CORPORATE SOCIAL RESPONSIBILITY OF MULTINATIONAL CORPORATIONS IN DEVELOPING COUNTRIES

The increasing importance of corporate social responsibility (CSR) means that companies must consider multi-stakeholder interests as well as the social, political, economic, environmental and developmental impact of their actions. However, the pursuit of profits by multinational corporations has led to a series of questionable corporate actions, and the consequences of such practices are particularly evident in developing countries.

Adefolake O. Adeyeye explores how CSR has evolved to aid the anti-corruption campaign. By examining voluntary rules applicable for curbing corruption, particularly bribery, and analysing the domestic and extraterritorial laws of Nigeria, the United Kingdom and the United States for holding corporations liable for bribery, she assesses the adequacy of international law’s approach towards corporate liability for bribery and explores direct corporate responsibility for international corruption. The roles of corporate governance, global governance and civil liability in curbing corporate corrupt practices are given special focus.

Adefolake O. Adeyeye is an adjunct lecturer at the Faculty of Law, National University of Singapore (NUS), where she teaches a module on corporate social responsibility, which she designed and developed. Her research interests are in corporate social responsibility, multinational corporations, corporate governance, global governance, international law and sustainable development.
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Adefolake O. Adeyeye
Frontmatter
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CORPORATE SOCIAL RESPONSIBILITY OF MULTINATIONAL CORporATIONS IN DEVELOPING COUNTRIES

Perspectives on Anti-Corruption

ADEFOLAKE O. ADEYEYE
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This book is a product of my PhD thesis which I undertook at the Faculty of Law, National University of Singapore. Moving to Singapore with my husband in 2000, I had no idea I would pursue a PhD and then undertake to write a book adapted from the thesis.

Writing this book has been a long and arduous task. Between the time the PhD degree was awarded and the publication of this book, corporate social responsibility (CSR) has undergone drastic changes. The work of the Special Representative of the UN Secretary-General (SRSG) on business and human rights, which has wide-ranging implications for CSR and developing countries, is complete. In June 2011, the UN Human Rights Council endorsed the Guiding Principles on Business and Human Rights. Interestingly, the SRSG’s mandate was created in 2005, the same year I commenced my PhD. The role of institutional investors and of corporate governance in general in promoting CSR is now more pronounced. The UK Bribery Act, which was passed in 2010 after years of criticism about the state of the corruption laws in the UK, came into force on 1 July 2011. It has been fascinating but demanding to follow the changes that have occurred. Where possible I have tried to accommodate the implications of some of these changes in the book.

This book focuses primarily on anti-corruption as a CSR issue. It explores mechanisms that are useful for curbing international corruption, including both voluntary and mandatory rules. The aim is to provide a fresh outlook on avenues for eliminating corruption, especially in developing countries, through the lens of CSR.

The completion of my thesis and then the book would not have been possible without the support of a large number of people. I am indebted to my PhD supervisor, Professor Sornarajah, for his
guidance and friendship. To my friends, too many to list, thank you for the prayers and support. Finally, I would like to express my heartfelt gratitude to my family. Kunle, I couldn’t possibly have done this without you. Fope, Oba and Aji, you put so much meaning into life!
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- Conditional Fee Agreements Ord. 1995
- Courts and Legal Services Act 1990, s. 58
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- Prevention of Corruption Act 1906
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- Public Bodies Corrupt Act 1889

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- Sarbanes-Oxley Act 2002
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- Economic and Financial Crimes Establishment Act 2004
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<th>Description</th>
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<td>AU</td>
<td>African Union</td>
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<tr>
<td>AIC</td>
<td>Australian Institute of Criminology</td>
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<tr>
<td>Am. J Comp. L</td>
<td><em>American Journal of Comparative Law</em></td>
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<td>Am. J Int'l L</td>
<td><em>American Journal of International Law</em></td>
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<tr>
<td>Am. U Int'l L Rev.</td>
<td><em>American University International Law Review</em></td>
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<td>Arb. Int'l</td>
<td><em>Arbitration International</em></td>
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<tr>
<td>ATCA</td>
<td>Alien Torts Claim Act</td>
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<tr>
<td>ATCSA</td>
<td>Anti-terrorism, Crime and Security Act</td>
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<tr>
<td>BIT</td>
<td>Bilateral Investment Treaty</td>
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<td>Berkeley J Int'l L</td>
<td><em>Berkeley Journal of International Law</em></td>
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<tr>
<td>Brit. J of Crim.</td>
<td><em>British Journal of Criminology</em></td>
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<tr>
<td>CCB</td>
<td>Code of Conduct Bureau</td>
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<tr>
<td>CCR</td>
<td>Centre for Constitutional Rights</td>
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<tr>
<td>CDC</td>
<td>Control Data Corporation</td>
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<tr>
<td>CNL</td>
<td>Chevron Nigeria Limited</td>
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<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
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<tr>
<td>CMHT</td>
<td>Cohen, Milstein, Hausfeld &amp; Toll</td>
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<tr>
<td>Colum. J Transnat’l L</td>
<td><em>Columbia Journal of Transnational Law</em></td>
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Colum. L Rev. Columbia Law Review
Cornell Int’l LJ Cornell International Law Journal
Cornell L Rev. Cornell Law Review
CSO civil society organisation
CSR corporate social responsibility
COE Council of Europe
CPIB Corrupt Practices Investigation Bureau
Depaul L Rev. Depaul Law Review
Disp. Res. J Dispute Resolution Journal
DOJ Department of Justice
Duke J Comp. & Int’l L Duke Journal of Comparative and International Law
ECOSOC United Nations Economic and Social Council
EFC Act Economic and Financial Crimes Establishment Act
EFCC Economic and Financial Crimes Commission
EITI Extractive Industry Transparency Initiative
EJIL European Journal of International Law
Emory Int’l L Rev. Emory International Law Review
EP Equator Principles
EPFI Equator Principles Financial Institution
ESG environmental, social and governance
ETC Environmental Tectonics Corporation
Fordham J Corp. & Fin. L Fordham Journal of Corporate and Finance Law
Fordham L Rev. Fordham Law Review
FCPA Foreign Corrupt Practices Act
FDI Foreign Direct Investment
FDS Federal Directorate of Supply
GTE General Telephone & Electronics Corporation
List of acronyms and abbreviations

GRECO Group of States against Corruption
GRI Global Reporting Initiative
GTE General Telephone and Electronics Corporation
ICC International Chamber of Commerce; International Criminal Court
ICGN International Corporate Governance Network
ICPC Independent Corrupt Practices Commission
ICSID International Centre for Settlement of Investment Disputes
IFC International Finance Corporation
IGO international governmental organisation
IGAC International Group for Anti-corruption Co-ordination
Int’l Law. International Lawyer
ILA International Law Association
ILM International Legal Materials
IMF International Monetary Fund
IP intellectual property
IPS Institute for Policy Studies
ILRF International Labor Rights Fund
J Corp. L Journal of Corporate Law
J Int’l Aff. Journal of International Affairs
J Int’l Econ. L Journal of International Economic Law
### List of acronyms and abbreviations

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<th>Full Form</th>
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<td>KBR</td>
<td>Kellogg, Brown and Root</td>
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<td>KSC</td>
<td>Korea Supply Company</td>
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<tr>
<td>LMCLQ</td>
<td>Lloyds Maritime and Commercial Law Quarterly</td>
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<tr>
<td>Law &amp; Contemp.</td>
<td>Law and Contemporary Problems</td>
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<tr>
<td>Law &amp; Pol’y Int’l Bus.</td>
<td>Law and Policy in International Business</td>
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<td>LNG</td>
<td>liquefied natural gas</td>
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<td>Loy. LAL Rev.</td>
<td>Loyola of Los Angeles Law Review</td>
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<td>Mich. LR</td>
<td>Michigan Law Review</td>
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<td>Manchester J Int’l Econ. L</td>
<td>Manchester Journal of International Economic Law</td>
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<tr>
<td>MESICIC</td>
<td>Mechanism for Follow-Up on the Implementation of the Inter-American Convention against Corruption</td>
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<td>MNC</td>
<td>multinational corporation</td>
</tr>
<tr>
<td>MOSOP</td>
<td>Movement for the Survival of the Ogoni People</td>
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<tr>
<td>NAFTA</td>
<td>North American Free Trade Agreement</td>
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<td>NAPIMS</td>
<td>National Petroleum Investment Management Services</td>
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<td>NIEO</td>
<td>New International Economic Order</td>
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<td>NEPAD</td>
<td>New Partnership for Africa’s Development</td>
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<td>Non-State Act.</td>
<td>Non-State Actors and International Law</td>
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<td>&amp; Int’l L</td>
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<td>Nw. UL Rev.</td>
<td>Northwestern University Law Review</td>
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<td>NYUL Rev.</td>
<td>New York University Law Review</td>
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List of acronyms and abbreviations

NYUJ Int’l L & Pol.  
New York University Journal of International Law and Politics

NGO  
non-governmental organisation

OAS  
Organization of American States

OECD  
Organisation for Economic Co-operation and Development

OUCLJ  
Oxford University Commonwealth Law Journal

PACI  
Partnering Against Corruption Initiative

PCA  
Prevention of Corruption Act

PCGG  
Presidential Commission on Good Government

PRI  
Principles for Responsible Investment

RECIEL  
Review of European Community and International Law

Review of International Political Economy

SEC  
Securities Exchange Commission

SFO  
Serious Fraud Office

Sing. JICL  
Singapore Journal of International and Comparative Law

Sing. JLS  
Singapore Journal of Legal Studies

SLC  
Special Litigation Committee

SLR  
Singapore Law Reports

SPGL  
Spectrum Power Generation Ltd

SrAR  
Stolen Assets Recovery

TGP  
Transparency in Government Procurement

TI  
Transparency International

TRIPS  
trade-related aspects of intellectual property rights

Transnatn’l Law.  
Transnational Lawyer

Tulane J of Int’l & Comp. L  
Tulane Journal of International and Comparative Law
List of acronyms and abbreviations

UNCAC  United Nations Convention against Corruption
UNCTAD  United Nations Conference on Trade and Development
UNDP    United Nations Development Programme
UNGC    United Nations Global Compact
UNODC   United Nations Office on Drugs and Crime
USC     United States Code
USDOJ   United States Department of Justice
Vand. J of Transnat’l L.  Vanderbilt Journal of Transnational Law
Vand. L Rev.  Vanderbilt Law Review
Vill. L Rev. Villanova Law Review
Wm. Mitchell L Rev.  William Mitchell Law Review
Wis. Int’l LJ Wisconsin International Law Journal
WBCSD  World Business Council for Sustainable Development
WEF    World Economic Forum
WGB    OECD Working Group on Bribery in International Business Transactions
WTO    World Trade Organisation
Yale J Int’l L Yale Journal of International Law
Yale LJ   Yale Law Journal