

# Corporate Social Responsibility and Public Private Partnerships in International development cooperation – Evaluating the Impact of Corporate Motivations, by Hohfeld, Lena

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## ABSTRACT

Corporate Social Responsibility and Public Private Partnerships in International Development Cooperation - Evaluating the Impact of Corporate Motivations

*Key Topic: Multi-stakeholder strategies and competitiveness*

With their 8th goal, the Millennium Development Goals call for public-private partnerships (PPP), vital for reaching economic, social and environmental development goals. These partnerships are meant to include the private sector in order to increase the impact of development activities by allocating financial resources, skills and expertise of the private sector. Additionally, international businesses increasingly gain opportunities to address their stakeholders in developing countries and include them into their Corporate Social Responsibility (CSR) strategies. The paper differentiates CSR activities and PPPs as forms of private engagement, whereby PPPs in a company perspective can be motivated by profit goals or goals of Corporate Social Responsibility. These three forms of private engagement are analyzed with a focus on the impact of a motivation of responsible corporate behaviour on the collaboration within public private partnerships. Potentials and limitations are evaluated. Empirical examples are drawn from an increasingly important business sector:

Aquaculture. It is a growing business for professionals, and helps to deliver food safety and livelihood for many people in poor countries, particular for small scale farmers. With ongoing development towards intensification and global networking aquaculture creates an increasing demand for supporting public services, traceable collaboration and responsibilities within whole supply chains.

In the first part the motivations, potentials and limitations of CSR for development are analyzed. The overlap of CSR projects and development objectives is increasingly realized by development agencies. They support CSR activities due to their close connection to sustainable development. But although development agencies see CSR as the contribution business can make to sustainable development, conflicts arise due to the different motivations behind development projects and CSR activities. While development agencies strive for the provision of sustainable development as a global public good, companies include – besides ethical – also strategic considerations into the selection and conduction of feasible projects. In the second part the paper analyzes public private partnerships with a special focus to the fishery sector. The collaboration of development agencies and companies in PPPs in order to reach a

common goal involves the sharing and management of risks, costs and resources to achieve benefits for both sides. Factors for success evolving from the project have to be evaluated for each project. The paper offers an identification of influencing factors by referring to the notions of transaction cost, property rights and contract theories of New Institutional Economics. Considering the identified factors the paper analyzes which effect a motivation of responsible corporate behavior may have on the outcome of the project. The findings are contrasted to a PPP with profit interest of the company. A further comparison is made between CSR projects and PPPs motivated by responsible corporate behaviour.