Food supply chains and social change in the Global South
– A case study of a Swedish food retailer

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Abstract

Corporations have used the concept of Corporate Social Responsibility (CSR) for many years. The literature around CSR is viewing it from a very critical perspective, due to its connection to marketing activities from corporations. Despite the attempts to improve the image of a brand, the literature also acknowledges positive effects, like improved work safety measures, from CSR. However, one crucial question to answer is, does the CSR work of corporations contribute to improving the economic and social situation and does it help to create an equal power balance between buyer and supplier? This study looks at the Swedish food retailer Axfood and how it works with CSR in its food supply chain. Due to globalisation and more product variety in stores the food supply chain is getting longer and therefore, it is interesting to understand how Axfood is trying to increase their control over it in order to achieve their own sustainability goals. To analyse the work of Axfood, I used qualitative and quantitative methods. The findings show that Axfood is using an audit system in the supply chain to enforce its code of conduct and to control its suppliers. Despite the positive effects for Axfood, we can find different opinions about this audit system. Therefore this thesis discussed the audit system and its effect on suppliers in the global south. This thesis discovered a power imbalance between the global south supplier and western buyer. One of the main issues is that local voices are not considered when a western corporation sets its sustainability policies which contribute to the above-mentioned power imbalance. A more bottom approach is needed to use the full potential of CSR.

Keywords: Social audits, food retailer, CSR, Postcolonialism, governmentality, Foucault

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Abbreviations

BSCI	Business Social Compliance Initiative
CC	Corporate Citizenship
CR	Corporate Responsibility
CSR	Corporate Social Responsibility
NGO	Non-governmental Organisation
SAI	Social Accountability International
UK	United Kingdom
UNICEF	United Nations International Childrens Emergency Fund
US	United States

1 Introduction

Corporate Social Responsibility (CSR) refers to the ethical demand that corporations are, beyond their function to make a profit, also responsible for acting in a socially and environmentally friendly way. The concept of CSR developed over the past decades due to external pressure to its current stage (Elkington, 1997). The external pressure came from critics who argue that CSR failed to solve global problems like climate change or social injustice (Visser, 2013). Despite the development of CSR, a clear definition of what CSR means is still missing, and each company is defining CSR in a different way (Visser, 2013).

The academic field provides several different discourses which view CSR from different angles. The management-oriented discourse (Hopkins, 2012) sees CSR more from a business perspective and acknowledges its contribution to better image reputation and competitive advantages. Porter and Kramer (Porter & Kramer, 2011) are in line with Hopkins and argue that creating shared value is the core of CSR and that corporations can legitimise their business in this way. There is a critical perspective within the postcolonial discourse (Adanhounme, 2011; Khan & Lund-Thomsen, 2011a; Munshi & Kurian, 2005), which argues that CSR constitutes a form of reproducing the power imbalance between a western corporation and global south supplier.

The reasons why corporations engage in CSR activities are manifold and depends on the specific industry. The retail food industry constantly interacts with customers on a daily basis and therefore, also facing more criticism for misbehaviour like child labour or deforestation in the supply chain. For customers, the food retailer is the contact person between them and the farmer/ producer (Tansey & Worsley, 1995). Reasons for food retailers to engage in CSR activities can vary between safeguarding their reputation, improving product quality or achieving their own sustainability goals (Visser, Matten, Pohl, & Tolhurst, 2010a). Long food supply chains and a great number of suppliers complicate CSR activities and food retailers are thus facing issues like child labour, appalling working conditions, poor wages or long working hours in their supply chain (Visser et al., 2010a). Despite the attempts to solve problems regarding working conditions in developing countries, the media is frequently reporting about incidents in global supply chains (Deutsche Welle, 2018; Zeidler, 2013).

Moreover, in the year 2016, Oxfam published a report (Humbert & Plogstedt, 2016) about problems on farms certified by the Rainforest Alliance. The main issues were intensive use of dangerous pesticides, no union rights, salaries below minimum wage and long working hours. Critics, like the author Naomi Klein (Klein, 2007), are arguing that CSR has failed to solve problems like poverty or inequalities around the world and CSR as a counterpart to capitalism does not work. Capitalism, globalisation and free markets, they argue lead to an unequal system under whom the poor are suffering the most (Klein, 2007). On the other hand, Wayne Visser (Visser, 2013) argues that the Millennium Development Goals report shows that the number of people who live in extreme poverty has fallen. Although he also acknowledges that there are still some challenges like people living in slums or the growing number of people affected by hunger.

This thesis will focus on the Swedish food retailer *Axfood AB* and how it works with economic and social shortcomings in its food supply chain, so-called CSR issues. The problem this thesis tries to analyse is if these CSR measures are helping to solve global social and economic inequalities in the global south. In a neo-liberal globalised world, free trade is not always benefiting everyone in the supply chain. Therefore CSR is becoming more important to help make supply chains more justice. But is CSR working as a counterpart to capitalism, or is there a need for further adjustments within the CSR strategies of corporations?

1.1   The objective of the study

The objective of this study is to identify the different tools Axfood uses in their CSR work to improve economic and social shortcomings along their supply chain. An important aspect was to understand how Axfood is working daily with its suppliers and how they select the specific suppliers who are contracted to supply food products to Axfood. Therefore, I wanted to understand what stages a supplier has to pass in order to be able to be contracted by Axfood and what challenges it is facing.

Question 1: How does Axfood try to implement their CSR policy throughout its supply chain?

From my main research question, I broke down two sub-questions to help me critical discuss my findings.

Sub-question 1: Do the CSR policies create a power imbalance between Axfood and the supplier in the Global South?

Sub questions 2: Is CSR improving the economic and social situation of Global South suppliers and workers?

1.2   Thesis Outline

The structure of my thesis will first give the reader an overview of the background about what a corporation is and what responsibilities it has towards society. The subsequent part of the background is focusing on the concept of CSR, how it developed, and it will offer definitions of different terms used in the CSR discourse. The theoretical background will give an overview of the concepts I used to discuss my findings. Theories presented in this part are linked to post-colonial theory and Michele Foucault's view of governmentality. Chapter three will discuss the methodology, and chapter four will present the findings of my research, followed by my discussion. I will end with the conclusion, reflect on my methodology, discuss the limitations of my thesis and also recommend ideas for future research.

2   Background

I start by defining what a corporation and what Corporate Social Responsibility (CSR) is. Firstly, a corporation is "a body formed and authorised by law to act as a single person although constituted by one or more persons and legally endowed with various rights and duties including the capacity of succession" ("Definition of CORPORATION," 2019). In addition to this, the word "corporation" derives from the Latin word "corpus" which means "body" ("The Latin Dictionary," 2019). Secondly, Corporate Social Responsibility is usually defined as "that behaviour of business which seeks to solve social problems in the wider society that would not ordinarily be addressed in the pursuit of profits" (Williams, 2014, p. 5). In other words, CSR can be described as making a profit while additional enhancing life quality for society (Williams, 2014).

In this section, I intend first to explain the primary purpose of corporations and after present the responsibilities of corporations. Secondly, I will talk about the "different forms of language" used in the field of CSR, which can be misleading sometimes. The main problem with the language in CSR is that we find different forms of groups (NGO's, governments, corporations or local communities) in a society which debates around the topic (Visser et al., 2010a, pp. 9–10). The result of this is, for example, that there is no single true definition of CSR and each corporation is using its terms and their vision of CSR ("CSR - Sustainability and CSR," 2019). Thirdly, I will discuss the history of CSR and dig deeper into how CSR developed. In the background of the first section, I will also discuss how corporations became so powerful and how this power contributed to the development of CSR.

2.1   What is the purpose of corporations?

Before the analysis of the purpose of corporations, we shall first talk about one crucial date in the history of corporations. In 1886 S. W. Sanderson, a former judge, and chief legal adviser of the *Southern Pacific Railroad* went to the *Santa Clara County* in California claiming that a corporation has the same rights as a "natural" person and that a state, therefore, cannot discriminate against it with different laws and taxes. He backed his claim up with the fourteenth amendment argument, which much later was used by the civil rights movement to grant similar rights for black people. Although the court did not make a binding rule out of this claim, it was used later as a precedent that a corporation is a "natural person". In the

following years, more court decisions followed, and corporations are nowadays a "natural person" (Hartmann, 2010).

Although 1885 was an important date for corporations, the idea of a corporation started in the Roman Empire. In the beginning, Rome treated cities as a sort of corporation, followed by community organisations later on. Those corporations mostly served the community or religious purposes. The Roman Empire was huge and therefore, difficult to control. The Roman Republic, therefore, offered some tasks to specific firms which were called publicani. This publicani were collecting taxes, building aqueducts or manufacture arms. For the publicani, the benefit was that they were able to pool their resources to bid on contracts. Later on, the publicani were transformed into permanent companies. These companies had several investors, but only a few of them were acting as managers. The largest of these companies were employing thousands of workers all around the Roman Empire. It is not hard to believe that the publicani were very influential in the Roman Empire (Holton, 2013).

The next important time for corporations was during the 1600s. During this time colonialism was booming: Portugal discovered the East Indies on the hunt for spices, and Spain was in the Americas to steal gold and silver. Portugal and Spain used some sort of state system to back up the high costs of such operations, the Dutch and English had; however, a different system in mind. They used private companies to shoulder the expenses and risks of such journeys. Those companies were called in both countries *East India Companies*. Such companies were funded, much like today, with a rollover of the earned capital from one journey to another (Holton, 2013).

At the end of the eighteenth century, the industrial revolution started a process which would change the world dramatically. This caused an increase in production due to the use of machines and the use of new energy sources (Mokyr, 2011). We can point out here Britain's textile industry and the invention of the flying shuttle in 1733. The flying shuttle increased the process of weaving, which led to an increased demand for yarn, which, in turn, led to the mechanisation of the production processes with water power until steam engines were developed. This technological development led to several production improvements like a train system or more efficient factories (Mokyr, 2011). The story of the corporation is often connected to the serving of public purposes, and because of this, the state granted specific rights to corporations, like monopolies. The first years of the *East India Companies* are an excellent example of this. In England, corporations were still favoured by the state, and the legal system and not every person was allowed to create one. The whole process of creating a corporation was highly corrupt and inefficient. When the industrial revolution took place, courts were starting to make more and more arbitrary decisions, and the cry was loud for a new system. The new concept was called "incorporation by registration", and this was the time when the corporation became mainstream and the standard business form. Other countries adopted, like the industrial revolution, this concept from England (Holton, 2013).

However, why do corporations exist and what is their purpose in society? In brief, a corporation is the economic unit of society. It exists to produce goods and provide services, as well as buying labour, which provides financial capital to society. Society is expecting

from corporations to make a profit and to maintain their business. The capitalist economic system is designed so that a corporation must sell goods at a profit and thus gain economic sustainability. Without a profit, a corporation will not be able to survive within the capitalist system (Visser et al., 2010a, pp. 107–108).

In the next part, I will go a bit deeper into the analysis of the responsibilities of a corporation.

2.2 What are the responsibilities of a corporation?

We already talked about the first responsibility, the corporations as the economic unit of society. Apart from making a profit, society demands from corporations to comply with national law. The law can be called the basic "rules of the game". Those rules are the legal framework in which corporations are supposed to act. The role of the law is to ensure that every player (corporation) is following these rules and one can argue that the judges are acting as a kind of referee (Visser et al., 2010a, p. 107).

The next responsibilities are the ethical and philanthropic dimensions. The ethical responsibilities are based on what society is expecting from a corporation in terms of ethical norms and are going beyond the law (Visser et al., 2010a, p. 109). Ethical norms are a set of moral principles which determines what is good and bad ("Definition of ETHIC," 2019). For businesses, ethical norms became more important in the 1960s during the rise of the civil rights movement. Especially the Viet Nam war helped the transnational civil rights movement to take the lead in the ethical discourse (De George, 2015). Ethical norms are not stable, and they develop over time (Visser et al., 2010a, p. 109). They are also different between corporations or industries. Ethical norms, which society expects corporations to follow include, for example, deforestation, child labour, chemical wastes, or lowering greenhouse gas emissions (De George, 2015). There is no law enforcement if a corporation is acting against ethical standards. The only way a society can punish a corporation for not acting in an ethical is financial, by not buying their products (Visser, 2015, pp. 109–110).

2.3 Definitions

As mentioned in the introduction we find many definitions in the literature for CSR, and a quick comparison of different CSR reports shows that corporations use different ethical frameworks and terms for CSR or sustainability (Axfood, 2017) (Walmart, 2017) (Daimler AG, 2017). The next part will describe and analyse different terms in the discourse of CSR.

Corporate Social Responsibility is mostly used when discussing the efforts of corporations to deliberately improve or maintain a specific social and environmental standard. The idea behind this concept is that the main focus of corporations is not anymore only their responsibility towards the owners or shareholders, i.e. to generate profits, but also towards consumers, employees, government, society and the environment (Visser et al., 2010a, p. 106). The concept of Corporate Responsibility (CR) is very similar to CSR, but some authors see CR putting more emphasis on economic aspects ("CSR - Sustainability and CSR," 2019).

Corporate Citizenship (CC) is conceptualising a company as a member of society. The idea is that, for example, in developing countries, human rights are not always pursued by the government and in this sense, corporations have to step up to fill this gap. CC is only referring to the civic engagement of a company and is not focusing on environmental aspects. The term CC has also sometimes been used as a synonym for CSR (Visser et al., 2010a, pp. 85–86).

Sustainable development was first introduced in the *Our Common Future* report of the *United Nations* in 1987 and is referring broadly to "development that meets the needs of the present without compromising the ability of future generations to meet their needs" (Visser, Matten, Pohl, & Tolhurst, 2010b, p. 378). Important for this definition is the three-pillars of sustainable development: economic development, social development and environmental protection. Similar to the three pillars of sustainable development is the triple- bottom line which is referring to the ability of corporations to fulfil economic, social and environmental aspects, maintaining their business practices (Visser et al., 2010b, p. 406).

Sustainability emerged from the concept of sustainable development and is interpreted in a simple way as the ability to survive over a long period. The main topics in sustainability are human development and the environment. Sustainability is not a scientific concept, but normative and evaluative. Companies develop their own plans of how they intend to work with sustainability issues (Visser et al., 2010a, pp. 384–385).

2.4   The history of CSR

The history of CSR can be divided into two parts. Firstly, we will talk about social initiatives before 1950, in America, and secondly, we will talk about the more institutionalised CSR period after 1950. We can start by referring again to the industrial revolution. The increase in production led to several social problems like child labour, poverty and slums (mid-to-late 1800s). During this time, businesses were focusing more on how to make an employee more productive. Similar to the past it is nowadays also not obvious what corporations are doing for economic reasons (to make the workers more productive) and what for social reasons (helping to improve the living standards of workers) (Carroll, 2009). In general, the situation for workers in Europe during this time was appalling. Most workers were without social benefits and wages were low (Engels, 1845). The industrialist *John H. Patterson* was one of the first individuals who tried to improve the working conditions of the workers. The result was the welfare movement which was responsible for the construction of, for example, clinics, lunchrooms and bathhouses (Carroll, 2009).

The next phase can be called the philanthropic phase and was an important part in the development of CSR. In the early stages of philanthropy, people were very sceptical and saw it as activities of "muddying the water" (Carroll, 2008, p. 21) of some individuals (Similar to modern criticism of Green- or Bluewashing). Most of the philanthropy started by individuals, later on, although some corporations also pursued philanthropic activities. These

attempts for philanthropy were although challenged by the legal system. In the first court case in 1883, the *West Cork Railroad Company* wanted to compensate its employees for job losses after the company got dissolved. *Lord Justice Byron* ruled, in this case, that companies should spend their money for business purposes and not for charity. Another court case, however, ruled that the piano manufacturer *Steinway* should buy land to build a church, library and a school to improve working conditions for their employees (Carroll, 2009).

In the upcoming year's corporations started to fund communities and other projects. Especially the "community chest movement", who collected money from businesses for community projects, helped to shape the view of CSR. Businessmen were able to get in contact with social workers and in this way, both were able to learn from each other (Carroll, 2009).

In the late 1800s, the favour to become a corporation was only given to companies who were "socially useful" for the society, this law changed after the civil war and corporations started to dominate the economic system until corporations had the power of governments. Unlimited power accumulation for only a few led to bad working conditions, destroyed the market system and corruption appeared daily. This development led to the collapse of the economic system in the late 1800s, which resulted in higher interest in responsible business activities. The upcoming phase was trusteeship. In short, trusteeship means that managers are responsible for maximising the stockholder's wealth and the claims of other stakeholders like customers or employees. Before this time philanthropy of corporations was seen in a negative light. In the next years, people began to see corporations as an institution which had to fulfil specific tasks for society (Carroll, 2009, p. 24)

In the early 1950s, the concept of CSR began to emerge as a new study field. The emergence of CSR came from the assumption that it is not important how money is spent, it is important how money is made. As an example, we can take *Andrew Carnegie*, who was a very successful businessman until he had second thoughts about what the success was based on. What struck him was the questions about the tensions between economic and social values. To solve this dilemma, he retired from his business and worked in philanthropy. In the history of CSR, we can find a lot of those examples from successful businessmen/ women who had second thoughts about their business practices. The first time a scholar talked about CSR was in 1953 when *Howard Rothman Bowen* published his book *Social Responsibility of the Businessman.* His main concern was to raise awareness that businesses should also respect the values of society and bring them in line with their business values (Williams, 2014, pp. 5–7). This first attempt for CSR was challenged in the 1960s by the environmental movement. In the 1970s CSR got its first widely recognised definition from Archie Carroll, which is known as the CSR pyramid. It consisted of economic, legal, ethical and philanthropic topics. One decade later, quality management was added to the CSR, and the first CSR codes were introduced. In the 1990s, one can argue that CSR got more institutionalised with different standards like ISO 14001 and SA 8000 guidelines. Nowadays, we can find over 100 different codes and standards in CSR (Visser, 2015, pp. 1–2).

In the 2000s, a growing number of NGO's pushed forward the idea of CSR integration into companies. NGO's continued to criticise companies for their civil and environmental engagement and made them invest in CSR. In reaction to this development, companies around

the world created international "roundtables" to discuss environmental problems about main food commodities like palm oil or soy (Porritt, 2012). As an example, I can refer to the *Roundtable on Sustainable Palm Oil* which was established in 2004 and is operating till today ("Transforming markets to make sustainable palm oil the norm," 2019).

The current stage of CSR is sometimes harshly criticised in the academic world. I will cover this criticism in the final discussion part of this thesis. In short, the criticism, which is important for this thesis, is that apart from all CSR activities from corporations problems like climate change or loss in biodiversity are increasing (Visser, 2014, p. 21).

2.5   Business interest in CSR

Apart from the interest in CSR of "doing good", a corporation within the capitalist system strives to make a profit and to maintain its business as good as possible. For the business community in the CSR discourse, the question of how CSR is working practically is more important than the academic refinements of CSR. Because of this development, corporations invented awards for CSR activities. Those awards usually reward corporations who are showing their sincerity in their CSR strategy and for example, integrating CSR within their corporate strategy. This development shows that CSR became a widely used concept, and at the current stage, most big corporations around the world have accepted CSR and internalised it. In Asia, although CSR developed more recently, and companies nowadays put more focus on CSR practices. However, what is the main reasons for corporations to work with CSR? There were two studies from Pricewaterhousecoopers (2002) and one from the Aspen Institute which claimed a number of reasons: Better public reputation, competitive advantages, cost savings greater customer loyalty, increased value, customer demand, easier access to foreign markets, industry trends etc. (Visser et al., 2010a, pp. 109–111).

3 Theoretical Framework

In this chapter, I discuss the theoretical framework I used to analyse how the CSR work of Axfood is affecting suppliers and workers in the global south. I start with an overview of the contributions by other scholars on CSR and continue with Michele Foucault's concept of governmentality. The next part will present a brief history of colonialism and describe what post-colonialism means.

3.1 Literature review

The ability of CSR strategies to fight poverty is heavily discussed in the literature as the articles of (Klein, 2007; Newell & Frynas, 2007; Visser, 2014) suggest. In this section, I will give an overview of the different contributions of scholars towards this topic.

It is important to first understand the difference between business activities and CSR as a tool to fight poverty. According to (Newell & Frynas, 2007) the business activities of corporations are the most important in development work. Therefore, when corporations are engaging in CSR activities they only have a minor effect on poverty reduction. In this context, they quote a senior executive Manager of Monsanto: "One of the conclusions that I have come to is that 99.9 per cent of our impact [among smallholders] is through our business activities. Even if we stopped [the philanthropic programs] we would still be achieving the 99.9 per cent" (Newell & Frynas, 2007, p. 671). What Newell and Frynas want to say is that corporations should focus more on doing good within their business activities then using CSR as a counterpart to their wrongdoing.

Like Newell and Frynas, Wayne Visser (Visser, 2014) also criticises CSR as a tool for poverty reduction. In his view, CSR so far has failed to solve global problems like inequality or poverty. Corporations have failed to be "good" corporate citizens and that CSR programs are only about being less bad than others. Although some scholars (Vallentin, 2015) are arguing that government regulations are needed to solve global inequalities, Visser believes that CSR has a role to play and that only a combination of both, CSR and government regulations, can solve global inequalities (Visser, 2014).

Despite the critics of CSR, there are also scholars who acknowledge the benefits of CSR policies. (Newell & Frynas, 2007) are arguing that for example, philanthropic activities are playing an important role in some regions where the government has failed to build for example schools or hospitals. According to Newell and Frynas corporations who are engaging in philanthropic activities are acting as a sort of government by investing in infrastructure. As an example, they point out the case of Nigeria where the government has failed to build roads, hospitals or schools in some areas. The Oil companies, who make business in those areas, had to take over these responsibilities. The impact on poverty reduction is in this case obvious, although one can not argue that the oil companies are doing this because of self-lessness. Despite the benefits of philanthropic activities (Newell & Frynas, 2007) are arguing that codes of conduct have only a limited effect on poverty reduction. They although acknowledges the benefits of basic working condition improvements.

A recent search on "Google Scholars" and "Web of Science" revealed that there are only a limited number of articles on the contributions of CSR as a tool for poverty reduction in relation to Foucault's concept of governmentality. Most of the literature is related to the relationship between CSR and Governments and contributes to the political understanding of CSR (Vallentin, 2015; Vallentin & Murillo, 2009, 2012).

Different to governmentality, there is a greater number of studies analysing the connection between CSR and postcolonialism (Adanhounme, 2011; Khan & Lund-Thomsen, 2011a; Munshi & Kurian, 2005). Although the amount of contributions is still limited. As (Khan & Lund-Thomsen, 2011a) put it: "The voices of local manufactures have largely been overlooked in academic and policy debates on corporate social responsibility (CSR) in the developing world." (Khan & Lund-Thomsen, 2011b, p. 1). Other literature on this topic describes CSR as "another civilizing mission" (Adanhounme, 2011, p. 1) and argues that a western mandate to develop the global south has survived from colonial times. Another search on "Google Scholars" and "Web of Science" revelaed that there are no articles which used postcolonialism and governmentality in combination to analyse CSR and its contribution to poverty reduction. Here I identified a research gap.

The aim of my theoretical framework is, therefore, to use the concept of governmentality by Foucault and postcolonialism to reflect critically on Axfood's CSR measures. Governmentality will help me to critically analyse the power relations between western corporation and global south supplier. Postcolonialism is an important concept to further analyse how western corporations came into the position to demand code of conducts from its global south suppliers. This historic reflection is essential to identify potential problems when corporations are implementing their CSR policies. I will explain the above-mentioned concepts and set them into context to my research problem in the upcoming part.

3.2 Michele Foucault's concept of governmentality and social audits

Michele Foucault's theories were mainly addressing the relationship between power and knowledge. The French philosopher's theories are used in several academic fields and have great influence (Taylor, 2011). Throughout his career, Foucault was interested in the fundamental of power relations. With his concept of governmentality, he wanted to analyse how the state is exerting power over its populace. In other words, he was interested in "the art of government"(Foucault, 2007, p. 92), or to be more precise into the power relation between state and people. Foucault describes three main powers: Sovereign power, disciplinary power and governmentality. For this thesis only the disciplinary power and governmentality are applicable. Disciplinary power is exerted through discipline. A good example of this sort of power are schools, were teachers are exerting power over the students to teach. Governmentality describes the way in which people are told to govern themselves. Moreover, governmentality means that power is shifted from a centre of power to other stakeholders (Dean, 2010; Foucault, 2007).

So how does a corporation exert power through their CSR policies? To further explain this, I have to introduce audits and audit culture. Audits are helping companies to generate data which assists them to evaluate their corporate social performance (Kemp, Owen, & van de Graaff, 2012). In other words "Audits are traditionally technical instruments that claim to provide systematic and independent evaluations of an enterprise's data, records, finances, operations and performances in order to assess the validity and reliability of the information provided, and to check an organisation's systems for internal control" (Shore & Wright, 2015, p. 24). Especially for food retailers' audits are playing an essential role due to the sheer number of suppliers. Evaluating the social or environmental performance of suppliers on their own would outperform the resources of most food retailers.

Although we can identify a substantial increase of audits in the past decades, the concept of "governing by numbers" (Shore & Wright, 2015, p.1), as Cris Shore and Susan Wright called it, is not a modern phenomenon. We can identify the first attempt of auditing during the time of "Taylorism", a method to improve process efficiency in production by breaking it down to simple segments ("Taylorism," 2019), between the 1920s and 1930s. In the upcoming decades, audits became more important and were institutionalised by governments. Ministers were outsourcing administrative functions to private contractors. These private contractors were assessing the performance of, for example, Universities or state employees (Shore & Wright, 2015). In the modern world, audits moved as a tool to assess CSR to the corporate world. Companies are now using audits with the argument they enhance transparency, quality and also trust (Shore & Wright, 2004, p. 100). These topics are especially interesting for global food supply chains which are growing in lengths and, therefore, also leading to more intransparency. Companies believe that an audit system can provide the needed service to gain control about their supply chain (Trentmann, 2007).

Since audits became mainstream and the rating agency market around companies like Price-waterhouseCoopers are generating a net profit of 110 billion dollar criticism raised (Shore & Wright, 2015). Critics use the term "audit culture" to describe the current situation of the audits system. Problems around audit culture are that the sheer number of data is leading to more bureaucracy (Shore & Wright, 2004). With every audit report of a supplier on its social or environmental performance, more data is generated. More data is, although not always helping to boost performance. There have been several studies which showed that managers are responding differently to audits. The referred study is looking at how specific managers are responding to audits, which are reviewing their work efficiency. The outcome of this study is, although applicable also for farmers or processors. Managers reacted to audits in the way that they differentiated between "what we do" and "what we say we do" (Maguire, Shore, & Wright, 2001, p. 761). Farmers could do the same and only tell the auditors what they want to hear. This would challenge the whole audit system. Another aspect are the costs of the audit system. I already explained how much revenue the rating agency market is generating. This money could be invested in educational purposes to help farmers understand what responsibility they have to their employees and the environment (Maguire et al., 2001).

This section explained the concept of governmentality and social audits. To draw back the circle towards my research problem I will now connect the two concepts and explain why I chose them and how they will contribute to my research.

Governmentality helps me to understand how Axfood is exerting its indirect power to govern its suppliers to fulfil the CSR policies. In other words, governmentality refers to the "governance of others". The "disciplinary power" that comes with the social audits (the tool of Axfood to enforce their code of conduct) is creating a power imbalance between a western corporation and global south supplier (Foucault, 2007). The Foucauldian lens will help me to understand how this exertion of power is influencing the business practices and the self-management of CSR activities of global south suppliers. In our context, CSR policies can be seen as governmental structures which are trying to dominate global south supplier (M. E. Blowfield & Dolan, 2008). As an example, I can quote one statement of a responder to a recent study about the knitwear industry in Tirupur: "In my opinion, small factory owners are under a lot of stress because of the certifications. I think there is a necessity for these standards. But it should not be threatening. Buyers are doing it for their business" (Newell & Frynas, 2007, p. 671). This example shows how CSR can be seen as a dominating tool.

In the next section, I will explain the concept of postcolonialism and its connection to governmentality and social audits. Postcolonialism and its historical lens will help me to understand why western corporations are in the position to enforce a code of conduct on its suppliers.

3.3   Postcolonialism

This section will write about how the colonialism and its aftermath is still affecting countries today. To give a short introduction, I will first talk about the history of colonialism and

define specific concepts within this topic. In the end, I will link postcolonialism to Foucault's concept of governmentality.

During the industrial revolution the intention of European countries, starting with England, was to concentrate on manufacturing in their own countries while appropriating the needed resources from regions, mostly located in what today is labelled the global south (Ashcroft, Griffiths, & Tiffin, 2007). Colonialism is defined in the literature as the "control by one power over a dependent area or people" ("Definition of COLONIALISM," 2019), the main purpose of this power usage is to gain economic dominance (Rodney, 1973). At this stage it is important to differentiate between "imperialism" and "colonialism": ""imperialism" means the "practice, the theory, and the attitudes of a dominating metropolitan centre ruling a distant territory; "colonialism", which is almost always a consequence of imperialism, is the implanting of settlements on distant territory" (Ashcroft et al., 2007, p. 40). Imperialism is an ideological political term with whom European countries tried to justify its expansion, and the term colonialism refers more to the practice of colonising. In modern discourse, the literature talks about "neo-colonialism" to describe a reinforcement of old colonialism in modern times (Ashcroft et al., 2007).

The postcolonial theory acknowledges firstly the economic dominance of ex-colonial over formerly colonised countries and secondly that decades of suppression led to the acceptance that western knowledge is more valuable then global south. In other words, western knowledge is "true" and global south knowledge is seen as "naïve" (Drebes, 2016). As an example, I can point out the contributions of African scholars towards CSR. There is a "southern perspective" missing in the literature because over the past decades the CSR scholars were mainly dominated by western/ northern countries (Idemudia, 2011). This criticism of the mainstream CSR agenda shows that the post-colonial theory is to some degree right in its assumption that southern values are not considered in western headquarters.

The main difference between "colonialism" and "postcolonialism" is that ex-colonial countries are not using directly their power to "rule over a distant territory" the power is used indirectly by western corporations using formerly colonised countries as a source for cheap labour or cheap resources. Postcolonialism means that western corporations are trying to maintain their privileges in the form of economic dominance over the global south, whereas colonialism brought ex-colonial countries into the position to maintain these privileges (Ashcroft et al., 2007).

Postcolonial scholars argue that in the modern CSR discourse the voices of suppliers and local workers, the so-called "subaltern", are not heard and excluded. The result is that western CSR policies are not acknowledging the problems of the "subaltern" and so the power imbalance between ex-colonial and formers- colonised countries is reinforced (Drebes, 2016).

The reason why western corporations are in the position to demand code of conducts from its global south suppliers can be described through a postcolonial lens. The exploitation of

the global south through colonial times made western countries rich and also strengthen its leading position in the world community nowadays. If I use governmentality to describe CSR as a governmental structure which is using social audits to monitor its suppliers, I need first to understand why western corporations are able to do so. I would argue that postcolonialism will reveal problems which are now reinforced in the current CSR strategies of western corporations. One of these problems is that global south voices are not considered in CSR strategies. Therefore, postcolonialism is important for this thesis to understand the weaknesses in the current CSR strategies.

4 Methodology

This section will present and critically discuss the methodology of my thesis. I will start by explaining my research design and elaborate on my choice to do the fieldwork at Axfood AB. Additional, I will describe how I collected the data throughout my fieldwork and how I analysed the data and the methods I used to ensure validity.

4.1 Research Design

My research is based on the transformative worldview as described in (Creswell, 2014) and tries to understand how a food retailer works with CSR or to be more precise with its supply chain. The transformative worldview includes for example groups of researcher from the postcolonial theory which will suit to my research problem. Also, the transformative worldview will help me to study the inequities between western corporations and global south suppliers and the reasons for the dominating power relations. This research tries to find out how the work of food retailers is affecting suppliers and workers in the global south to find further ways to improve the given structures in which the CSR is operating. The transformative world view (Creswell, 2014) is, therefore, the right choice because it helps me first to understand how a food retailer works and further analyse why given inequalities like gender, power imbalance or decisions making power may exist. The findings will help to create a bottom-up approach of CSR practices and lead to more democratic structures within the interaction between a western corporation and global south suppliers/ workers.

This research will mainly use qualitative but to some degree, also quantitative methods (Creswell, 2014). The reason for this is that I want to understand what the intentions behind CSR activities are, what will help to discuss why given inequalities may exist. The qualitative methods helped me to analyse what tools Axfood is using to gain control over their supply chain.

4.2 Qualitative Methods

I chose the qualitative method as my goal is to investigate how Axfood is working with CSR. Therefore I need to talk to the managers in person and investigate there daily work with CSR measures. A critical part of my thesis was to accumulate good and usable data. To accomplish this, I used several characteristics of qualitative research: Natural setting, researcher as a key instrument, multiple sources of data and inductive and deductive data analysis (Creswell, 2014, pp. 234–235), which I will describe in more detail in the upcoming part.

4.2.1 Interviews

The first interaction with a manager from Axfood was during the job interview in December 2018, which is important to get to know the study site and the people. Throughout my fieldwork, from the 21.01.2019 to the 15.06.2019, I conducted a total of six interviews (The reason for this will be elaborated in the section about the problems during my research). The interviews were semi-structured, and I recorded them with my phone to later transcribe them. The recording was a vital part to not miss any information. I chose semi-structured interviews to get as much valuable data as possible as the managers are the experts within their field (Creswell, 2014). During the interviews, I sometimes interfered when we went to off from the topic. Also, during my interviews, I had some notes to not lose track. One interview I conducted with 2 participants which I found as counterproductive as transcribing was harder, and I felt that when I asked a question, and one participant answered I did not hear the view of the second participant. In general, the timespan of the interviews was 30-60 min. In the next table, I anonymised my sources due to data security.

Table 1- Coded list of participants

Identity in Text	Role at Axfood AB	Date of interview
Person 1	Manager 1 at the Quality Department	23.3.2019
Person 2	Manager 2 at the Quality Department	26.03.2019
Person 3	Manager 3 at the Quality Department	05.04.2019
Person 4	Manager 4 at the Quality Department	10.04.2019
Person 5	Manager 5 at the Transport Department	1.05.2019
	Managers 6-7 at the Purchase Department [1]	20.05.2019

Source: This thesis

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[1] This interview is not appearing in the text, because it was not valuebale for my research

4.2.2 Documents

Internal documents helped me at the beginning of my fieldwork to get to know the company and the different tools Axfood is working within CSR. This was key to prepare for the first interviews and helped me a lot. The documents consisted of the sustainability reports of Axfood (Axfood AB, 2018; Axfood AB, 2019), the risk country list of Amfori (*Amfori Country Risk Classification*, 2019), Axfood's code of conduct (Axfood AB, 2015) and a CSR questioner.

4.2.3 Data Analysis

The data analysis started right after I finished each interview by transcribing my audio files into Microsoft word and by highlighting the most important patterns. I also made notes to some observations I made. In this way, I was able to improve my next interviews and to remember information with a "fresh" memory. After the last interview, I then compared my findings and note the most important patterns in a separate file. I saved all interviews and word files in my "OneDrive" account to have a backup of my data. Following (Creswell, 2014), I looked back at my interviews to identify if I need more information to back up my findings.

4.2.4 The validity of the findings

Ensuring that the collected data is valid is a vital part of research. In order to achieve this, I used several strategies following (Creswell, 2014). I triangulated my data by finding different matching patterns as described above. Finding matching patterns was, although not always easy because I had different information about internal processes. This was I believe because the participants had different tasks and therefore one was an expert within his field and the other only knew a bit of the other work. Member checking was one of the main validity strategies in my research. Going back to the participant and ask if my data is accurate has improved my collected data a lot. Throughout my fieldwork, I was also able to spend a long time in the field and was able to create an in-depth understanding of the internal processes. At the beginning of each interview, I also asked if I could record the interview to ensure that the participant is feeling relaxed (Creswell, 2014).

4.2.5 Problems during my research

The main problem which occurred during my research was that I was not able to interview the suppliers of Axfood. The reason for that was because of data security issues. Therefore I relied on secondary data for the two subquestions. Also one of my interviews was not usable because I was not able to get new insights for my research. Another problem was that some participants did not have enough time to do an interview with me. In consequence, I only have 5 interviews which were used to collect data for my study. For answering my first research question these interviews were although enough because the participants were experts within their field and I also had enough supporting documents. The limitation of my

research is although that I had to use secondary data for answering my second and third research question.

4.3   Quantitative Methods

I conducted a quantitative analysis (Creswell, 2014) of the sustainability reports of 2017 (Axfood AB, 2018) and 2018 (Axfood AB, 2019) of the Axfood AB to understand why Axfood is engaging in CSR activities. For the calculation is used the program "Hermetic Word Frequency Counter 20.170" ("Hermetic Word Frequency Counter," 2019) and ran the program to find out the first 100 words according to their frequency in the report. I then categorised them into the categories Profitability and Environment/ Social Equity. The results of this analysis helped to understand some criticism towards CSR.

5 Findings

This chapter will present the results of my research conducted at Axfood AB. In the beginning, I will present the company and also the people whom I interviewed. In the next section, I will show how Axfood is working with CSR questions and more in detail what tools they use to work with CSR and what certifications it accepts. Moreover, I will explain how Axfood chooses its supplier and also give two practical examples of specific CSR cases. In the end, I will analyse the question of what the dominant discourse at Axfood is.

5.1 The food retailer Axfood AB

Axfood AB is a Swedish food retailer based in Stockholm and Nasdaq listed. The principal owner is the Axel Johnson AB, which holds 50.1 per cent of the total shares. Axfood owns 247 wholly-owned stores in Sweden and 1100 proprietor-run stores and a total of 9900 employees, which generated a net sale of 46.000 million kronor in 2017. The overall market share is 20 per cent, right behind ICA with 51 per cent and Coop with 19 per cent. Some sub-companies of Axfood are Willys, Hemköp, Snabbgross, Mat.se and Dagab. Dagab is the support company of the Axfood group's purchasing and logistics operations. The primary responsibility of dagab is to ensure an efficient flow of products and logistics. Dagab has 2200 employees who are responsible for 600.000 parcels daily, 3500 deliveries daily, 1400 negotiations annually and a total of 35.000 items in the assortment. The private label share was 28 per cent in 2017 (Axfood, 2018).

5.2 Who are the people at Axfood AB?

I conducted a total of five interviews with managers from Axfood, of which four were part of the quality department, which also focuses on CSR questions, and one person was part of the transport department.
The people working in the quality department had a variety of different backgrounds. Person 1 had an anthropology background and also had studied economic history and international

relations. During university, she worked at NGO's, and after finishing university, she started her own NGOs before she began to work at Axfood in the year 2014. During her time at the NGO's, she criticised companies for their CSR work but later switched to work actively in the field of CSR. Person 2 studied industrial economics and wrote her thesis about CSR. After her graduation, she started to work directly at Axfood AB. Person 3 studied a five years program in food science/ biology and microbiology and worked right after for two years as a food inspector before he started to work at Axfood AB. Person 4 is the team leader of the quality department and has a background as an agronomist. Person 5 is from the transport department and has a Master of Engineering with a focus on logistics and supply chain.

5.3   How does Axfood work with CSR questions?

This paragraph will answer the question of how Axfood works with CSR questions. With this analysis, I want to understand the internal processes of what tools Axfood is using to gain control over their supply chain and second how Axfood is choosing its suppliers. As the last step, I will give two practical examples of how Axfood is working on CSR questions to understand the processes more in depths.

To gain control over the supply chain companies use third-party platforms to accumulate information and supervise the work of the suppliers. In the upcoming part, I will present the most important tools I investigated during my interviews at Axfood.

5.3.1 Amfori and Axfoods Code of Conduct

Companies are working together with consultancy companies because of a lack of their resources to work on issues which are violating their social or environmental standards. The code of conduct: "an agreement on rules of behaviour for the members of that group or organisation" ("Code of conduct definition and meaning | Collins English Dictionary," 2019), is defining these standards. Axfood is using the code of conduct of Amfori, which is a global business association for sustainable trade. In the case of Axfood, ensuring that suppliers are following the code of conduct is a complex task due to the sheer number of suppliers. Apart from the code of conduct, Amfori is also providing different action manuals. The manuals of Amfori presented in this part are the Business Social Compliance Initiative (BSCI) and the risk country list, which is a social and environmental risk assessment of different countries ("Amfori.org," 2019).

The Business Social Compliance Initiative (Axfood is a member of the BSCI).

The BSCI is a program of the business-friendly association Amfori to improve social standards in the supply chain. The organisation offers a code of conduct, based on the United Nations Sustainable Development Goals, for companies which include, for example, working hours, discrimination, health service, child labour and compensation. When a company signs the contract to implement the BSCI code of conduct, it agrees to integrate at least 2/3

of the suppliers of some risk countries [2] into the BSCI process. The BSCI is checking this process with its own and third-party investigators ("Amfori BSCI," 2019).

The risk country list of Amfori

The risk country list is the first indicator for Axfood if they can source from a specific country. The list (with a scale between 0-100) is providing information like the overall risk, voice and accountability, political stability & absence of violence, government effectiveness, regulatory quality, the rule of law and control of corruption. The world bank is defining all of the risks mentioned above. The list is categorising countries into two different categories: Risk countries (With an overall risk between 0 – 60, or three individual dimensions under 60) and Low-Risk countries (With an average score above 60 and no less than two dimensions under 60). For countries with a rating below 3 or at least two dimensions rated below 1, Amfori is making a call-out as a most severe risk country. Amfori is publishing each year a new risk country list (*Amfori Country Risk Classification*, 2019).

Country	Overall risk 2017	Voice and Accountability 2017	Political Stability & Absence of Violence 2017	Government Effectiveness 2017	Regulatory Quality 2017	Rule of Law 2017	Control of Corruption 2017
Afghanistan	7.9	22.17	0.48	9.13	6.73	4.81	3.85
Albania	52.6	54.19	61.90	55.77	62.02	39.42	42.31
Algeria	21.4	23.15	14.76	30.29	10.58	19.23	30.29
Angola	16.2	17.73	34.29	14.90	12.50	11.54	6.25
Argentina	52.3	65.52	53.33	59.62	41.35	46.15	47.60

Figure 1- Amfori Risk country list 2019; Source: (Amfori Country Risk Classification, 2019)

The risk country list is important for Axfood to know from what countries it is able to source without compromising e.g. its reputation or own ethical standards. Risks might be a lack of voice and accountability, low political stability, low government effectiveness, bad regulatory quality, bad rule of law and low control of corruption. Despite the good intentions to not source from countries affected by the above- mentioned problems, by not sourcing from them the situation within the countries might get worse.

5.3.2 Maplecroft

Maplecroft is a global consultancy company which is providing risk and strategy information to businesses and investors. The analysis includes topics around political stability, economic performance, environmental and social risks. As an example of how Axfood is using Maplecroft, we can take the production of vanilla. If Axfood wants to buy vanilla from Madagascar, which is the primary producer of vanilla, it can get all the data it requires from

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[2] A risk country may have a lack of political stability, bad government effectiveness, low voice and accountability, low rule of law, lack of control of corruption and low regulatority quality (*Amfori Country Risk Classification*, 2019)

Maplecroft. Based on this information, Axfood can get a picture of how the country is performing in relation to social (e.g. wages, forced labour), environmental (Use of pesticides, deforestation) or political risk (government effectiveness) ("Who We Are | Global Risk Research," 2019).

5.3.3 Contacts, Communication with organisations, Customers and the media

Some of the data accumulation is also conducted via contacts or organisations who are in a specific country/ area and know more about the current situation. In this case, the manager can get first-hand information about the situation without having a filter with whom the information is processed. Another source of information are customers who are concerned about what they buy. In some cases, customers are writing emails or calling the customer support of Axfood to ask concrete questions about the source country of a product. Sometimes customers also read in news articles about severe social or environmental crises and want to know if Axfood is aware of these problems and if they still source from these areas. The media is also a source of information for managers at Axfood. Certain articles about environmental or human rights problems in source countries help to draw attention to these issues. Axfood then uses this information to investigate this issue more in-depth through different kinds of channels and, in some cases, also own audits to get a better picture of the situation (Person 3, 2019).

5.3.4 Audits

Audits are conducted by the BSCI and own additional visits. The BSCI is also using third-party investigators (Mostly from consultancy companies) who are aggregated. Those audits are in person and can be announced, semi-announced (the supplier knows that the BSCI is auditing him within a month timeframe) and unannounced. The most common way is although semi-announced. The own audits by Axfood are only conducted when a supplier is, for example, on the risk country list or when Axfood hears about a severe crisis in the specific area (Person 1, 2019).

5.3.5 Overall assessment and analysis

The effectiveness of code of conducts is heavily discussed in the literature. Some studies show that code of conducts have a positive effect on the internal CSR policies; some show no and some only a weak effect (Kaptein & Schwartz, 2007). The main point is that each company is working differently with code of conducts, and it is, therefore, difficult to generalise if a code of conduct is useful for internal CSR policies. Another debatable "CSR tool" are audits. Critics around this topic argue that audits have only a limited value to enforce code of conducts or certifications (Kemp et al., 2012). Audits are just generating more data, which then leads to more bureaucracy with no positive impact on CSR policies. The reason for why audits might not lead to concrete measures can be for example that the audit process uses checklist measures to ensure compliance on the supplier's side, without using the

knowledge of the suppliers to improve CSR measures (Kemp et al., 2012). I will present an example of Axfoods CSR work at the end of this findings section, which is explaining this issue more practically.

5.3.6 What certifications does Axfood accept?

In this section, I will present some of the major certifications Axfood requires from its suppliers. Axfood tries to use certifications to ensure that their suppliers are following Axfoods code of conduct and also to provide certified products to its customers. At the end of this section, I will give an overview of some criticism around certifications.

SA8000 from the Social Accountability International (SAI)

The SA8000 standard is a set of different requirements including workers rights, workplace conditions and management systems. The standard is auditable for a third-party verification system (mostly conducted by consultancy companies) which is voluntary. If a company want to be SA8000 certified, it has to register on the organisation's webpage and will be audited by a third-party organisation (Social Accountability International, 2014).

Rainforest Alliance/ UTZ Certified

The rainforest alliance is an international non-profit organisation to make food production in tropical areas more sustainable (with a focus on environmental measures like deforestation or biodiversity). The vision of the rainforest alliance is: "We envision a world where people and nature thrive harmony" ("Rainforest Alliance," 2019). To get the certification of the rainforest alliance, over 90 per cent of the specific product has to be certified. The certification is industry-wide accepted and well-known ("Rainforest Alliance," 2019).

KRAV- An organic certification

The KRAV label is mostly focusing on environmental impacts but also includes social standards. KRAV is certifying around 4000 farmers and 2000 companies worldwide with a focus on: "… that all food products should be economical, ecologically and socially sustainable…" (KRAV, 2019).

5.3.7 Overall Assesment and analysis

Axfood is using certifications, like the above mentioned, to ensure that their suppliers are working in an ethical and environmental framework. Apart from the good intention of these certifications, we can find criticism of certifications, which claims that they are of top-down postcolonial nature. This means that western companies are using their economic power to push companies in developing countries towards more ethical and environmental engagement (Adanhounme, 2011). This is, of course, only one side of the medal and there is also

evidence in the literature that certifications can assist in improving the living standards of farmers (Méndez et al., 2010).

5.3.8 How does Axfood choose its suppliers?

In this section, I will present my findings regarding how Axfood is choosing its suppliers and who is paying the costs of certifications and social audits. The process of how Axfood is choosing its suppliers lays the groundwork for further discussion about the so-called "audit culture". The process of how Axfood chooses their suppliers is divided into three stages: The first two stages are the quality and sustainability check (Here Axfood is checking if suppliers are fulfilling the social and environmental standards of Axfood) which are equal in importance and one rank above the third stage, the actual buying process. This means that before a supplier can be part of the price negotiations, it must pass the quality and sustainability check. For the quality check, Axfood is taking probes from the product and analyse it in the laboratory (e.g. if the product contains dangerous chemicals) and do a taste check (Person 1, 2019). Before I present the sustainability check, I have to define what Axfood is considering as a risk. Apart from the risks related to governance presented in the "risk country list" there are also risks associated with environmental problems and risks related to media scandals which can damage the image of Axfood. In the background of this thesis, I explained that CSR is also a tool to protect a company against these image damages and for Axfood this means that having the sustainability check is helping to maintain a "green" and "caring" image. At the quality department, which is conducting the sustainability check, one or two managers are responsible for specific product categories. That means that one manager is, for example, responsible for the product category vegetables and takes care of all CSR related questions. The sustainability check contains different stages:

The first stage in the sustainability check is to look at where the supplier is located and then conduct a risk assessment with the risk country list. This is the first step to determine if a specific supplier needs to provide more certifications or will have to undergo more audits. A green light on the list means that the country is safe and a red light means a country has problems related to, for example, bad governance, corruption or other risk indicators (see figure 1). Although Axfood does not exclude red labelled countries from being a supplier, these suppliers will have to provide more certifications and will undergo more audits (Person 1, 2019).

In the second step, the supplier must show its supply chain down to farming and for non-food products down to the raw material. Axfood is providing for this a questioner which the supplier has to fill out. The supplier must map its supply chain and include names and locations so that Axfood can examine again with the risk country list. An essential part of the selection process is that the supplier understands where it considers the most social and environmental risks. This step is vital because Axfood wants to know what knowledge the supplier has about risks in the supply chain. The logic behind this step is that a supplier who understands the risks is more willing to improve the situation on his farm/ factory. Another part is to ask the supplier to explain what actions he took to handle those risk in the past and if he will take further measures in the future. Apart from understanding what knowledge the

supplier has, Axfood is interested in the actions the supplier took and is going to take. The last questions are concerning what certifications the supplier has and questions regarding working conditions and collective bargaining agreements with the workers (Person 1, 2019). Collective bargaining agreements are not like minimum wages set by the state; the wages are negotiated between a labour union and the employer ("Collective Bargaining Agreement," 2019). For all these questions, the supplier needs to provide proof in the form of documents or certifications.

In the third step, the supplier must provide a structured way of how it wants to comply with Axfoods code of conduct, which is also the central element in the sustainability check. If a supplier is following the code of conduct, is checked by different certifications and social auditing, which is conducted by the BSCI but also by own audits of Axfood (Person 1, 2019). The costs of certifications and social audits can vary. The usual way is that the supplier has to pay for these costs, but in my interviews, I also learned that in some cases Axfood is helping to pay for the audits (Person 2, 2019). A BSCI audit starts with a price of 650$ per audit (Gronkvist, 2018). For an SA8000 audit, the cost varies between 500$ and 1500$ per day and depends on the location of the farm/factory, size and number of auditors needed ("Certification Costs | Social Accountability Accreditation Services," 2019).

In the last step, the manager who is responsible for the specific product category is ranking the specific supplier. A green light means accepted with no conditions; a yellow light means taken under special conditions (the supplier has to provide certifications and has to undergo more audits), and a red light means the supplier is not allowed to give prices in the negotiations. Axfood has although red suppliers at the moment, which they are trying to reduce within the year 2019 (Person 1, 2019).

5.3.9 Practical examples of how Axfood works with CSR questions

My first example starts with a phone call of Swedwatch in February 2018 to inform Person 2 about ongoing investigations about the Ica region in Peru related to water problems (Person 2, 2019). The problem was that the region suffered underwater problems which presumably are connected to farming and more precise to the production of asparagus (Azimi, Ferrero, Loucky, Olivares, & Rojas, 2012). As a consequence, Person 2 called the suppliers in the region and asked for their certifications and what water management system they have. Due to the documents, the suppliers of Axfood were aware of the problem and introduced measures. Although Person 2 and her colleagues decided to visit the suppliers directly to investigate the situation by themselves. In March 2019 a group of members of Swedwatch, the food retailer Coop and Axfood travelled to Peru. That Axfood is working together with NGOs on CSR subjects show what great influence NGOs gained over the years. When arrived in Peru Person 2 decided to visit the Swedish embassy to ask for an expert in the case of water management in the Ica region. She was then referred to a professor who helped to accumulate more information about the situation, if the groundwater is the main problem or the water coming from the mountains and if the export industry is responsible for the water crisis. This contact visits at the farms and talks to other officials in the region lead to the outcome that the Ica region is a vast area with different rivers from the mountain which are

not affecting each other. The most critical area, although was the Ica Valley of whom Axfood is not sourcing. Also, the current research about the water issue is still vague, and due to this, it is unclear how the groundwater is affected. As an outcome for Axfood, this visit meant that working with the suppliers is a good first step, although Axfood needs other tools, like Maplecroft, to investigate the situation further. This is important not only for the Ica region but also for other areas Axfood is sourcing from. For the moment, Axfood is continuing sourcing from the Ica region (Person 2, 2019).

The second example is about the rubber glove production in Malaysia and the rights of migrant workers. It all started with a BSCI audit in 2017, which stated problems about forced labour at Axfoods sub-suppliers. The problem was that migrant workers were indebted in the recruiting process and had to work this depth off with only little payment. The BSCI suggested that Axfoods need to develop a system where they know more about the recruitment process, investigate the indebtment and lobby for a policy change that the sub-suppliers are paying the recruiting costs. As a result, Axfood made phone calls and wrote letters to the sub-suppliers to lobby for a policy change. The first good news was that the sub-suppliers then agreed to the terms and changed their policies and also send these changes to Axfood. On the paper, everything looked great, and Person 1, the manager who was responsible for this at Axfood, thought this situation is solved. When the direct supplier of Axfood although visited the sub-suppliers and asked for the documents, she saw that the changes presented to Axfood were not included in the papers presented to her. As a result, the sub-supplier was still pushing some costs towards the migrant workers, like travel costs. The biggest issue for Axfood was that although those migrant workers were not allowed to get pregnant, and if they get pregnant, they were deported. This started a new discussion, and after some investigation, it came out that this was actual Malaysian law. In the end, Axfood was able to change many things related to the rights of the migrant workers but not that they were allowed to get pregnant. National law is mostly hard to change, especially for a company who has only a few suppliers in the country. As a consequence, Axfood decided to not source any longer rubber gloves from Malaysia and moved to other countries. Person 1 mentioned at the end of the interview that only having the BSCI audit report without reading it is a huge problem. Some people are using audit reports as some kind of certification which it is not. It is also important to read the report carefully and in a very critical way. In the report presented to Person 1, for example, the problem with migrant workers in Malaysia was not so critical, and only after she investigated the situation closer, she was able to find more issues (Person 1, 2019).

5.4   What does Axfood focus on?

This section is divided into two parts: The first one will examine if the discourse in the Sustainability reports of Axfood from 2017 (Axfood, 2017) and 2018 (Axfood, 2018) focuses more on financial aspect or CSR questions, and the second part will compare the two reports to try to find differences in the environmental and social discourse at Axfood. To analyse the two reports, I conducted a word frequency analysis with the tool: Hermetic Word Frequency Counter 20.170" ("Hermetic Word Frequency Counter," 2019). For the analysis,

I ran the program and ranked the words due to their frequency. As a second step, I took the first one hundred words and categorised them into the categories Profitability and Environmental/ Social Equity (CSR), and as a third step, I created an Excel file to summarise my findings. The reason why I analysed only two of Axfood's reports is that Axfood combined only since 2017 the sustainability report and the annual report. The topicalization of the words will help me to understand which topics in each year deemed to be most important for Axfood. The next graph will show the results of the analysis with the frequency, including the specific frequency.

5.4.1 Findings from the Word Frequency Analysis

The next table and graph will show the findings of the Word Frequency Analysis. In the upcoming part, I will explain and analyse them in more detail.

Table 2 - Findings Word Frequency Analysis

| Word Frequency	Axfood Report 2017 74943 words		Axfood Report 2018 86166 words	
	Profitability	**Social Equity/ Environment**	**Profitability**	**Social Equity/ Environment**
1	Financial: 333	Sustainability: 183	Financial: 423	Sustainability: 343
2	Sales: 333	Employee: 148	Sales: 213	Employee: 332
3	Profit: 155	Governance: 87	Business: 176	Environment: 154
4	Business: 150	Pension: 80	Profit: 176	Governance: 128
5	Shares: 149	Fair: 77	Shares: 142	Social: 95
6	Shareholders: 110		Shareholder: 127	Fair: 89
7	Income: 110		Income: 127	Pension: 81
8	Market: 87		Market: 105	Footprint: 73
9	Capital: 71		Loss: 88	
10			Cost: 85	
Total	1498	575	1662	1295

Source: This thesis
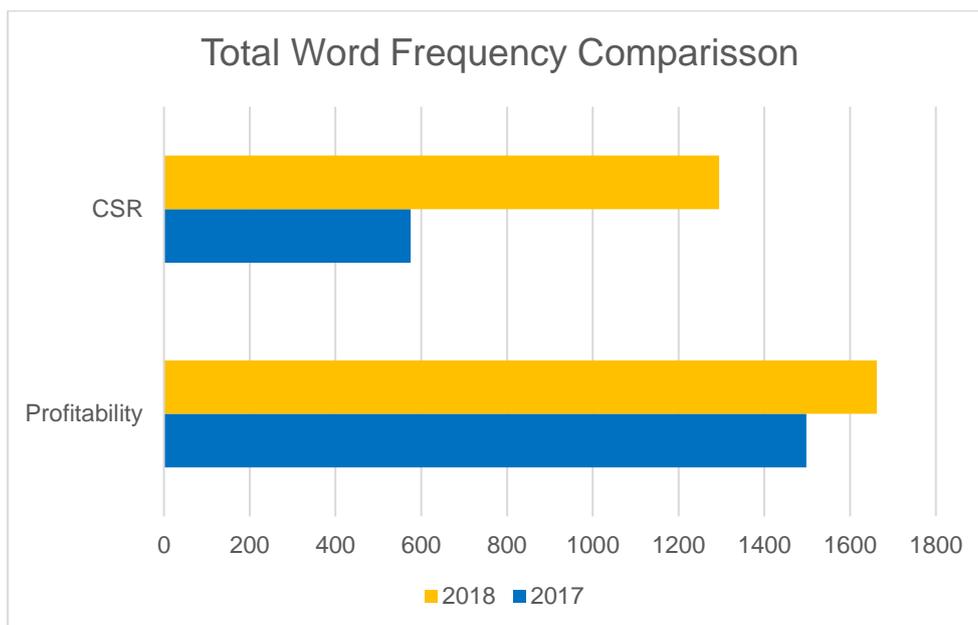
Figure 2 - Total Word Frequency Comparison; Source: This thesis

5.4.2 Financial versus CSR discourse

In the year 2017, Axfood had 1498 words with a focus on Profitability and 575 words with a focus on CSR questions which changed in the year 2018 with 1662 words for profitability and 1295 for CSR. The percental increase on the profitability side is 11 per cent in comparison to 125 per cent for CSR questions. To put this number into context, the percental increase of the total words is 15 per cent. The overall conclusion is that Axfood focus lies on financial aspects, which, however, is decreasing in the year 2018. Axfood puts more emphasis on environmental and social aspects in the report of 2018 and is also focusing less on some topics, like sales, in the report of 2017. Although the financial focus is still given the analysis shows that CSR topics are growing in importance.

5.4.3 Differences within the social and environmental discourse

Although the financial topics in the analysis did not change much, the environmental and social topics changed significantly. Environmental topics appeared to be more important within the report of 2018. Concepts like "footprint" and subjects like "environment" increased much and are suggesting a deeper concern towards climate change and environmental issues. Also, the analysis showed that the report of 2018 focused to a higher degree on employees. To analyse the social versus the environmental discourse, I must evaluate Axfood's code of conduct. The code of conduct has 18 categories, of which two are focusing on environmental topics. This shows that Axfood focuses more on social topics in its current CSR than on environmental topics (Axfood AB, 2015). Although it is to mention that my analysis showed that Axfood tries to change that. In relation to suppliers, it depends on from

what region Axfood is sourcing the product. For products from Sweden, Axfood is focusing more on environmental topics and from countries on the risk country list on social aspects (Person 4, 2019).

5.4.4 Overall assessment and analysis

So why does Axfood works with CSR? To answer this question, I first have to take one step back and refer to the background of this thesis, to be precise to refer to the history of CSR. The pressure on companies within the 1990s and 2000s from NGOs, other institutions and the public lead to increased investments in CSR (Porritt, 2012; Visser, 2015). To not lose market share companies had to follow this trend and in the case of Axfood, this started in 2004 with the first code of conduct (Person 1, 2019). So the initial reason for Axfood to engage in CSR was related to financial aspects, but also to safeguard the own company against future threads of social or environmental scandals. The reason for this protection lies within the vulnerability of a food retailer because of its public interest (Connolly, 2008). As I already explained, the primary responsibility of a company is to maintain its own business, and as Axfood is part of the capitalist system, this also implies for Axfood. CSR helps to shape the picture of Axfood as a "caring" and "responsible" company. To achieve the targets mentioned above, Axfood needs to (Axfood has over 400 suppliers (Axfood, 2018)) gain control over the own supply chain. The way Axfood tries to accomplish this is conducted through third-party platforms (Social audits conducted by consultancy companies) and also by employing experts within the field of CSR and social and environmental topics (Person 1, 2019). Hiring people who are experts within a field and sometimes are also critical to- wards CSR can change the reasons for a company to engage in CSR. The individuals within a company can change the profile of it, although Axfood's remains a part of the capitalist system, which implies the function to make a profit.

As mentioned before Axfood's current CSR strategy is mostly focusing on social aspects, although it depends on where the supplier is located. My analysis also showed that this is changing and in the upcoming years, environmental aspects will get even more important. One of the reasons for this might be the current public interest in climate change.

6 Discussion

My results showed that Axfood using its code of conduct, certifications and an audit system to monitor its suppliers. However, does this system help workers in developing countries to improve their living standard? The literature provides us with many different views on this topic and, therefore, a critical discussion about this system is needed. Firstly, I will answer the question if CSR is a reproduction of colonialism with western corporations as imperialists and secondly, I will discuss code of conducts and the enforcing audit system to challenge the idea that it leads to some unwanted consequences for workers in developing countries. Unfortunately, my conducted research was not able to get the suppliers view on CSR so I will use throughout the discussion some studies which researched this topic.

6.1 CSR – A reproduction of colonialism?

The main criticism of CSR, from a post-colonial perspective, is that it only has a marginalise positive effect on the local workers in developing countries, and it is mainly enforcing western values on suppliers. The literature is speaking in this context about culture imperialism (Khan & Lund-Thomsen, 2011a). However, is this the case or do suppliers misunderstand western corporations?

As a starting point of the discussion, I first talk about the different CSR discourses we can find in the literature. The management-oriented CSR discourse (Hopkins, 2012), sees corporations in the responsibility to engage in CSR activities. On the one hand, the logic behind this approach is that corporations are able to combine profit-making with acting responsibly. On the other hand, literature claims that it depends on the context if a corporation is able to combine profit-making and social goals. In short, the literature is providing little evidence to support the beneficial effects of CSR on poverty reduction (M. Blowfield, 2007; R. O. Jenkins, Pearson, & Seyfang, 2002).
Although the management-oriented discourse sees CSR mostly in a positive way, it is also claiming that corporations should investigate how their pricing is affecting its suppliers. This issue is also one of the main criticisms of the post-colonial approach. The dilemma is, on the one hand, that prices per unit are falling and therefore global south suppliers are earning less money and on the other hand, global south suppliers have to cover the cost for CSR compliance (Khan & Lund-Thomsen, 2011a). In general, the management approach sees CSR as

not leading to a power imbalance between industrialised and developing countries. The approach claims that the United Nations failed to develop countries and therefore corporations have to take over this responsibility (Hopkins, 2012, p. 10;252). Other literature is in line with the management approach. (R. Jenkins, Seyfang, & Pearson, 2003) argue that CSR is not the core responsibility of a corporation and therefore acting socially and environmentally friendly is not their primary interest.

The next discourse, which I will elaborate more in this discussion, is postcolonialism (Ashcroft et al., 2007). In this context, we can also talk about Michele Foucault and his concept of governmentality (Foucault, 2007). By using a code of conduct and an enforcing audit system, a corporation is acting as a government who is discipline their suppliers. If the supplier is not complying with the code of conduct, the corporation is using its power to not source any longer from it. In this context, the corporation is the core of the power which is then distributing power to other actors, like auditors from consultancy companies (Foucault, 2007). The reason for this is that corporations are able to strengthen the ethical standards of themselves (in most cases this is the main reason) and additional of workers and suppliers (M. E. Blowfield & Dolan, 2008).

So, what does this mean for the post-colonial relations and CSR? We can take governmentality as a starting point of the whole discussion if CSR is a reproduction of colonialism. The reason why the western corporations are able to enforce their own set of values and standards on suppliers in the global south is that colonialism put them into this position. The main difference is, that corporations are not using their power by force, the power is exerted through compliance. Also, the exerted power is not only for the benefits of one actor, but the power is also used to improve standards on all sites. Notwithstanding western corporations are putting own values on suppliers in the global south, what is a good example of postcolonialism (M. E. Blowfield & Dolan, 2008; Drebes, 2016; Foucault, 2007). Also, other studies are arguing that CSR, and more precise code of conducts, are putting own values on suppliers in developing countries (Adanhounme, 2011; Khan & Lund-Thomsen, 2011a; Munshi & Kurian, 2005).

To explain this more practically, I will state one example from these studies. The study of (Khan & Lund-Thomsen, 2011a) looked at the perception of local manufactures in Pakistan on soccer ball producers. One main statement of the manufactures was that they had to cover all the costs when western corporations are enforcing their CSR compliance. While stores in Europe would sell a ball for 15€, the brands would sell it for 7.5€ to the stores and the manufactures would only get 2.5€. The manufacturers were arguing that they made the least money in the supply chain while they have to cover all the costs for the CSR policies of western corporations (Khan & Lund-Thomsen, 2011a). This example shows quite well how the power imbalance mentioned above is reinforced in the supply chain.

The post-colonial aspect of the soccer ball example above is that western corporations are not listening to their suppliers. CSR policies are formulated in headquarters in western countries with no chance for suppliers to bring in their values and ideas. In this context, the study

is also talking about the "The Sialkon soccer ball cluster" in the mid-1990s. The media reported about children stitching soccer balls for western brands surrounding the area of Sialkon in Pakistan. As a consequence, an initiative from different stakeholders including the International Labour Organisation (ILO), the United Nation Children Fund (UNICEF) and Save the Children UK formed to fight against child labour in the industry. The brands then initiated CSR projects to diminish child labour from the factories (Khan & Lund-Thomsen, 2011a, p. 4).

I do not want to argue that child labour should not be diminished; the main problem is although the local perspective was not considered. For the local families, the consequence was that now since child labour was not allowed anymore, income was missing to pay rent or to put food on the table. In this case, a link between CSR strategies and a raise in poverty is visible and an initiative which was designed to help children contributed to worsening their situation. If we draw back to the definition of "imperialism" this context is getting more clear: ""imperialism" means the practice, the theory, and the attitudes of a dominating metropolitan centre ruling a distant territory…". (Ashcroft et al., 2007, p. 40). The brands were reacting to the criticism of the media on the child labour topic to safeguard their reputation. The brands were then "ruling" over their "distant territory" to diminish child labour.

From a democratic standpoint, this power imbalance is also questionable. Democracy means "rule by majority" ("Definition of DEMOCRACY," 2019), but when only a few managers in western countries are defining CSR policies, this is not the case. Without the voices of local suppliers, old colonial structures are only getting reinforced: The few are ruling over the many (Khan & Lund-Thomsen, 2011a).

So far, this discussion only argued that local voices are not considered, but is there also evidence that the situation in ex-colonial countries is better nowadays? The study of (Adanhounme, 2011) studied the Ghanaian mining sector and looked at if the colonial pattern is still visible. The mine was first the property of the British Empire and then later bought from a North American corporation. The study argues that although some colonial mandates are still visible in the CSR work of the North American Mining corporation, the situation also improved for the local people. During the time of the British Empire, the colonial mandate was to build hospitals or schools for the local people. This mandate did not change with the new owner of the mine, although the local people reported that their voices, too some degree, are taken into account. Under the rule of the British, this was not the case, and here we can find the main difference between the colonialism of the British and the current capitalist time under the North American corporation (Adanhounme, 2011).

6.1.1 Overall assessment and analysis

So, is CSR a reproduction of colonialism? If we take the power imbalance between western supplier and global south supplier, the answer is yes. The current stage of the capitalist system is an uneven reproduction of colonial times, and when CSR is only taking the voices of western managers into account, CSR is also reproducing colonialism. This top-down approach is only appreciating the views and believes of one site and claims that western values

are more important than global south values. The west wants to educate the global south, as colonial powers were claiming to do (Adanhounme, 2011). CSR is also a reaction towards media scandals which damaged the reputation of western corporations and therefore, a western corporation is using CSR to safeguard their reputation. The price for the CSR is then pushed towards the suppliers, which reproduce the power imbalance.

In conclusion, CSR is to some degree, reproducing the colonial mandate but also acknowledges, to some degree, the views of the locals. The answer to the question if CSR is a reproduction of colonialism is, therefore, manifold. Some actors under the current top-down approach are breaking with the colonial pattern, and therefore, one cannot argue that CSR is the same as colonialism (Adanhounme, 2011, p. 106). The history of CSR shows us that it developed a lot over the past decades and will continue to develop. For the CSR, this means that it has to acknowledge its post-colonial patterns and move beyond them.

6.2 Is an audit system improving the economic and social situation in the global south?

The first section of this discussion talked about if CSR is a reproduction of colonialism. As my results showed, Axfood is using an audit system to gain control over its supply chain and to enforce their own set of standards. Apart from the right intention, the code of conduct of Axfood has, we need to discuss if this system is bringing change to workers in developing countries. Therefore, I will discuss the benefits and trade-off of audits in the upcoming part.

Over the past decades, corporations increasingly drew on resources from countries in the global south. A good example is the United States (US), which produced 49 per cent of its sold clothing in the US, and by 1999, this number dropped to only 12 per cent (Drebes, 2016). So why this drastic change? It is hard to point to one specific reason, but one can argue that one of the reason was cheaper production and cheap labour to be more precise. The consequence of this development was that more corporations outsourced their production to countries in the global south and prices dropped rapidly. This resulted in intense pressure on suppliers in the global south, who passed on this pressure to their workers. Bad working conditions and low payment were the consequence. In the upcoming years, incidents in factories with dead and injured people damaged the reputation of corporations and led to an increased interest in CSR. The audit system then helped corporations to monitor their suppliers (Drebes, 2016).

This small excursion in the history of the audit system is vital to understand why corporations are using it and why it is maybe not able to use its full potential.
Two crucial concepts when discussing CSR and audits are economical and social upgrading. Economic upgrading means that a company can produce a more technological product in a more cost-efficient way. Therefore economic upgrading means that companies are improving their products and processes. To achieve this, companies need better-skilled workers and more advanced machines, which leads to a shrinking workforce. Economic upgrading is an essential step for companies; thus, they can move to more profitable markets. For workers

on the other side, social upgrading is more important (Sinkovics, Hoque, & Sinkovics, 2016). Social upgrading is "the process of improvement in the rights and entitlements of workers as social actors, which enhances the quality of their employment" (Barrientos, Gereffi, & Rossi, 2011, p. 324). Measurable standards and enabling rights are the two components which are essential for the workers in social upgrading. The former are standards concerning wages or working hours/ condition, and the latter is harder to measure and consists of gender equality, freedom of speech or career development. The question is, although is it possible to achieve economic upgrading for the suppliers and social upgrading for the workers? Suppliers tend to focus on the more measurable standards because they fear that for example, gender equality is challenging current labour relations and disrupt the production process (Sinkovics et al., 2016). Therefore, (Barrientos et al., 2011; Barrientos & Smith, 2007) suggest that economic upgrading is more likely to not trigger social of for the workers because of suppliers focus more on compliance with the CSR standards of the western corporations and lowering the costs.

To elaborate this a bit more practical the study of Sinkovics et al.,(2016) looked at medium-sized suppliers in the Bangladeshi garment industry. The study chose this research site because right after the Rana Plaza accident in 2013, in which 1100 people died in a collapse of a factory ("Rana Plaza collapse," 2015), suppliers were under intense pressure with compliance. The two main findings were that the pressure of the BSCI and other auditing companies led to improvements in the measurable dimension like better and safer working conditions. Although these improvements are giving the workers a social upgrade, the costs of the implementation led to some unwanted consequences. One supplier, for example, provided for some years a free lunch for his workers, which he had to stop because of the high investment costs related to CSR compliance. The supplier also had to struggle with some requirements which are impossible for him to fulfil. The BSCI required that he should increase the number of windows, but this is due to structural problems not possible. If the BSCI is insisting on these changes, the supplier might lose his contract because he does not have the money to rebuild his factory. In consequence, his factory might have to shut down, and all workers are unemployed (Sinkovics et al., 2016).

The BSCI, similar companies and corporations are referred to in the literature as "surrogate accountability holders." (Sinkovics et al., 2016, p. 619). Some scholars and experts within the field of CSR believe that in developing countries, there is a need for corporations or auditing companies to take over the responsibilities of the government. The reason for this lies within that developing countries have weak institutions. The problem with this view is that the definition of what is right is just in the hand of a few people who are also living and working in distant countries. Also, surrogate accountability leads to further power imbalance, and so the tensions between corporations and suppliers may arise. The surrogate accountability holder also values his own beliefs more than the beliefs of the local supplier. In the referenced example, this is getting clearer. The free meal for the workers was not valued, and only the improvements required from the surrogate accountability holder was important (Sinkovics et al., 2016).

Again, we can find here the same criticism of the post-colonial discourse, that the perception of local people is not considered and corporations "ruling" over a distant territory. The only view which is important is the view of western corporations or auditing companies; whos managers only have limited knowledge of the area and the needs of the people. Also that the suppliers have to cover all the costs for compliance is leading to some unwanted consequences. An unwanted problem arises when the buyer is moving to another supplier and is leaving the supplier with his investments alone. The supplier then will come into financial struggles with a risk of bankruptcy.

6.2.1 Overall assessment and analysis

So does CSR improve the economic and social situation in the global south? The answer depends again on the context. CSR and audits are helping to improve safety regulations and make the work environment better but are leading to some unwanted consequences. The main two aspects which are essential for future CSR and auditing to consider is that the voices of local people are vital and costs of CSR compliance should not be put entirely on the supplier. If a corporation wants compliance with its CSR standards, it has to acknowledge what is essential for the people at the specific area. (Prieto-Carrón, Lund-Thomsen, Chan, Muro, & Bhushan, 2006) Argue that what is missing in corporations is an understanding for the reasons of poverty. Managers need to understand what the root problems are to identify what will help local works in developing countries. Only when the CSR discourse is acknowledging this, it can use its full potential.

7 Conclusion

This thesis aimed to identify how Axfood is working with CSR questions in its supply chain. My results portrayed that Axfood uses an audit system, in cooperation with the BSCI, to enforce its code of conduct. Moreover, Axfood uses different kinds of tools to get information about the specific region it wants to source from. The two sub-question I tried to answer in this thesis were if the CSR of Axfood is leading to a power imbalance between a western corporation and global south supplier and if the work is improving the economic and social situation in the global south.

CSR was invented to help to fight global problems like poverty or inequalities. Despite these noble attempts, CSR is strongly criticised in the literature and its effect on helping to fight these problems is seen as limited. It seems like the CSR routine which established over the past decades does not acknowledge the criticism in the literature and therefore its full potential is not used. Because of this, there is a need for a critical reflection on CSR strategies and its tools which I attempted to do in this thesis.

My discussion suggests that the current CSR and the enforcing audit system is to some extent of post-colonial nature, and its ability to challenge social change is due to that also limited. Although to completely neglect a positive impact of CSR policies and social audits is misleading. The main problem of CSR policies is that they are formulated in western headquarters from managers, which only have limited knowledge about developing countries and poverty. The influence of suppliers on CSR can be seen as limited, although compared to colonial times, suppliers nowadays gained to some degree negotiation power. There is evidence that CSR policies are formulated to safeguard the own company of future reputation damage. During my time at Axfood, although I also saw that managers are trying to "do good" during their daily work and are trying to change the CSR within the company. Therefore, I would argue that there are two views on CSR within a company, the one from a business perspective and the one from managers who want change within their organisation to do better in the context of environment and society.

CSR policies also have a positive impact on workplace safety and the environment but on the other hand, are leading to some unwanted side-effects. This is mostly due to the issue that suppliers are forced to pay the cost of CSR policies and that pricing is not putting them into the position to work on their social and environmental standards. Current CSR policies

are seeing suppliers as someone who must be taught how to act in a social or environmentally friendly way. Suppliers/ workers should be involved in the process to set CSR policies because they are the people who are affected by them and also have the most knowledge about the specific region. CSR, therefore, has to move from a compliance to a commitment-based approach and additional from a top-down to a bottom-up approach. The commitment-based approach is based on trust and acknowledging the needs of developing countries. The supplier is involved in the process of setting CSR policies and code of conducts can identify future problems for suppliers.

To summarize my findings I can point out that the current CSR strategies are leading to a power imbalance between a western corporation and global south supplier. This is mainly due the top-down approach of CSR policies. The view of global south suppliers is not often considered and they mostly only have to comply with the CSR policies. This also affects the impact of CSR on poverty reduction, which is considered minor. Although CSR is leading to more safety requirements in the factories, the question is only to what costs?

7.1   Limitations of the study

One limitation of my study is that I was not able to get to know the views of the suppliers. This would be very helpful to understand how they feel about the CSR of Axfood and what impact it has on them. Without this, I had to rely on other studies which researched this.

7.2   Reflection on the methodology

The mythology lies the groundwork for a study and therefore, it is essential to reflect on it in the end. The chosen mythology within this research fitted well and helped to investigate the research questions. The semi-structured interviews were helpful to not lose track of the interview but also let the participants formulate their view. However, I found that during one interview, which I conducted with two participants, the insights were less clear. This, I believe, was due to the unclear form of address.
In general, I can say that my chosen characteristics of the qualitative part was good and helped me to validate and analyse my data accurately.
The chosen theories and concepts in this study were very helpful to further discuss my findings and come to an overall conclusion. The theory was especially helpful to compensate for the missing of the views of the workers and suppliers in the global south.

7.3   Future Research

An interesting topic for future researchers is, how local voices can be implemented into the CSR process of a corporation. Also, it would be interesting to what degree local voices are possible to implement and how this is affecting the CSR work and its outcome.

Another interesting topic is, which I also heard during my time at Axfood, how pricing is affecting suppliers and workers. Especially the hard competition in the retail food market is pushing prices down, and it is still unclear how this is affecting suppliers in the global south.

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