# Where corporate management and agency administration meet: a conventional reading of neo-liberalism and sustainable development

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# Where Corporate Managements and Agencies Administration Meets: A Conventionalist Reading of Neo-Liberalism and Sustainable Development.[1]

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PRELIMINARY DRAFT, DO NOT CITE

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**Theme 5:** CSR, Sustainability, and Diverse Models of Capitalism.

**Abstract:**

The purpose of this proposal is to show the implementation of local public policies of SD (SD) in the region of Nord – Pas de Calais (North France) lies on new modalities of administration of its public agencies. SD seems to enhance a quiet criticism that questions *civic* and *industry* legitimacy of public organisations. The former is based on participative procedures that competes or completes the usual *civic* electoral proof of reality. The latter comes from a new mode of administration that decompartmentalizes the old division of labour through a transversal organisation. These two elements lead to the establishment of sustainable projects supporting new institutional governance, which is the real heart of a consensual SD.

We recognize the mode of coordination at stake in "The New Spirit of Capitalism" [Boltanski and Chiapello, 1999] at the root of neo-liberal corporate management. Contrary to all expectations, it seems that there lies a certain degree of proximity between the modes of administration of the public organisations as far as SD is concerned and the way neo-liberal firms are managed. Furthermore the extension of the firms' stakeholders blurring its frontiers put forward issues of Corporate Social Responsibility (CSR). Then SD issues of legitimacy bring closer neo-liberal firms and public administrations for it renews in both cases questions of governance. Although sustainable policies deeply changes how public administrations are organised (if we put issues of implementation aside), it seems that CSR keep being in the line with Capitalism.

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**Introduction**

In 1944, Karl Polanyi [1983] analyses the failures of Capitalism based on a self-regulated market. According to him, Capitalism led to the destruction of the social order by making goods of men, the land and the money. Therefore he has often been considered as the precursor of what is now called sustainable development (SD). We recognize indeed in its elements of failure the three domains that SD requires to simultaneously focus on when we deal with questions of development: improving economic conditions of living (money), promoting the social development of the society (men) and not damaging the environment (land). So SD has been constituted as a criticism of the capitalist mode of development [Vivien, 1994 ; Harribey, 1998] that technically failed to achieve promoting the social well-being. At the same time appears the need to bring ethics back into the firms' business. At first, this movement was impulsed by investors who wanted to promote their values (mainly Catholics values) and to hold weight into firms' decisions making. This movement combined to SD gave birth to Corporate Social Responsibility (CSR) that emphasizes on the firms' management responsibility concerning environmental and social damages. Then it seems that both SD and CSR share the same criticism of Capitalism. To simplify, we would say that CSR seems to be a particular configuration of SD applied to the firms. Thereby, as the Lisbon Group emphasizes firms play important parts in setting technical means of SD by "being the only organisation to have succeeded in transforming itself in a global actor [… and by] having a real decision power" [quoted by Zaccaï, 2002, p.291].

In this paper, we will try to analyse SD and CSR in terms of legitimacy, as we will consider that they are notions often brought forward and that they have been appropriated by various actors in their strategies. We will try to demonstrate that the way we choose to define SD is the key to properly understand issues of legitimacy, as well as to separate criticisms of Capitalism. On one hand, SD criticism radically questions its ability to produce technical conditions of reproduction of the ecosystems (including the human beings); on the other hand, CSR criticism comes from the inside in connection with a technical-economist vision of SD [Boutaud, 2005]. Therefore we come to distinguish between actors of SD (mainly the public agencies) and actors of CSR (essentially the firms). We would say simply that this paper is in the line with the State-Market problematic following the idea that each one's form is determined regard to the other [Boltanski, 2008]. Then we will emphasize that issues of SD legitimacy bring on a renewal in the governance of both public agencies and neo-liberal firms involving questions of internal organisation and of external participation. These two points will draw the line of our paper. First we will show that considering SD on a legitimacy point of view imply that we focus on an intermediary vision of sustainability. Applied to the local public agencies and to the firms, SD has internal implications on how labour is organised (second part) and on how it require the involvement of other actors in their activities (third part).

**Sustainable Development and legitimacy**

It seems that SD is a notion the economic and the public actors refers to more and more, which raises the question of its legitimacy. This question applied to SD cannot be solved within standard economic theory by resorting to the framing of rationality [Godard, 1993] and brings on two different types of problems: the first one deals with the question of the *common*

*humanity* defined in SD conflicts that involve "non human beings" such as fauna, flora or various natural elements. That is the question of what or who should be part of the humanity. We will call the second problem the *common dignity* problem in which every member of the *common humanity* has an equal ability to argue [Boltanski and Thévenot, 1991]. But as SD concerns "non yet human beings" (the future generations), there are humans unable to participate to the debate that will affect their living conditions. These two theoretical issues we have to consider when matters of legitimacy are at stake bring the definition of SD into play.

### *Common dignity: how can the future generations argue?*

The first issue of SD lies on the principle of solidarity. Following this principle, one of the dimensions of sustainability is to promote a social development regarding both spatial and temporal solidarity. The economist has tools to understand spatial solidarities, through the Marxian point of view of the domination relationships or through the neoclassical point of view of trade as a vector of development. As for temporal solidarities, the question is more intricate. In general temporality and the uncertainty that time brings on, has led to economic dead ends. From Arrow to the Savage's hypothesis of contingents markets[2] no author has successfully developed tools to solve this problem [Favereau ; Postel, 2003]. This question of uncertainty is more accurate in a SD perspective. As Latour emphasizes [1995], what characterizes SD is the increasing level of the unknown and of what we doubt about. Science seems to have passed from a vision that closes horizons of the unknown, that is to say that scientific developments reduce the field of things that are unknown, to a new paradigm in which we realize that the more forward we go, the more things are left to discover [Callon, Lascoumes and Barthe, 2001]. In this situation we can see recourses to a vocabulary involving beliefs rather than knowledge, which is particularly striking considering the SD matter [Dupuy, 2002 ; Rotillon, 2008], Maréchal,. In an economic language, SD calls the hypothesis of the future states of the world into question. In other words it is impossible to know either the number or the forms of the future states of the world [Godard, 1993], which prevents the possibility of putting in probability events that may occur and which requires dealing with a wider frame of understanding than the standard economic one. Consequently it also involves question of the worth behind SD actions.

From a sustainable point of view, we can summarize this question by the issue of the representation of the future generations in the current debate of SD. Usually they are represented through a utility actualization rate that is generally set to the interest rate [e.g. Faucheux and Noël, 1995 ; Zuindeau and Boidin, 2006]. This of course works in the particular case of a risky economy where all the elements, including time can be controlled and put in probability, which is not the case in SD economy [Godard, 1993]. In this context, how can we represent the future generations? Amartya Sen has developed a conceptual framework that can help in this matter. His starting point is the theory of Lancaster on the characteristics of goods. For Sen, nothing in this theory is said about the modalities of consumption of these characteristics. That led him to build his own theory of the consumer

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[2] According to this hypothesis it is possible to imagine that certain forms of futures markets do exist regarding probable occurring circumstances. For instance, a market for a car door *under the circumstance* I have a car accident tomorrow.

based on that principle: a consumer is a collection of functions "the person succeeds in *doing* with the commodities and characteristics at his or her command" [Sen, 1985, p.10]. In this set of "functionings" there are those which can be achieved and those which cannot because the individuals do not have the ability to do so, or because it is forbidden. So there exists a sub-set of "functionings" that Sen calls "capabilities" and that represent a certain freedom of choice upon the "functionings".

This framework is particularly useful to solve the problem of the future generations. The question raised by Sen is to know what the society has to act on to develop individual as well as collective well-being. That is to say what is worth promoting by the society? According to him, social evaluation could go either on well-being or on overall goals, that is to say goals that are sought for although they reduce individual well-being[3]. Each one of them can be evaluated from what can be achieved (well-being achieved, agency achievement) or from the freedom to achieve (well-being freedom, or agency freedom). As far as Sen is concerned, social evaluation should promote well-being freedom without preventing the individuals' freedom agency [Sen, 1993] in emphasizing on extending capabilities set. The capabilities theory found new modalities of decision inasmuch as well-being achieved can only be self-evaluated, but well-being freedom grounded on capabilities basis can be socially evaluated. Considering the problem of what information should count in the process of making a decision that would affect the future generations, a Senian response would be to focus on capabilities. The principle of intergenerational solidarity which is central in the SD as defined by the Brundtland Commission [1989], would move from a conception of "meeting the needs of the present without compromising the ability of the future generations to meet their own needs", to not reducing their capabilities in providing it.

### *Common humanity: the status of the "non human beings"*

Although this definition of SD has gradually ended to be academically recognised and institutionalised, it is common place to underline that this concept is blur enough to be accepted by most social actors. It results that there are several ways to understand what SD is [Godard, 1994]. The status of "non human beings" is a key question to tear its different versions apart as well as an issue for the legitimacy of SD. In order to simplify we will say that two visions are opposed: the Deep Ecology vision in which the "non human beings" are defended not only for themselves but as a part of an ecosystem that interrelate every element of the natural environment as a guarantee of sustainability; the technical-economist vision in which to some extent the technical capital can replace the natural capital. From the point of view of the economies of worth the ecosystemic vision of SD can be apprehended inside the axiomatic because it would suppose that these "non human beings" have the ability to speak for themselves, which is obviously not the case. The technical-economist vision of sustainability is easily apprehensible in the model for it moves these "non human beings" from subjects of conflicts that are defended as human beings to objects mobilized in argumentations they are not part of, but regarding a proof that has to be established. For instance arguments that those natural elements (ground water, the ozone layer, bees) are useful for mankind because they guarantee life on earth.

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[3] Sen illustrates overall goals using the example of an individual who would choose to build a monument to his hero rather than fulfil primary needs such as eating.

In fact, we can see that these "non human beings" tend to acquire some legitimacy through the evolutions of the law[4]. The recognition of rights is indeed an institutionalization that is a good sign of legitimacy. Though this legislation takes the form of soft laws, that is to say laws that do not compound sanctions or that are not obligatory [Delmas-Marty, 2004], nevertheless they emphasize on the right for these "non human beings" to exist. The foundation of such rights is legitimate regardless of either one or another vision of sustainability, in a utility principle. There is no need to insist on the utility dependence relationship between humanity and natural elements in the technical-economist vision. As for the ecosystemic vision, Jeremy Bentham provides a timeless argument. For him, the "day *may* come, when the rest of the animal creation may acquire those rights which never could have been withholden from them but by the hand of tyranny. The French have already discovered that the blackness of the skin is not a reason of why a human being should be abandoned without the redress to the caprice of a tormentor. It may come one day to be recognize, that the number of the legs, the villosity of the skin, or the termination of the *os sacrum*, are reasons equally insufficient for abandoning a sensitive human being to the same fate? What else is it that should trace the insuperable line? Is it the faculty of reason, or, perhaps, the faculty of discourse? But a full-grown horse, or dog, is beyond comparison a more rational, as well as a more conversable animal, than an infant of a day, a week, or even a month, old. But suppose the case were otherwise, what would it avail? the question is not Can they *reason*? nor, Can they *talk*? but, Can they *suffer*?"[5].

These arguments are representative of the two radical drifts in the relationship between mankind and its environment at stake in SD: an anthropocentric issue that follows the "Enlightment" vision and places mankind (and its ability to think) at the center of humanity[6]; and a biocentric problem that uplifts natural elements to a human level [Godard, 1994]. Bentham is led to this argument, not because he built animals on a human model, but rather conversely because his conception of rational *homo oeconomicus* works as an animal which weighs up its pleasures and its pains. These arguments can be challenged by a philosophical one that brings them back together. The question raised by Bentham is to draw the line between what is human and what is not. And eventually what kind of humanity would result from these two conceptions of SD? Following Kant's moral law, it is possible to say that without the elements of nature that are "non human beings" we may not be as human as we are with them [Latour, 1995]. Considering that what makes us human is at stake, this supposition requires the implementation of the precaution principle. So we have to draw the line again between what is human and what is not as well as we have to rethink SD relatively to this key question. Between visions of an object-nature in the anthropocentric version and a subject-nature in the biocentric version, we can choose to build an intermediary version of sustainability on the consensual ground of the project where every stakeholder has a role to play [Ost, 2003] and that will be developed in the following part.

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[4] For instance, since 2008 French public organisations are allowed to press charges if its territory is environmentally damaged.

[5] Bentham J., 1789, *Introduction to the principle of morals and legislation*, Chapter 17, T. Payne editor, London, pp.308-309.

[6] Furthermore Vivien [1994] shows how the classical economy development at the end of the 18th century participate to this philosophy.

**The implementation of Sustainable Development principles inside the public agencies: the internal organisation**

Such a large implementation of sustainable policies is no doubt inherent to the Nord – Pas de Calais Region (North France) where we find an increasing number of public organisations adopting local agendas 21 (LA21) [CERDD, 2007]. We can explain progress in this region by its past based on a mono-industrial economy and on the exploitation of a single natural resource (the coal). As a result the entire region is marked by the scar of its economic development, so the people have soon realized that it has to move from a non SD to a sustainable one [Goxe, Villalba and Zuindeau, 2008]. As a result, SD policies challenges the French public organisations that used to lie on a "relation between worth of the general interest that justifies public services and practical demands for action and organisation submitting this worth to a proof of reality" [Thévenot, 2001, p.127][7]. We will now show these two elements we will call "industry" and "civic" following Boltanski and Thévenot [1991] are balanced in the implementation of SD policies.

*Promoting transversality*

First of all elements of industrial worth according to which efficiency is seen as a legitimate principle of action appear in the management of the public agencies by the promotion of transversality as a new mode of organising labour. Usually, it works on two different divisions of labour levels: between each department in charge of the various axes of the political action; and between the elected representatives that choose the political orientations and the technical employees who have to implement them. So usually, each department led its own policy axe, as every of them is managed by a head of department, a distinctive administration that is accountable to the deputy in charge of this political axe.

For instance, any French mayor has deputies in charge of every political axe. Each one of them answers for the mayor and is responsible for the choices that are made and their implementations. He has to work with the head of department and the entire department administration. Basically we can represent the organisation chart as a two-layered triangle (one representing the political organisation and the other one the administrative organisation on top of which there is the technical department's chief). What also characterizes this division of labour is that no department has to deal with other departments' business. Each one has competences in a particular matter (public lightening, housing, culture, education, social policies, and so on). This partitioning of public action is seen all over Europe as a main difficulty of implementing transversality and LA21 [Lafferty, 2001]. Note that this does not mean that there is no mutual aid between services. Also on matters requiring the competences of several departments, there are spaces of cooperation. For instance projects of renovating houses may involve public road services, as well as social policies and green spaces management.

But the adoption of a SD approach challenges this way of managing public administration. We remain in the industrial world of worth because we deal with a process that is still turned toward efficiency. What changes, is the proof of reality that forces efficiency to compound with the requirement of sustainability. Empirically, this demand is applied inside

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[7] From now on, all quotations will be our translation.

administrations with the notion of transversality questioning traditional management. So, we can see transversality as an empirical translation of SD concept that takes sense in the implementation of SD policies or actions. Yet as above mentioned, the concept of SD does not have a single definition. The French institutions have adopted a conventional and consensual one grounded on a triple goal: "an objective of social fairness, economic efficiency and environmental upgrading" [MATE, 1998]. In this implementation the point is to emphasize on consequences of actions of every department on social, economic and environmental fields. This is summarized in a transversal management of public administrations that decompartmentalize actions, which is seen all over Europe as a sign of sustainability [Evans and Theobald, 2003]. So in a sustainable approach, every department has to evaluate its own outcomes on these three domains.

Our study of local communities in the Nord – Pas de Calais Region has led us to highlight three main institutional changes that bring out the implementation of transversality: developments of transversal themes, changes in the organisation chart, and the set up of transversal projects [Emelianoff, 2005a]. The last one will be treated later on. Developing themes is a privileged way to make public action transversal because it does not need radical institutional changes and therefore it is easier to establish. The institutional level of the Nord – Pas de Calais Region for instance chose to emphasize the themes of climate change and biodiversity preservation. This strategy needs both a political momentum to convince departments to apply these themes in their daily actions, and an institutional control on every department to make sure that every one take these themes into account and evaluate the consequences of its actions through these criteria.

Regarding institutional changes, transversality can take various forms. It can be the creation of a position at the highest level of the organisation chart which is the case, for instance in the cities of Valenciennes and Loos-en-Gohelle where the person in charge of the mayor's personal staff is also in charge of SD[8]. Or in a more informal way when the person responsible for the LA21 or the matters of SD is closely related to the mayor (as it used to be in the city of Dunkerque) or the region's president (as it was the case in the Nord – Pas de Calais Region). It can also be the creation of positions dedicated to SD in every department. This solution is generally rejected on the ground of the waste of public resources that would bring efficiency down, and the lack of independence of departments. But as a non exclusive way of implementing transversality that we have found in every local community investigated in, the policy of SD falls to a department specially created for this purpose (and in general also to promote LA21). And the place of this department in the organisation chart marks the degree of transversality. In a large number of public agencies, the departments in charge of the implementation of transversality are attached to the departments in charge of environmental issues. We can see that as a sign of poor transversality [Emelianoff, 2005b].

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[8] The position of the head of the mayor's personal staff is to some extend off the chart because he belongs neither to the political world nor he is part of the technical organisation. He is only responsible for the mayor. That is to say that his civic legitimacy comes from him whereas the technical legitimacy of sustainable policies comes from the involvement of the society.

*A new mode of governance: toward Local Agenda 21 as the real heart of Sustainable Development policies?*

Governance is often seen as the fourth pillar of SD as it appears in reference documents published at the international level (e.g. chapter 28 of the Agenda 21 adopted in the 1992 Rio de Janeiro's Conference). When it comes to its implementation, there are as many forms of governance as ways to comprehend SD. For instance we can separate participation that implicates citizens in the decision making process, from the consultation of actors on goals or means that public action should promote or adopt, from the implication of organised actors such as non governmental organisations, associations, firms, other departments or possibly from other public agencies [Evans and Theobald, 2003]. Regarding this actor criterion, we can see three distinctive types: citizens or people that are not organised, associations or NGOs that defend collective interests on particular subjects, and firms that are collective actors defending their own interests. The involvement of these actors depends on their category.

Citizens are the category of actors that participate the least. They are not organised enough to have access to proper information. So the citizens' participation needs to be preceded by a phase of education on what SD is. This factor is important on explaining the French delay on governance issues, where SD has been lately appropriated by public actors, following the 2000 European request for sustainable cities [Emelianoff, 2005b]. And yet information is a central issue for governance or participation [Evans and Theobald, 2003]. For Zaccaï, one of the rules of the governance rule should be to "increase what is called in English "capacities building", to increase the capabilities" [Zaccaï, 2003, p.3] by promoting publicity or SD events. In this matter, French initiatives are obviously weak. Associations or NGOs are actors that are involved most subsequently in sustainable public policies. Generally the participation is set on a conflict ground where local interests are in dispute with public actions. However there are some exceptions. For instance, in the city of Lille the local agenda 21 (LA21) has been elaborated in cooperation with local associations for the protection of the environment. The president of the most active one is now deputy mayor in charge of the SD policy of the city. The city of Tourcoing has also followed this path with the difference that the deputy mayor in charge of the LA21 comes from the local world of social associations. As for the firms we will leave this case to further analyses.

Then experiences on governance and participation are not really successful. And yet there are arguments that new governance of administration and citizens' participation tend to renew civic legitimacy of public agencies. Sustainable issues have indeed led to question the legitimacy of the elected representatives as they have never been legitimate to limit the citizens' liberties, even to protect their environment. So "the general organisation of the society which is behind the legitimacy of the representative democracy's principle has now become obsolete" [Bourg, 2005, p.412], and there is a need for a renewal of the democracy procedure that participation procedures can provide. But as we have seen above, this new mode of governance would require that the stakeholders are well informed and sufficiently responsible to renounce some part of their liberties.

So as we consider the questions of governance, we have come to distinguish issues of implementation from opportunities of principles. As Beaurain [2003] noticed there are two kinds of works on governance: "approaches that associate governance to a renewal of conceptions of the democratic process […] and approaches that insist on drifts that occur in

the use of this notion" (p.3). As far as we are concerned, and as we have shown above, we do not see these two streams as contradictory. In our study of local communities in the Nord – Pas de Calais Region we have come to emphasize that both these arguments are relevant. The first one is in the principles of SD and the second one in attempts to implement participations procedures. So in the theoretical principles of SD, decision-makers and administrative personnel refer to the public participation as a new modality of public agencies' governance, which renews the civic world of legitimate justification. But in practice they face numerous difficulties in setting in place the LA21 forum as in the rest of Europe [Evans and Theobald, 2003 ; Emelianoff, 2005b].

These two new proofs of reality of the public action are summarised in LA21 lying on a participative approval of populations and transversally produced as it brings closer every department concerned by the project. An empirical study on the implementation of LA21 in the Nord – Pas de Calais Region brings out three main concerns for the actors [CERDD, 2007]: creating transversal "ways of working" inside organisations, developing procedures on population's consultation or participation, and issues of sustainable town-planning[9]. So LA 21 summarises all these dimensions that imply changes in organising the public agencies, as well as it is a new mode of coordination inside the agencies. LA21 project is also meant to bring closer actors on sustainable projects, as for instance the firms.

### Are Sustainable Development or Corporate Social Responsibility management principles of neo-liberal firms?

Although social consequences of this mono-industrial mode of development are still obvious, this region seems to have made a step to its economic redevelopment, mainly based on the steel industry (Usinor Sacilor, Vallourec), on the textile industry (Saint Maclou, La Lainière de Roubaix, Descamps…), on ready-to-wear firms (Promod, Camaïeu), major outlet (Auchan, Castorama, Décathlon, etc.), mail order companies (Les Trois Suisses, La Redoute, Damart, etc.), food-processing…[10]. Consequently to the hypothesis stated above, we emphasize the forms of the State and of the Market are intimately linked [Boltanski, 2008] and consider so the industry implications involving the worth of efficiency as a legitimate common principle of action, and the civic consequences lying on the worth of promoting equality (or promoting the Common Good) [Boltanski and Thévenot, 1991] to establish a parallel between the implementation of SD in the public agencies and in the firms. But we will start by a brief historical recalling on how the Corporate Social Responsibility (CSR) has progressively been institutionalised.

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[9] Let us not forget that the Nord – Pas de Calais Region is a densely populated area with thirty-one cities of over 20,000 inhabitants (the region counts four millions of inhabitants on a 12,500 km² surface. As a result the population density is almost 400% the density average of the French territory) which explains concerns about sustainable town planning. On a more general conception of LA21, this dimension can be extended to the land settlement. Theys

[10] In 2005, according to the national statistics institute (INSEE), the Nord – Pas de Calais Region's wealth creation was 5,1%  (86,5 billions of euros) of the national level, which ranks the Region at the 4th place of the French Regions. It is to note that the Region is way beyond the national average, mostly because of the weight of the Ile de France Region's wealth creation in this average.

*Sustainable Development principles and the firm's management*

First of all we would like to emphasise on the ambiguous link between SD and CSR. Historically, these two movements have grown apart although at some point they have come to meet each other. According to Stephany [2003] the CSR phenomena starts is on the rise between 1987 and 1992, on one hand because of the meeting of the pension funds movement and the growing resort to profit sharing caused by a new financial ethic called the "Socially Responsible Investment"; and on the other hand because of the empowerment of the ecologists demands in particular brought in front of the public scene by some major ecological scandal (e.g. Exxon Valdez, Tchernobyl, etc.). After 1992 this restructuring movement of a new managerial ethic is reinforced in the SD United Nation's principles in particular by the role the main international institutions (UN, OECD) have SD to play, as for the local French communities. In the middle of the 1990s the implementation of the SD principles seems to imply to the French firms and be legally solidified in the 2001 "new economic regulations" law[11].

Somehow SD and CSR have come to meet each other. But this connection is still unachieved on the theoretical level. On one hand we have several visions of what SD is through economical theories – mainly dealing with issues of natural resources or with external effects matters, or through theories linking biological constraint to economical constraint [see e.g. Godard, 1994 ; Vivien, 1994 ; Harribey, 1998 ; Zuindeau and Boidin, 2006]. On the other hand it seems that CSR has fist been conceived as a notion theories had to account for it. Since the middle of the 1980s three main train of thoughts built as ways to justify CSR: the *business ethics* approach in which CSR comes from a moral requirement; the *business and society* approach that lie on the ideas there is no frontiers between the firm and the society and that the firm is created by the society, which gives it responsibility to the community; and the *social issue management* approach according to which there are political and social changes outside firms it as include in its strategies [Gendron, 2000]. These three trends have in common not to question the firm's capitalist aim. Also the special importance of the term "responsibility" is consistent with private business and more suited to the firm's legal environment that organise the market rules – the propriety right. According to the market legitimacy principle propriety grants rights to defend what we own but it also gives responsibility. Moreover, ethic is consistent with the economic axiomatic neutrality according to which good is not a criteria of the economy as utility is [Walras, 1952]. We would then assume that CSR is a particular configuration of SD applied inside the firms [Plumecocq, 2009], as well as a justification strategy in order to legitimate the firm activities and the market-capitalist social organisation [Champion and Gendron, 2005].

If CSR is a modality of SD, we would be able to apply SD principle to the firm's context. Zaccaï [2002] has led and impressive work on the SD reference texts and have come to highlight five common SD principles:

- "The promotion and the protection of the environment". If we look into the firm's discourses this principle seems to be the most easily implemented by the firms [Gendron, 2002] autres ref. But it does not challenge the usual firm activities as SD is meant to. Indeed

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[11] According to the NER law, the French firms have to publish a report on how they take care of environmental and social issues through their activity.

the environment can be taken car of exterior to the firm activity. We remain in the industry logic of production inherent to Capitalism as this principle is often reduced to balance – on an accountability model, the environmental damages caused during the activity and the improvement made elsewhere.

- "A global vision". As we consider this principle we have to emphasize on the firm's size criteria. At this point the global vision of the companies is no relevant of SD practices. At best we deal with multinational firms which have to adjust to the various countries legislation or cultures they interact with. In smaller cases references to a global vision is set through general criticism of the capitalist mode of production as a global social organisation [Plumecocq, 2009].

- "The care for balancing present and future outcomes". As we will see it in the next part, this principle is the main difficult point between the firm's productive logic and SD principle. In fact we would say that this temporal tension is constituent of the Capitalist system based on two different principles: a market principle lying on the supply-demand law on a short term period; and an industry principle based on long period efficiency.

- "Searching and integrating the various development compounding". As for the environmental treatment the integration of social development issues is outsourced by the firms and as for the global vision it mainly deals with multinational companies. This principle is often associated to strategy activities of the firms as in the case of the French company Lafarge facing the AIDS epidemic in the West Africa [Aggieri, 2004]. Here again we remain in the industry logic on preserving the firm's productive resources.

- "The claim that the SD projects are something new" is an argument advanced by the firms in order to respond the social request associating the product quality to SD in a competitive context [Capron, 2003]. It may lead to a communicational drift[12] involving the public opinion as a vector of legitimacy [Boltanski and Thévenot, 1991].

### *The rise of a market/civic compromise as neo-liberal firms management*

Not only CSR is a reconfiguration of SD applied to the firm's context, but the theories built to understand this phenomena seems also to legitimate societal issues inside the firm's management. From our point of view, the stakeholder approach is the most suitable to well understand the CSR matters because it is consistent with the historical evolution changing the form and the structure of the firms. What we would call the neo-liberal firm is indeed characterised by the transition of model built on a hierarchical work organisation where responsibilities are clearly defined and the objects and issues belonging to the firm are well identified, to a model where the labour relationships between the employees are no longer univocal and where the firm's frontiers have come to disappear [Stephany, 2003].

This organisation mode of production have been analysed by Boltanski and Chiapello [1999] in what they call "the new spirit of Capitalism". Studying management literature of the French 1990's, they have come to see that what we would call the neo-liberal firm result from

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[12] For examples of numerous firms communications strategies see [Laville, 2002]. We can see in these cases a combination of legitimacy elements from an opinion world (make the product famous) and from an inspiration world bringing into play some creativity.

a dual criticism of the capitalism founded on the Fordist modes of production, and expressed in the French revolution of May 68. These criticisms were propounded on a social ground (on the idea that the wages should keep increasing) and on an inspiration ground (on the idea that the working environment was alienating). According to these authors, Capitalism has recuperated the criticisms from the inspiration world that they call the "artist criticism", in order to elude the "social criticism". The result appearing in the management literature is the settlement of a new labour organisation (a new mode of coordination) that replaces Fordism, focused on projects. Now how can we link project management to the CSR movment?

When running a company an entrepreneur has to face several types of uncertainty: a market one because he has to sell his products in order to make profits; an organisational uncertainty because not only he has to make people work but they have to do it together for the same purpose; and a social uncertainty because working together create communication spaces producing weather cooperation or conflict without knowing which one is more likely to outcome [Coutrot, 1998]. To bring the parallel with the public agencies the SD logic first relies on the internal work organisation easier to implement than the external participation pillar that changes the institutional governance of the agencies. So they have come to develop sustainable projects to apply transversality so that they had to associate external actors regarding their competences. As far as the firms are concerned this SD sequence of actions seemed to work conversely from an external requirement to an internal one. As recalled above, CSR has been imposed from the exterior of the firms by means of the investments funds, using finance as a tool.

Following Boltanski's amend to its previous work [2008], we would say that "project management" and CSR have came to the fore not only by the resort to investments using the financial market, but above all by the constitution of institutionalized investors groups empowering [Orléan, 1999]. What has changed regarding the Fordist regulation is the introduction of the financial market based on competition inside the firm's management. As the shareholders have been constituted in institutional groups they have come to play their decisional part imposing their own decision instead of the entrepreneur – as it was in the Fordist organisation [Coutrot, 1998], who is becoming a performer. So on one hand, under the pressure of investment groups, in order to control the market uncertainty "project management" remains a valuable mode of coordination; and on the other hand the CSR movement finally comes to manage the market uncertainty as a norm of the quality product for it guarantees proper social conditions of productions. Everything happens as if the investment groups focusing on their own financial outcome – consistently with the economic theological rationality, bring market management inside the firms as a way to handle organisational and social uncertainties. Therefore they are transferring the risk they take by becoming a shareholder to the employees [Lordon, 2000] who become accountable for their outcome task in the project. So "project management" is clearly consistent with the CSR[13] as it redistributes the employee's responsibilities inside the firms lying on both market and industry elements of worth.

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[13] Project management is also consistent with the financial profitability. Orléan [1999] uses the conception of contractual social relationship. See e.g. Granovetter [2000] for criticisms of such a theoretical conception of the firm organisations.

Furthermore these three elements – financial profitability, CSR and management project, define a neo-liberal mode of firm's governance. Discourses seem to legitimate it using the theme of the financial democracy as every shareholder as a right and a responsibility regarding the firm's decisions. This argument clearly lies on a civic worth using democratic elements (the vote, equality, decisional delegation, etc.). But this democracy reproduces the market organisation as it implies a non-civic vision of equality. Lordon [2000] emphasizes this democracy is not ruled by the principle "an individual, a vote", but "a share, a vote". To complete the equation we would say as a share represent a certain amount invested in the firm that the wealth gives the right to vote. And the more rich we are, the bigger our right extend is. So this civic world of worth involved in governance procedures is balanced by a market one when applied to the firms. And even when we do accept such an argument, Gomez [2001] shows that in the firm's practices this mode of governance marked by the civic/market legitimacy have led to a new type of managers more sensitive to the financial goals. To continue the republic analogy, Gomez calls it the "speculative demagogy".

**Conclusion**

There is no doubt that SD is growing as a legitimate modality of action both in the public agencies and in the firms. For now it seems that this legitimacy lies on a compromise between industrial and civic justifications [Thévenot, 2001]. In the public policies, SD changes the forms of these industrial and civic proofs of reality, through a transversal organisation of work that questions the old division of labour and through the principle of governance that can either reinforce or compete with the elective proof of reality. As far as the firms are concerned we can see that this movement of SD (or CSR) implying a wider vision of business also brings issues of legitimacy into play as it reduces the market uncertainty. It also combines elements of civic justifications renewed by the idea of a shareholder government and of industry justifications in terms of neo-liberal labour organisation.

This brings on three conclusions:

- The ability of Capitalism to appropriate what seems to criticise its principles [Boltanski and Chiapello, 1999]. In the firm's context, this pass by the involvement of the financial profitability that bring the market back inside.

- The impossibility to consider a legitimate world based on SD principle, because a unique vision of what SD is, do not exist. As a result, the request of SD for coordination is questioned. As for the sustainable public policies, we can analyse LA21 on the angle of a new mode of coordination grounded on SD projects. The difference between the LA21 project and the neo-liberal project management is that the former does not involve market worth as it may in other countries [Thévenot, 2001]. It keeps being in line with both civic and industrial worlds of justification. What do change is the forms of the reality proofs, which make SD an empirical notion.

- The governance disconnection between global and local levels: on the global level, the firms seem to be a legitimate governance actor as it crosses many frontiers; on the local level we would emphasize on the importance of the public agencies ability to mobilize the local actors. In the French context the firms are excluded from the public decision for this would be seen as a strategy of lobbying in promoting the firm's interest which is not considered as

legitimate. But on particular projects some firms are associated as consultants bringing technical diagnoses. Most of the time, they are big firms in a situation of national monopoly and of providing public services (e.g. La Poste, EDF, the SNCF[14], etc.). Regarding the rest of the firms, the relationships with public organisations are asymmetrical as they are subordinate to agencies through the public commands (in housing, public structures, etc.) and through subsidies.

Finally, to answer the title question we would say that the public agencies and the neo-liberal firms meet on involving elements of civic and industry legitimacy, and on the settlement of a SD project – internal for the first one and outsourced for the others. Be that as it may, in order to become a global system, SD has to bring face to face the States (and locally the public agencies) and the firms in a new worldwide governance. On the global scale, this would pass by reinforcing the social regulations and using the responsibility principle as a complement, not as a substitute [Robert-Demontrond and Bezaudin-Péric, 2005]. Another line more operational at a local scale, would be to emphasize on the interest of LA21 project. Its interest is to put in form a legitimacy world based on sustainable development principles attempting to associate all the SD stakeholders including the firms. So LA21 document can be seen as an immaterial investment building the frame of SD action as "the relationship between the physical capital, the raw material, and the working people involve the implementation of a complementary tools set, norms, benchmark, rules, conventions, contracts, qualifications, trade-marks, etc. The productive function results from the articulation of these elements" [Thévenot, 1986, pp.21-22].In this vision, it would be a instrument for changing the ways of usual modes of action by creating a behavioural norm - in the sociological sense of regularity, which goes beyond the public sphere related to a worth of durability.

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[14] La Poste is the French mail company; EDF is a firm that produces and distributes the electricity and the SNCF is the French railway company.

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