refused and staged a military coup which established a military regime, whose hierarchy favorable to France, was trained and supervised by the French army. Niger was bound to accept the financial condition dictated by Paris and AREVA. The former colonial master accepted to increase its official development assistance provided Niger invested these resources in agricultural development programmes. But this required investments that forced the Nigerien regime to borrow from banks, including the World Bank. This eventually helped increase foreign debt (estimated at $ 1.71 billion in 2004) (Ibid). As for food sovereignty, Nigerien NGOs believed that it was difficult for the country to attain food security as far as this neocolonial policy remained in place.

Then, the damage of uranium in the health of the population started manifesting: water pollution, exposure of workers to radiations, appearance of social problems. The mines of Arlit, an open pit and Ahoham underground, are located in a desert zone of the North inhabited by Tuaregs. The development of mining activities, the construction of lodging infrastructures and the care provided to miners who received high salaries comparatively to the revenue of the local population, attracted new inhabitants in search of employment or simply escaping the poverty (misery) accentuated by increasing desertification in the zone. Tension between
communities, the growth of inactive or unemployed youths, and the advent of prostitution of young girls attracted by the wages of the miners has caused tensions that grow by the day (Chamaret: 2007).

The miners created a strong trade union known as National Union of Mine Workers, Syntramin (syndicat national de travailleurs des mines). Their demands centred principally on wage conditions. They believed that with an increase in the price of uranium, the companies had to make an effort by increasing the salaries of miners as it was the case in the 1980s when their salaries were reduced due to a decrease in the price of uranium. The syndicates acknowledged that the companies had invested much in work safety and that the results were satisfactory. However, as a result of the works of French experts transmitted by NGOs such as Sherpa, the sanitary impacts of mining activities became an essential preoccupation of the population. The harmful effects of uranium were highlighted on the health of the local population: two French NGOs noted that water is polluted due to radioactivity, protection standards were not respected and workers were exposed to radiations and radioactive gases that were spilled all over (Ibid).

On her part, AREVA took measures whose results were declared “conform to the norms” or barely superior to them, but it was reported that AREVA refused all counter expertise”. The radio-protection material was insufficient and always out-dated. The two hospitals of the town constructed and managed indirectly by the company did not recognize occupational diseases caused by uranium whereas the development of cancers, respiratory illnesses, and a number of obese children as a result of radioactivity were glaring.
Measurements in the streets demonstrated that the ratio of radioactivity was ten times than the norms prescribed by the UN. All materials used by the local population were contaminated (Verschave; 1998).

In May 2006, the first street demonstration was organized in the history of mining in Niger. Between 8000 and 10,000 people in Arlit demanded the control of uranium by Niger. In July 2007, the Nigerien Government withdrew the monopoly of exploitation from AREVA and equally increased the price of a kilogramme of uranium paid by AREVA from 42 euro to 61 euro till December 2007, before fixing a new price. However, this price was by far below the market price of uranium which stood at 192 euro per kilogramme (Chamaret; 2007). In other words, Niger had issued 29 prospection contracts of uranium deposit to nine foreign companies. By July 2007, consecutive tensions between France and Niger resulted to the expulsion of the local director of AREVA, Dominique Pin, accused of sponsoring the Touarag rebels. This decision made AREVA, the jewel of Francafrique, the symbol of the end of an era, in a country that gained independence since 1960, but considered as one of the poorest countries in the world following the classification of UNDP (CRIIRAD; 2005). However, AREVA was not ready to see its image rubbed in the mud and was not ready to lose Niger, given that this country produced more than 4000 tons of uranium in 2006 and represented more than half of the total production of the company. Notwithstanding the traditional demonstration that took place in Niger against the activities of AREVA, there were no manifestations against the activities of this company in France. This image was carefully polished by the management of “AREVA that for example, launched a TV spot across Europe in 2008 to install its new slogan: “AREVA, l’énergie au sens propre”, literally translated in English as AREVA, “pure energy”.
Water Distribution Sector: Saur-Vivendi

Three French companies are globally involved in the distribution of water in former French colonies in Africa. They are Suez, Veolia and Saur, former subsidiary of Bouygues henceforth possessed by Seché (ATTAC France; 2009). These companies have benefitted from the general movement of the privatization of water services in many sub-Saharan African countries provoked by the structural adjustment programmes imposed by the World Bank and the International Monetary Fund. Though the institutional framework about the responsibilities of maintenance and investment is imprecise, the central problem remains that of funding and financing investments.

In 1989, the new military government of Guinea Conakry created a new national water company known as SONEG (Société Nationale des Eaux de Guinée). Private companies were invited to bid for a concession agreement for the operation and management of water services in 17 urban centres. This bid was attributed to a consortium led by two French companies, Saur and Vivendi (transformed to Voelia in 2003), that put in place la Société d’Exploitation des Eaux de Guinée (SEEG). This company was not only charged with the exploitation and management of existing water facilities, but also billing and collection in the 17 urban centres. After a few years, the quality of water was ameliorated, the proportion of consumers with functioning water meters increased from 5 to 98 percent and those who could not settle their bills simply saw their counters disconnected. The price fixed by SEEG increased considerably from 0.12 dollars (about 100 francs CFA) per metre cube in 1989 to 0.83 dollar (about 320 francs CFA) in 1996 (Camara; 2004).
Under the pretext that heavy consumers that were mostly government edifices were not paying their bills, SEEG stopped depositing the amount owed to the government for rents of existing infrastructures. It was against this backdrop that this company saw its turnover reach 3.2 billion dollars in 1996 to the satisfaction of the shareholders of this private company while that same year SONEG, a state-owned company registered a deficit of 4.1 billion dollars. This situation was made possible by the blurred relations between the three principal actors that were the Government, SONEG and SEEG. The government and SONEG did not have any data on the account of the Saur-Vivendi consortium that fixed the price of water to their advantage—making SEEG the most expensive water corporation in Africa. Since then, the situation has not witnessed any amelioration. In Kinda, the capital town of Lower Guinea, situated some 135km from Conakry, the population lacked potable water for a very long time. The pumping station constructed by the Italian cooperation in 1975 was in a dilapidating state. Kania town-dwellers consumed water that was infested with microbes (transmitting agents of typhoid fever). Even in the capital Conakry, many quarters till 2007 did not have potable water. The example of Guinea-Conakry is not unique.

In Cote d’Ivoire, the French company, Saur obtained a concession for the distribution of water in Abidjan in 1959, a year before this country gained independence from France. Since September 27, 1960, la Société de Distribution d’Eau de Cote d’Ivoire (SODECI) replaced the parent company, Saur that remained the main shareholder. Confined in the capital, Abidjan and its environs, SODECI witnessed a boom in 1973, following the national hydraulic programme that was put in place by the Government. A concession contract of twenty years linked this company and the state. It was renewed in 1987 and was supposed to end in 2007 the failure of
Laurent Gbagbo to renew this contract cost his position as president and equally plunged the entire country into a civil war. According to the Ivorian newspaper, Le Soir Info of 17 August 2007 which was a pro government newspaper declared that, “SODECI is offering to Cote d’Ivoire modern water services capable of meeting the demands of the growing population. It has equally africanised the management of the company” (Le Temps; 2007). However, the reality on the ground seemed to be different. The Ivorian press made echoes of the number of complaints by the population against the difficulties of water supply.

This seems to be the case in many sub-Saharan African countries. Be it Niger, Chad, Senegal or Cameroon, where the management of water services as well as other social services is confided to foreign multinational corporations which are more preoccupied with profit making than satisfying the demands of the local populations. In Niger, the access of the population to potable water was more difficult due to high cost witnessed since the takeover of water management by Vivendi International. The report was the same in Chad, where the population was obliged to fall back to boreholes and wells as a source of potable water even in the capital N’djamena. In Senegal and Cameroon, the situations are not different. In Cameroon, for example, the population of cities like Yaoundé and Douala go for days and weeks without water simply because the company distributing water prefers giving water that is constantly in short supply, to brewing companies at the expense of the local population.

Against this background, Boubacar Diop, member of the National council of African NGOs, known in French as Conseil national des ONGs Africains pour le developpement (CONGAD) recommended the continuous fight to constrain African leaders to abandon the
policy of privatizing state enterprises which is en vogue in many sub-Saharan African countries. He believes that water as well as electricity are instruments of national sovereignty (Soir Infi; 2007).

**Total**

Total, is the only French company in the petroleum sector since the merger of TotalFina and ELF in 2000 that displayed the will of being an enterprise that is socially responsible. It adhered to the universal Declaration of human rights, principal convention of the International labour Organisation (ILO), the guiding principles of the Organisation for Economic Cooperation and Development (OECD) to the intention of multinational corporation and many other international environment and safety conventions. Total was endowed with a code of conduct and a safety-environment and quality charter. An ethics committee was put in place in 2001 with the principal mission to diffuse the code of conduct to workers. The system of environmental management was put in place with respect to the norms of ISO14001 or the Economic Management Audit Scheme (EMAS). Total joined the extractive industries transparency initiative in 2002 but failed to be part of the campaign “Publish what you pay” (Total; 2012).

Despite these arrangements and commitments, Total was still subject to many criticisms. In matters of security, though all workers are supposed to undergo training, these efforts did not prevent the company from two serious accidents (one in Toulouse and the other in Michigan) leading to the loss of lives—10 in Toulouse and 3 in Michigan (Total; 2011). In issues of health, it is lamenting for a company of this magnitude (with more than 120,000
workers) to have just seven clinics worldwide with 22 nurses. This is insufficient when we look at the number of developing countries in which Total operates. Lastly, in matters of transportation, though Total was not directly involved in the shipwreck of Erika, her responsibility was however implicated (Total; 2012).

Environmental protection has been a serious preoccupation in the company ever since the company understood that her performance in this domain was subject to particular attention on the part of a large public including financial experts. Since 2000, Total has been publishing an annual environment and safety reports, and has created a Safety – Environment Quality Charter (Total; 2012). Observers (notably le Centre Francais d’information sur les enterprises – (CFIE) noted that the ten laws that make up the charter are vague and that generally, the company is preoccupied by the quality of environment in developed countries while it is contented by ensuring those policies tailored to the needs of developing countries are put in place. Since the sinking of the Erika, Total has ensured the prevention of maritime accidents including subjecting the chartering of vessels to more stringent rules and tighter internal control procedures.

In matters of transparency, Total was severely judged by the group of NGOs that runs the “publish what you pay” campaign, as it is ranked 21st out of 24 oil companies noted or evaluated. Total like other oil companies lead a number of sponsorship activities in Africa in domains such as public health, education and support to local communities (medical infrastructure, schools, sanitation campaigns in villages, etc) and created partnership networks with local association in many countries to protect nature and biodiversity. However, the
company remains on the fire of criticism on matters related to atmospheric emissions. In sub-Saharan African countries where environmental legislations are weak (notably CO2 and SO2) and its relation with local communities is object of severe criticism: royalties that benefit top ranking government officials instead of giving to the local populations and tacit support to dictatorial regimes in Africa.

These are the two aspects that placed the company in a tied corner in 1999, following a parliamentary investigation conducted by the commission of foreign affairs at the French National Assembly on the role of oil companies. In its report, the Committee pointed out that it was unable to obtain all the information it would have desired, especially on hot issues of Total’s activities in Burma and Elf in Congo - Brazzaville and Chad (Loik; 2001). By retracing the background of the narrow or tight relations between the state and oil companies the report laid emphasis on the drifts generated by this system: opaque decision making system, kickbacks, rebates and commissions to political parties and individuals, influence of companies on the French foreign policy, financing of armed groups, corruption networks, etc.

As guarantor of petroleum procurement safety, the French Government has since the end of the Second World War knotted a particular relation with French petroleum companies established on the confusion of the general interest and their particular interest. In his book Affaire ELF, affaire d’État, Loik Le Floch–Prigent, former CEO of ELF sentenced for embezzlement, wrote:

ELF is not just an oil company, it is a parallel diplomacy intended to have control over a number of African states, especially during the key moments of decolonization. It is equally an extension of the state so that her policy on Africa should suit the interest of
the country. Let us say that the CEO of ELF is at the same time the board chair (CEO) of an oil company and minister (bis) of cooperation. And right because this company had a political and diplomatic agenda in Africa that made her finance /sponsor secret services (Loik; 2001).

Even if the opacity of the relation between Total and the state tend to be undermined by the intervention of the court that was termed by the media as “Affaire ELF”, Total still behaved as an invulnerable company benefitting from an uncontested legitimacy due to its status as the guarantor of oil supplies and delivery to France. As a matter of fact, a vigorous campaign was carried out against ELF and its role in “Francafrique”. In reaction, the company attacked the NGOs and took them to court not because of the accusation labeled against the company, but for misusing its corporate logo (Joly & Beccaria; 2004).

Militants of the centre d’étude et d’initiative de solidarité international (CEDETIM) and the leader of the Green Party, Noel Mamere had symbolically bought shares at ELF that permitted them take part in the general assembly of shareholders where they were booed, yet succeeded to express worries about the practice of the company. This campaign brought together NGOs and ELF trade unions.

In the 5th edition of its corporate report of 2006 on society and environment, “Sharing our energy” (Total; 2012), the chair of the Board of directors, Thierry Demarest declared that, “Total can use the result already obtained and the ameliorations in process in the different domains covered by its corporate social responsibility” (Ibid). In the course of perusing the 92 page document, we saw a list of corporate issue sponsored by the company in favour of the environment and local populations. Citing Angola for example, where Total has been exploiting the oil fields of Dalia since 2006, with a prospective production of 240000 barrels per day, Total
was involved in community development in consultation with the government and local institutions. In collaboration with Angolan NGOs such as Agrisud and Okutiuka, Total sponsored agricultural projects in the vicinities of Luanda and in some national reconstruction zones. However, the report did not mention the reason for such reconstructions. This is due to the long civil war between the Popular Movement for the Liberation of Angola (MPLA) and the Union for the Total Independence of Angola (UNITA) that has ravaged the country since independence in 1975 and the death of the UNITA leader Jonas Savimbi in February 2002, orchestrating the death of some 1.5 million Angolans (Capron; 2004).

During this period, ELF sponsored the two camps as it did in Congo – Brazzaville in 1996. The staunch man of Loik Le Floche-Prigent, Alfred Sirven offered 20 million US dollars to the UNITA of Jonas Savimbi during the 1992 elections. The kickbacks paid by ELF to the belligerents permitted them to buy arms that destroyed the country that is today under reconstruction (Ryfman; 2007).

**Rougier Activities in the Equatorial Forest**

The two major French companies operating in the timber sector in the Equatorial forest are Rougier and Pasquest. In the first half of 2007, Rougier announced a total net profit of 7.9 million Euros representing 131% in relation to the first semester of 2006 (Awang; 2012). In its report, the company signaled the operation of a new mill site at Merang in Gabon that came to add to its implantation in Congo Brazzaville and Cameroon (Labrousse & Vershave; 2002). On her part the Pasquet Holding announced a net profit of 535,000 Euros for 2005 for a turnover of 2,138 million Euros.
The forest of the Congo Basin exclusively belongs to states that are implementing a system of concessions to exploit their natural resources. This scheme was directly inherited at the beginning of the 20th century when colonial powers exploited the vast massive of the African forest by granting operating rights to private companies from the metropoles. Till the 1990s, the attribution of forest exploitation permits was done through mutual agreements following well-established clientele logic. During this period territorial taxes were very low or non-existent. We should not forget that a large number of exploitation rights were allocated during the period of conflict that prevailed in the region in exchange for weapons to various belligerents.

Due to pressure from environmental advocacy organisations, the international financial institutions have put in place a number of reforms. The Forest Code imposed by the World Bank in 2002, stipulates that 40% of the forestry tax should be redistributed to local authorities for the realization of basic infrastructure of community interest. It should be recalled that the countries of Central African Sub region are refusing to ratify Convention 169 of the ILO, that affirms that property and possession right on land that is traditionally occupied should be attributed to the indigenous people concerned. It is therefore not surprising that the proceeds from this tax known as annual forestry tax do not profit the local populations concerned. Besides, it is open secret that many of the companies operating in this sector are always looking for means to swindle these taxes through transfer pricing. A list from the Ministry of Finance in the Democratic Republic of Congo, dated 2005, reveals that 45% of forest taxes for the previous years were not paid by timber companies. The example of Yokadouma, a town in the East
Region of Cameroon, near the borders with the Central African Republic is very explicit (Awang; 2012).

The annual budget of the Yokadonma Municipal Council is about 1.6 million Euros. Yokadonma is the richest town after Yaoundé, the political capital of Cameroon. Yet, the inhabitants of Yokadonma are still living in squalor. They lack basic infrastructures like roads, electricity and pipe borne water. Misery is still very glaring in this part of the country that produces the highest quality of timber that is exploited and exported by foreign companies.

Cameroon is often cited as the pioneer country as far as progress in forest exploitation is concerned (Karsenty; 2006). Since 1994, the Cameroonian legislation allows local people to exercise their usufruct right over the land they traditionally occupy by asking for the allocation of a community forest. The trees should be felled by hand and in a sustainable manner. Yet, this country plagued by corruption according to the report of Transparency International and the association survie, trees are continuously cut down in defiance of any environmental law and respect for local populations (Ibid).

The same story holds with Moabi, a sacred and nourishing tree for the Baka Pygmies, an indigenous people in the East Region of Cameroon. The oil extracted from the moabi is used as cooking oil and body lotion as well. But the moabi is regenerating poorly since this tree only matures at from 50 years and produces fruits only once every three years. When villagers with a weak retribution compared to the price of timber, dare fell such a tree, they risk a fine or imprisonment. Conversely, timber companies to whom these forests are conceded have no reason to fear because they have the means to dribble the laws in force for such a crime. The
website of Rougier presented a form on moabi indicating that it is a hardwood, red-brown–pink, with a good natural durability and can be used to build stairs and furniture for external coating. The website indicated that this wood is found in Gabon and Cameroon, but fails to talk about the Baka pygmies and the effect of deforestation on these populations. Another big French company that operates in this sector is Pallisco. Present in Cameroon since 1977, Pallisco equally exploits the moabi (Awang; 2012).

French heads of states have made themselves ardent defenders of the forest and they proclaim this by speaking up whenever they find themselves in Africa. For instance in February 5, 2005, President Jacques Chirac, in a speech during the opening ceremony of the 2nd summit of African Heads of states and governments on the conservation of forest ecosystems in Central Africa, was aware of the urgency of the problem: “The protection of the forest cannot wait. It has to lean on concrete realization that will conciliate the conservation of the most remarkable space and sustainable exploitation of timber”. President Nicolas Sarkozy, during his maiden trip to Africa following his election in 2007, visited the Mondah Forest with his host, President Omar Bongo to show the importance he attached to the problem. During a press conference of 27 July 2007, he declared that:

Gabon is an important extraordinary reserve for the planet; Gabon as part of the Congo Basin has the second biggest forest in the world after the Amazonian forest. That represents a potential assumption of greenhouse gas. Gabon alone consumes annually four times the quantity the greenhouse gas produced by France. It is therefore our responsibility to help our Gabonese friends to maintain, sustainably and exploit this forest which is a resource for the entire globe. The most important raw material for Africa in any opinion is the forest. We should not allow this forest to be plundered. We have to keep it (Sarkozy; 2007).
President Nicolas Sarkozy announced that he was proposing to transform 50 million Euros of debt by investing in the Gabonese forest. He went further to add that: “It is my wish that European countries should be more severe with illegal suppliers of timber since I do not want the African forests to be plundered. It has to be respected because it is an essential element for global balance” (Ibid). However the gap between this eloquent rhetoric and the reality is more complex. This paradox of the situation obliged the World Wide Fund for Nature to declare that:

In effect, the volume of timber supplied to France through illegal channels is very important: 47% of timber is illegally exploited in Brazil, 73% in Indonesia, 50% in Cameroon. None of the great basins that produce tropical timber is exempted. These figures are certainly below the actual flow of tropical timber in France (Awang; 2012).

Particularly active in France on the theme of deforestation, Friends of the Earth, France, in 2005 initiated a campaign dubbed “Moabi: tree of life or profit” to educate companies and consumers on forest conservation. In May 2006, it congratulated Saint Maclou that had announced it will no longer commercialise Moabi (Friends of the Earth; 2012). Before then, in March 2002, Friends of the Earth filed a complaint with seven Cameroonian farmers against la Societe de Droit Cameroonians (SFID) and its parent company, La Societe Rougier S.A under Cameroonian law for the destruction of private property belonging to others, forgery, fraud, concealment and corruption of its workers. The objective was to denounce acts of corruption in the Cameroon subsidiary within the context of importing illegal timber. However, this complaint was rejected and thrown out of the court room by the Appeal Court of Paris on February 13, 2004. Other NGOs equally reacted on the question with different methods. This was the case with Greenpeace whose 13 militants in July 4, 2007, climbed on a crane at La
Rochelle-Palliçe to prevent the offloading of timber imported from the Democratic Republic of Congo. On August 29, 2007, Greenpeace asked France, the day after Nicolas Sarkozy visited Mondah forest in Gabon to ask the International Finance Corporation (IFC) to stop sponsoring OLAM International, a Singapore based company that is highly implicated in the illegal trade of timber” (OLAM; 2012). WWF equally carried out a vast campaign in 2006 titled. “I say no to illegal timber” (Friends of the Earth; 2012). It screened the timber that was imported in France to make sure it was certified by the Forest Stewardship Council (FSC).

Rougier equally enhanced the collaboration with local and NGOs on its website:
Memorandum of understanding between wildlife conservation society- Gabon and Rougier - Gabon on May 16, 2003 Memorandum of understanding with WWF-Gaban, logistic support to Cooperation Action san Frontiers (CASF) in Cameroon, etc. All these initiatives are mostly centred on the preservation of the forest and wildlife (Rougier; 2012).

Companies have integrated the aspiration of consumers and try to respond to them by enhancing susceptible action to convince the consumers that the companies are putting everything in place to satisfy their clients. It has been noticed that practices such as corruption are difficult to control on the field because they are not always commensurate to green speeches made by the chief executives officers (CEOs) of these companies. However, they equally have a responsibility to satisfy the huge appetites of their shareholders who, notwithstanding the exigencies on environmental protection are constantly finding out if their money is yielding dividends. Today, eco-certification, as another device of corporate social responsibility (CSR), has become a market with drifts. This is what happened in Cameroon
where Forestry Stewardship Council (FSC) withdrew from a French company, Eurocertifor (an affiliate of Bureau Veritas Quality International /BVQI), the right to deliver its seal of environmental good conduct to timber companies found in Cameroon on February 8, 2005 (Dirk & Moon; 2005). This decision was taken because of the controversy surrounding this award. In December 2005, following the audit carried out by Eurocertifor for the FSC certification to Wijma, a Dutch company, for a permit of 36000 hectares situated in the South West Region of Cameroon. Environmental protection based NGOs (Greenpeace, Friends of the Earth, as well as local NGOs such as centre pour l’environnement et le development) stood up against the award of this environmental good conduct, the first ever delivered in Africa, saying that the company did not meet certain criteria, particularly with regard to the ban on poaching, boundary plots cut or welfare of employees. Their criticisms obliged FSC to conduct an audit in June 2006 that equally concluded that Wijma “did not meet all the requirements demanded by the certification” (Ibid).

Activities of Bollore in Cameroon

The Bolloré Group is currently one of the world’s top 500 companies, with an annual turnover of more than seven billion Euros. Its global expansion has been largely concentrated in Africa, where it now operates in 43 countries. Vincent Bolloré – the 18th wealthiest man in France in 2009 – has built an empire with far more extensive outreach than the former French colonies (Thomas; 2009, 32). He has gained control of not only plantations and public services throughout Africa, but also controls a large portion of the shipping and transport industry and the continent’s ports (historically the group’s main business activity in Africa), and its oil
industry. His control of strategic and lucrative sectors provide him with the financial capital needed to back his stock market dealings and expansionist strategy (Ibid) for the purpose of this study, we are going to dwell on the plantation activities of the Bollore Group in Cameroon.

Through a complex structure of subsidiaries, the Bolloré Group’s Socfin (Société Financière des Caoutchoucs) operates rubber and oil palm plantations in Cameroon, DR Congo, Guinea, Ivory Coast, Liberia, Nigeria, Cambodia, and Indonesia. Socfin claims that it is committed to the principles and criteria of the Roundtable on Sustainable Palm Oil (RSPO). These include transparency, compliance with applicable laws and regulations, responsible consideration of employees, individuals and communities, environmental responsibility, and conservation of natural resources and biodiversity (Sherpa; 2010). Yet the reality on the ground, in Cameroon as in other countries, contradicts this commitment.

In recent years, Socfin and Bolloré Group’s notoriety for wrongdoing around the world has grown. Investment malpractices have been reported from several countries including Cameroon, Cambodia, and Liberia, resulting in discontent among local populations. In December 2010, a group of NGOs (Sherpa, CED, FOCARFE, and MISEREOR) filed a complaint with OECD against a Socfin subsidiary, the Société Camerounaise de Palmeraies (SOCAPALM), which operates five oil palm plantations in Cameroon. The company was accused of negatively impacting the traditional livelihoods of local communities and plantation workers, as well as for water and air pollution (Sherpa et al; 2012).

The expansion of SOCAPALM’s operations has allegedly diminished the size and the availability of public services and natural resources for local communities. Moreover, local
villagers have reported physical abuse by SOCAPALM’s security services, Africa Security. The complainants also allege that SOCAPALM’s treatment of plantation workers constitutes a breach of the OECD guidelines. Precarious work is rampant, and freedom of association is limited. Additionally, the housing facilities are deplorable, and dividends promised to employees, when SOCAPALM was privatized in 2000, were never paid. The complaint also claims that SOCAPALM has breached the guidelines disclosure chapter by failing to properly disclose relevant information about the company and potential environmental risks (Ibid).

The French, Belgian, and Luxembourghian holding companies Bolloré, Financière du champ de Mars, SOCFIN, and Intercultures exert joint control over SOCAPALM’s operations in Cameroon through complex financial investments. The complainants allege that these companies have breached the OECD guidelines as well by failing to take action to prevent SOCAPALM’s negative impact on the environment, local communities, and workers (Ibid).

In 2010, the World Rainforest Movement (WRM) reported that SOCAPALM was expanding its operations without regard for neighboring ecosystems, thus seriously endangering the food security of local populations. WRM warned about the pollution caused by the agrochemical products used on the monoculture plantations and the waste effluents discharged by a factory in Kienké, drastically contaminating the area’s waterways. WRM also reported abominable living and working conditions on the plantations: insalubrious living quarters and shared latrines; lack of regular access to water and electricity; and mostly temporary employment at miserable wages with no social security coverage or adequate protection. (World Rainforest Movement; 2010). This situation led to numerous strikes and
protests. In 2007, when a resistance movement against these labor practices emerged, its leader was immediately arrested, and the authorities let him know that “if he kept it up he was going to get killed” (Ibid).

Bolloré Africa Logistics controls over 13 African ports, including a 20-year concession of the port of Freetown, secured in December 2010 and Conakry in neighboring Guinea, gained in March 2011. This follows an aggressive expansion strategy of the Group, which is seeking to gain a monopoly in this sector. As stated by Bolloré: “we are interested by all African ports.” (Eburnienews; 2011) In Africa, the Group is a leader in stevedoring and runs several national railways in Cameroon, Ivory Coast, Burkina Faso, Angola, Mozambique, Zambia, Malawi, Botswana, South Africa and Madagascar. The Group is a quasi-monopoly for the transport of the Europe-Africa trade (except Southern Africa where it competes with the Danish Maersk Lines) (Ibid).

Through complex financial and institutional set-ups, involving different companies with different names and structures, the Bolloré Group is involved in a number of agricultural investments, which, as in Cameroon, involve a litany of malpractices, dispossession, and loss of livelihoods for thousands of people in Asia and Africa. By expanding its presence in both production and transport, the Bolloré Group is developing a model of integration, one that covers a range of activities geared toward the extraction of natural resources from developing countries, particularly in Africa. The Group is increasingly reaching a situation of monopoly or quasi-monopoly over critical economic sectors. Such a hold on power carries major risks for local populations and governments who are progressively losing control not only over their
production but also trade flows in and out of the country. Disempowering people and governments, such an expansion strategy, clearly contradicts the Group’s stated commitment to sustainable development (SOCFIN; 2012).

Way Forward for CSR by MNCs in Africa

This paper suggests that global firms should spread their standards outside their corporate boundaries, either unwittingly, by setting examples for local competitors, or by evangelism of suppliers and partners. Ironically, then, globalization is accompanied both by a race for lowest production costs and increasing demands for corporate social responsibility. In sum, pressures for global convergence of CSR standards are strong, but the paths by which this process proceeds are neither linear nor smooth.

Corporate social responsibility can also be seen as an attempt by corporations to enhance their legitimacy in the face of critics who bemoan the extent to which the modern corporation seems unconnected to the communities in which it operates, responding only to market pressures and profit seeking. Processes of globalization have made this criticism seem even more persuasive. The economic recession and crisis of trust that followed the speculative boom since 2007 seems to have had a greater effect on the developed economies than on the rapidly developing economies and those countries on the periphery of the global economy. It is clear that the recession has delegitimized much of the financial sector of advanced capitalist nations and, at the same time, raised questions about the adequacy of the regulatory systems of those countries. Moreover, it is not just financial firms that require re-legitimation: in the US, non-financial firms’ profits recovered to record levels within a year after the formal end of the
recession, while their employment rolls remained stagnant or even declined, and large employers engaged in widespread reductions in the “corporate safety net,” cutting health benefits for retirees and retrenching their pension programs for current employees. At a minimum we should expect the search for legitimacy to increase the attempts of corporations to present themselves as socially responsible. In many cases, we expect corporations to increase their commitment to programmes and standards associated with CSR claims.

At first glance it might appear awkward to expect that Multinational Companies (MNCs) meet a goal other than what they are created for; which is to maximise profit. Some have thus spent time justifying why such companies should ever pursue a sustainable development approach. Be that as it may, multinational companies in general and French companies in particular find themselves cornered between the obsolescing bargaining power of the government and the relentless demands of the indigenous community.

It is of paramount importance to note that becoming a global citizen should be a goal advanced by all those engaged in the business of natural resource exploration and exploitation. They should, for instance, abstain from any act of corruption and should be vigilant of environment concerns. The lower standards of safety, health, and general working conditions applied by some companies, notably French, has only increased the bitterness. Certainly, it is justifiable to accuse the companies of being a complicit for the oppression and human right abuse that unfolds in areas like Democratic Republic of Congo, Niger, the Niger Delta and Darfur.
Conclusion

It is the general belief that extractive, forestry, water management and plantation agriculture industries are the vehicles for the alleviation of poverty and general sustainable development of the poorer developing countries or LDCs, especially in Africa. If these sectors are to achieve this feat, then the multinational corporations which are a part of these industries, will need to abide by international labour, environmental and human rights norms and standards, and codes of conduct.

In reality this is not the case, as can be seen from the multiplicity of labour, environmental and human rights abuses and violations committed directly or otherwise by some French multinational corporations in the course of their economic activities. In a continent like Africa with weak regulatory framework and non-implementation of law, corporations are often tempted to adapt to the social and political situation of the surroundings in which they have operations. This for African resource-rich countries means a myriad of social problems, top of which is an invasion of their labour, environmental and human rights. Multinational corporations are not immune to these problems as they also are imminently affected by disgruntled citizens who disrupt their operations, leading to a loss of earnings.

In order to avoid this situation, the international human rights arena cannot rely on only the mostly voluntary codes that apply to MNCs, nor can they hope to make multinational corporations accountable through only legal enforcement mechanisms which have been shown not to be water-tight in enforcing human rights protection of Africans in light of the aforementioned peculiarities of the continent. All stake-holders in economic sector, i.e. host
and home states of MNCs, including the MNCs and the international arena and international institutions, including multilateral agencies all have a part to play.

The question on the effectiveness of the labour, environmental and human rights enforcement mechanisms in Africa has already been partially answered; going forward these mechanisms need to be strengthened to give better effect to their application. Furthermore, other mechanisms such as equator lending principles by multilateral agencies, “naming and shaming” processes, complaint procedures, transparency initiatives, and other voluntary initiatives need to go hand-in-glove with the legal enforcement mechanisms to strengthen pressure against MNCs so that they can adhere to their corporate social responsibility, and thereby make the possibility of economic development in Africa, while yet promoting and protecting the rights of the citizenry.
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