Abstract

This paper is a review of a number of articles published between 2000 and 2010 regarding the topic of corporate social responsibility and development in Latin America. The main purpose is to outline key trends of academic research addressing this field. To carry out this review, four main journals on business, society and development issues were selected and 50 articles were analyzed. A multilevel approach was developed to analyze the different themes related to corporate social responsibility and development in Latin America. The main themes that have emerged from this literature review are related to increased attention from the private sector towards stakeholders' issues and the proliferation of new alternatives of public-private alliances and cross-sectorial initiatives. This article offers new insights regarding some gaps in the literature available and future avenues for research in the relationship between corporate social responsibility and development concerns.

Keywords: Corporate social responsibility, Latin America, developing countries, public-private partnerships, aligning agendas.

Resumen

Esta revisión comprende artículos publicados entre el año 2000 y 2010 en relación con temas de responsabilidad social empresarial y asuntos del desarrollo en América Latina. El principal propósito es delimitar las principales tendencias de investigación en este campo. Para llevar a cabo esta revisión, se analizaron 50 artículos de las cuatro revistas más importantes en el campo entre empresas y sociedad y asuntos de desarrollo. Se desarrolló un marco de aproximación multinivel para llevar a cabo el análisis temático. Los principales resultados temáticos se orientan a una creciente atención del sector privado hacia asuntos relacionados con otros actores involucrados y la proliferación de nuevas alternativas de alianzas público-privadas e iniciativas intersectoriales. El artículo evidencia algunas brechas en la literatura y futuras vías para la investigación en la relación entre responsabilidad social empresarial y asuntos del desarrollo.

Palabras clave: responsabilidad social empresarial, América Latina, países en desarrollo, alianzas público privadas.

Résumée

Cette révision comprend des articles publiés entre les années 2000 et 2010 portant sur des sujets autour de la responsabilité sociale des entreprises et sur la question du développement en Amérique Latine. L’objectif principal est celui de délimiter les principales tendances de recherche sur ce domaine. Pour effectuer cette révision, on a analysé 50 articles parus sur les quatre revues les plus importantes dans le domaine des entreprises, de la société et du développement. On a développé un cadre d’approximation multiniveau pour l’analyse thématique. Les principaux résultats thématiques sont orientés vers une croissante attention du secteur privé vers les questions en relation avec d’autres acteurs involucrés et la prolifération de nouvelles alternatives d’alliances publiques-privées ainsi que des initiatives intersectorielles. L’article met en évidence quelques écarts dans la littérature et des voies futures pour continuer avec la recherche sur la relation existante entre la responsabilité sociale des entreprises et les questions du développement.

Mots clés: responsabilité sociale des entreprises, Amérique Latine, pays en voie de développement, alliances publiques-privées.
1. Introduction

Several approaches exist to understand the role of business in development. From a Neoliberal perspective, one can argue that businesses may become active players in generating development processes. Nevertheless, this view has been highly criticized, given that for others, development should be led by states or local communities. The arena of discussion amongst this tension of world views on governmental and corporate roles in development is highly complex. The legitimacy of state intervention in development issues (DI) has been criticized due to ineffectiveness associated with corruption and lack of resources to fulfill social needs. The role of business in society has been increasing in importance due to its rising power in society and further access to resources like technologies and knowledge. From the business school perspective to development, it is essential to understand assumptions behind this shift in roles and how the private sector has had a significant impact on DI such as human rights, social welfare, environment, and economic growth. From this perspective, the discussion on corporate social responsibility (CSR) has become the centre of analysis where questions like amount of responsibility and areas of concerns have proliferated. It is expected that social programs of CSR practices in developing countries differ from those in developed countries, given the differences in cultural and ethical values, and in institutions as well.

Latin America (LA) is a complex region whose economy has been growing steadily in the last couple of years. According to the World Bank statistics (2012), between 2003 and 2010, 73 million people escaped from poverty in LA and the Caribbean as a result of economic growth and social policies. This economic behavior in LA has raised interest from investors and Multinational Corporations (MNCs) to set in their operations. Nevertheless, LA has also been characterized by its deep inequity amongst its population. This socioeconomic context creates concerns amongst those who believe that CSR initiatives are framed within an economic approach to development and thereby, these will never bring real opportunities for all.

Moreover, Kapelus (2002, p. 276) states that “corporations have been paying more attention to the concerns of communities in the developed countries in which they operate than to those in developing countries”. It is important to understand whether these initiatives framed into CSR are being understood and implemented as philanthropic actions, if they are part of a planned strategy aimed at aligning with macro development agendas, or if they are being responsive to local social demands. In order to capture this multifaceted arena of intertwined development matters and CSR practices, there is a need to look for trans-disciplinary approaches in the sense that Carrizo (2005) states, where a systemic perspective might be more responsive to these matters of social interest.

The overarching research question of this review is: How has the role of CSR in relationship with DI been researched? In response to this guiding question, we want to map the role of CSR in development issues in LA. To trace this idea we have performed an exhaustive literature review to identify the main leading articles on the issue of CSR and development in the last couple of years. One important objective of this review is that by approaching this terrain, we can trace gaps in the relevant academic literature on the topic of CSR and DI in LA. Finally, we deal with the concern of which can be the prospects for future research and where investigations are pointing in relation to CSR, organizations, and development. Therefore, this article seeks to unveil possible areas of interest for scholars and spot new tendencies on academic research on the issues of business and society.

This article is structured in the following manner: The first section offers an overview of CSR and development to contextually analyze its relationship within the LA region. Development cannot be merely defined as a set of economic features and market expansion. In fact, Kliksberg (2006, p. 6) argues that an economic approach to development is not enough and that “there is a need to go beyond the conventional view of development to include new dimensions such as culture and social capital”. To overcome this simplistic conception, a multilevel approach is going to be offered to classify different themes associated with CSR and development and which will later be used to explain the findings. Afterwards, the methodology used will be explained to understand the scope and limits of this systematic review. The third session explores the main findings related to what has been studied in recent years with regards to CSR and Development in LA. Finally, in the discussion, an analysis is available on further implications and conclusions regarding the role of business in development.

2. Theoretical Framework

Different approaches are available to the role of business in society and how much incidence they should have in achieving social good. The argument of the sole responsibility of businesses as profit maximization (Friedman, 1970) has been highly discussed (Carroll, 1999). A direct link exists between CSR initiatives and DI. According to McWilliams & Siegel (2001, p. 117), CSR can be defined as “actions that appear to further some social good, beyond the interests of the firm and that which is required by law”. One could argue that while CSR initiated as a private initiative to fulfill social needs, its private agenda shares a lot of DI. The question of poverty in developing countries and prevailing inequalities among populations are complex features that exceed the capacities of MNCs working on their own. Nevertheless, issues like human rights, labor, environment, and anti-corruption are in
the forefront of development agencies and are becoming strategic for MNCs.

As Jamali & Mirshak have stated: “While there is a growing concern on ethical and political debates, little attention has been given to the practice of CSR in developing countries (2007, p. 244)” It is argued that by looking at CSR there is an opportunity to emphasize MNC's role as a poverty alleviator by shifting the attention, not in macro patterns, but in micro levels of analysis of actual response of MNCs (Kolk & Van Tulder, 2006, p. 791). However, the contexts of developed and developing countries vary and, therefore, their own needs and areas of concerns differ in relationship to what CSR initiatives should address.

The complex relationship between business and society has led to debate on the long-term sustainability of current business models. A growing body of literature claims for a business paradigm change, given that developing countries are not overcoming their social problems, mainly poverty and environmental degradation (Escobar, 1995; Banerjee, 2003). Nevertheless, the mainstream approach continues to argue that the only way to achieve development is through economic growth and innovation. Under this assumption, businesses have been implementing a shift towards a more responsive behaviour due to several reasons like ethical concerns, regulatory demands, and stakeholders' pressure to remain competitive (Hart, 1995; Bansal & Roth 2000, Porter & Kramer, 2006). Within these contesting contexts, including several players, common goals that affect public and private concerns need to be fulfilled. There have been increased numbers of multi-stakeholders initiatives. According to Maak (2007, p. 330), these global initiatives are clear indications that organizations are seeking ways to promote responsible leadership in business and that MNCs are willing to accept their responsibilities as businesses in society. The visions of some of these initiatives reflect the need to include a balance among economic growth, social progress, and environmental concerns.

Currently, with the leading role of business in society, CSR practices can be considered a set of dynamic configurations, where relationships among different players are being established. In developing countries, nontraditional relationships among business, governments, nonprofit organizations (NPOs), nongovernmental organizations (NGOs), and groups from civil society have been arising. These new forms of business related to stakeholders have received different names, such as community engagement strategies (Bowen et al., 2010), public-private partnerships, inclusive business for poverty reduction (CODES, 2010), or civic alliances characterized by a sense of a shared mission (Ogliastri, 2003). These partnerships have been used in the area of development because they serve as efficient and legitimate alliances for different purposes, as noted by Utting (2000). However, these new business-public relationships can be a source of distress due to concerns for private agendas and motivations different from the explicit developmental ones.

The debate of corporate behavior in developing countries leads us to the problem of governability and business self-regulation. Nevertheless, the issue of self-regulation and voluntary compliance is highly contestable because governments and society lack enforcement institutions. In developing countries, this condition is more obvious as regulators have fewer resources to demand compliance from business (Graham & Woods, 2006). Corporations use mechanisms like social and environmental reporting to increase legitimacy among stakeholders (Gray, Kouhy, & Lavers, 1995) and avoid reputation risks. Governments, Public opinion and International institutions are key players to enhance the effectiveness of self-regulation in developing countries; they can demand accountability and transparency to corporations. (Gray et al., 1995). However, with new alliances between public and private sectors, the question that remains is who should regulate them? One way to deal with this is the implementation of non-governmental governance systems that are a mixture between private and NGOs initiatives. Multi-stake regulation systems can be positive because they might strengthen regulatory systems but privatizing regulations can also close off democratic ways of regulations (O’Rourke, 2006). Despite this negative outcome, the author argues that with strategic policies and coordinated efforts, these regulating systems might move towards more credible, transparent, and accountable systems (O’Rourke, 2006, p. 911).

Finally, it is particularly significant to understand that the construct of the concept, definition of the content, and the applicability of CSR has had strong expansion in a social and economic context, different from the one in LA (Raufflet & Barrera, 2010). Given the lack of consensus on what exactly can be considered CSR activities, it is hard to establish whether prior actions carried out in LA could fit into the concept. Nevertheless, with standardized CSR policies, such as ISO 26000 and the escalating concerns for corporate reporting, it has become easier to identify CSR practices in this location.

In order to map the different debates derived from this situation, we developed a conceptual framework of different topics in CSR and DI. According to the main discussions that have arisen around business and society and CSR issues, we divided the matters into three main levels. First, we discussed the macro context that relates to international players and policies that frame CSR and development globally. Then, from an intermediate level, we placed the debates related to the role of business and different stakeholders at a local level and the comparisons established with other countries. Finally, we set some debates that can be understood in the micro-level, such as local initiatives, the role of Small and Medium enterprises (SMEs) and the relationships with the local community.
1. The macro-context **globalization and its effects**. This context relates to market integration into the World Trade and foreign direct investment (FDI). An interesting area of research exists, regarding the debate between FDI and ED. International institutions and development agencies like the UN have had a role in promoting business relationships to facilitate the entrance of FDI (Utting, 2000). Market integration of developing countries under the signature of free-trade agreements must be observed with political and economic considerations. Beyond the economic success or failure of this tendency, the issue of political and social effects is crucial to understand the tensions among business and society. Pasquero (2000) observed how regional market integration brings new institutional contexts for business. These contexts are regarded as driven by new political governance processes that are complex and build on joint decision making. One can conclude that within LA contexts, issues like free-trade agreements, export processing zones, and local governability are appealing subjects to understand the rationale behind CSR practices.

2. Meso-Level **Integration and its effects**: In an intermediate level there is a whole universe of discussion regarding developmental local impacts of global change. There is a link among the integration to markets, the entrance of international players into local markets, and enhanced demand for CSR. An interesting approach on this boost in CSR activities is given by Matten & Moon (2008) who argue that an increase in explicit CSR in the south exists due to isomorphic pressures like Meta standards and institutional pressures. Despite a long tradition of corporate philanthropy in LA, studies regarding CSR in the region within and among countries are still limited (Puppim de Oliveira, 2006). Issues regarding corporate social reporting in MNCs have been studied in several LA countries (Paul et al., 2006, Prieto-Carrón, 2006).

3. Micro Level **CSR and development in the local contexts**. This level of approach has multiple dimensions of study, inasmuch as it has shown to be a dynamic arena. According to local circumstances, variations of traditional CRS have been observed in different LA countries. We can place in this layer issues related to cultural embeddedness of CSR, gender issues, local partnerships, and SMEs. The legitimacy and different expectations towards the role of the state can be rooted in historical, cultural, and institutional frameworks. The role of the Church has been very important in understanding the concept of welfare in LA. One example of studies placed in this level of approach is the one developed by Peinado-Vara (2006) who studied two examples of creative solutions by the private sector in Colombia and Venezuela to overcome social problems (Table 1).

### Table 1. Multilevel approach to CSR & Development

<table>
<thead>
<tr>
<th>Level of approach</th>
<th>Main Themes in CSR &amp; Development</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Macro-level</strong></td>
<td>Globalization, FDI, FTA, EPZ, intergovernmental organizations, international standards, MNCs, millennium development goals, global multi-stakeholder institutions, global compact, supranational regulatory mechanism, climate change, environmental degradation, regional agreements.</td>
</tr>
<tr>
<td><strong>Meso-level</strong></td>
<td>Relationships between MNCs and domestic firms, cross cultural studies, corporate reporting, corporate reputation, institutional capacities, local regulations, international NGOs and local operations, institutions and governability, self-regulation, codes of conducts, market-based mechanisms, joint ventures, CSR value chain analysis, bargaining power of stakeholders.</td>
</tr>
<tr>
<td><strong>Micro-level</strong></td>
<td>Variations of CSR, governmental development plans, inter-sector CSR practices, clusters, local initiatives, creative solutions, local conceptualization of CSR, local legitimacy of businesses, local NGOs, gender issues, local institutions, cultural embeddedness of CSR, local partnerships, SMEs.</td>
</tr>
</tbody>
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Source: D’Amato, G. (2013)

3. **Methodology**

The research was carried out during the second term of 2011. The method used was a qualitative analytical approach based on the systematic literature review of relevant articles from CSR and Development fields. The basic aim of this approach is to have reliable and updated access to the intellectual production on this area and to have access to different approaches of the same phenomenon. In CSR, various literature systematic reviews are available to help to map out the territory (Garriga & Melé, 2004) and to provide evidence-based conclusions. Systematic reviews differ from traditional reviews because they go beyond narrative reviews and adopt replicable and transparent processes that can be traced by external audits (Bowen et al., 2010).

**Data collection.** The articles used for this review were taken from the Journal of Business Ethics, the Business Ethics Quarterly, Business & Society and World Development. These journals represented a coherent set of journals in the management and business and society field. They were selected based on specific criteria of significance to the scholarly audience interest in the subject of CSR and the coverage of its topics. Also, the criterion of availability was considered, along with relevance for the LA academic community. The articles were used as secondary sources of information and complemented with a broad literature review on the topic of CSR and development. To select the articles, several combinations of key words were used to have access to the main literature available. Seeking to limit the scope of the search to the last decade, a time frame of published articles between January 2000 and December 2010 was set.
The keywords used for the first screening of the material were combinations of CSR, corporate citizenship, development, Latin America, business ethics, cross-sector initiatives, and public-private partnerships. A total of 251 distinct articles were initially identified, having some relationship with the area of interest. Afterwards, a second review was made of the initial sample based on the abstract of the articles to select the most relevant and a total of 50 articles remained (Table 2).

Table 2. Distribution of the articles and the main key words by frequency

<table>
<thead>
<tr>
<th>Journal</th>
<th>Articles</th>
<th>Main keywords by frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Journal of Business Ethics</td>
<td>15</td>
<td>Codes of conducts, cooperatives, CSR, corporate accountability, development, global compact, NGOs, partnerships, social economy, values.</td>
</tr>
<tr>
<td>Business Ethics Quarterly</td>
<td>3</td>
<td>Child labour, co-responsibility, developing countries, financial integration, globalization, international ethics, moral leadership</td>
</tr>
<tr>
<td>Business &amp; Society</td>
<td>16</td>
<td>Business ethics, CSR, FDI, globalization, international management, MNCs, NGOs, stakeholders</td>
</tr>
<tr>
<td>World Development</td>
<td>16</td>
<td>Aid allocation, community, codes of conducts, employment, environmental concerns, industrial policy, institutions, Latin America, maquiladoras, rural development</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td></td>
</tr>
</tbody>
</table>

Once the relevant literature was sorted out, different tables were used to analyze the information. All articles were read and classified according to their main topic of interest, information regarding countries was assessed and the main conclusions and gaps identified were used to construct categories of analysis. The methods used for the different research were identified to trace the common trends. Later, we focused on developing a crosscut analysis of the main topics and theoretical frameworks used during the studies. In order to classify our findings, we used our multilevel framework developed in the beginning of the article.

Some of the limitations to this study are theoretical and practical. Firstly, three of the selected journals belong to the business approach to development and only one (World development) belongs to the development approach. Secondly, there is a problem with generalizations coming from only published material as it overlooks other approaches being run by businesses in the development sphere. Also, there is a time constraint that limits access to other academic journals, specifically local journals, where relevant material for this study could be found. Moreover, from a practical viewpoint this research has methodological constraints, given that it lacks empirical primary sources. The fact that the study seeks to cover all LA also becomes problematic because the region is characterized by enormous differences between cultural and governmental contexts. Nevertheless, its academic and conceptual character gives interesting and relevant insights in the area of new configurations of business and development in LA.

4. Findings

To understand how research on CSR and LA has been focused during recent years, we organized the information according to the countries covered by the sample. Specifically, 12 LA countries were covered by the studies and the others deal with comparisons between LA countries and North America (Pasquero, 2000) (Verstegen, 2005), or LA countries and European countries (Melé et al., 2006) (Blasco & Zolner, 2010). Most of the articles found related business and development issues by using Latin America or “developing countries” in general as a context, without referring to one in particular. (Graphic 1)

A great deal of attention has been paid to Brazil and Mexico and this is explained by their rapidly growing economies and the attention paid by MNEs to these countries. This tendency is probably going to carry on with even more attention to Brazil, as it continues to improve its economy and its heavy reinvestment in local development. Diverse themes have been studied in Brazil, such as AIDS (Flanagan & Whiteman 2007), Biotechnology (Griesse, 2007), and children issues (Raufilet & Gurgel do Amaral, 2007). Moreover, Brazil and Argentina have been compared due to their similarities and contrasted with Spain (Melé et al., 2006). Special consideration has been given to Central America because of its textile industry and plantations, which have been the focus of debate due to poor labor conditions and CSR implementation (Prieto-Carrón, 2008; Husted et al., 2010). There was at least one article from Nicaragua and Guatemala (Zezza et al., 2009), El Salvador (Collins, 2009), Costa Rica (Vargas, 2002), and Honduras (Jansen, 2008). In the following table we can see the attention paid by LA countries, we placed Central America as one group.

Graphic 1. Articles vs. countries

Source: D’Amato, G. (2013)
It is meaningful to realize how countries like Chile, Venezuela, and Bolivia are not represented and which can be the source of interesting information due to their own economic and political particularities. With regards to the Caribbean, countries have also been underrepresented, with the exception of the Dominican Republic.

Regarding the origins of the authors of the articles, it can be stated that most of the research has been done by Management departments in North American Universities. This is followed by European scholars writing about LA, and, finally, we are starting to observe an increase of LA authors writing and publishing about their own cases. Now, this can be explained by several reasons. First, due to limitations in language barriers because the journals selected publish their material in English. But also, due to the greater interest countries from the north have shown in topics related to business and society and CSR practices. Nevertheless, what can be observed is an increasing number of local scholars publishing with northern colleagues. Brazil, again, is generating much research done in local universities like the University of Porto and Minho by Castelo Branco & Rodrigues (2006), and the Brazilian School of Public and Business Administration (EBAPE) by Bedicks & Arruda (2005) and Figuereido (2008).

4.1. Main methods used in the research

In general, concerning methodologies used by the scholars, there is an increasing number of empirical researches based on case studies, which is raising the availability of primary information. As seen, most of the published articles can be categorized as qualitative research based on case studies. A great proportion of the articles were based on literature reviews and secondary sources of information in order to make conceptual constructions. A growing amount of research deals with primary sources of information, such as direct case studies using interviews, surveys, and other data sources of direct information. Comparative studies have been used to study the case of Mexico, Canada, and the USA (Pasquero, 2000; Verstegen, 2005), as well as Peru and Colombia (Moser, 2001) (table 3).

4.2. Main themes according to time

In Graphic 2, we grouped the main themes covered by the studies in relationship to the year they were published. This grouping was carried out according to the prevalence of topics in the articles from the sample. If we look in the time line, we can note how by the beginning of the millennium, there was a big concern for topics related to exports led by development initiatives, mainly the maquiladora industry in Mexico and Central America. Globalization and its effects can be seen as a permanent source of concerns for scholars during this decade. Notwithstanding, specific issues related with ethical concerns of globalization have also been remarkable and constant over time. Much attention was paid to alternative market-based mechanisms like fair trade systems and forest stewardship council certifications, but this has started to diminish leaving room for new concerns.

Table 3. Methods, theoretical frameworks, and strategies used

<table>
<thead>
<tr>
<th>Methods</th>
<th>Nº Articles</th>
<th>Theoretical frameworks and strategies used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Critical analysis</td>
<td>18</td>
<td>Literature review, development of theoretical models, analysis of reports, critical stakeholders' analysis, resourced-based perspective.</td>
</tr>
<tr>
<td>Case studies</td>
<td>23</td>
<td>Surveys, interviews, document analysis, institutional change analysis, grounded theory.</td>
</tr>
<tr>
<td>Empirical analysis</td>
<td>7</td>
<td>Global value chain analysis, statistical interference, logistic regression and modeling, surveys, mental maps, organizational economics and resource-based view of the firm.</td>
</tr>
<tr>
<td>Comparative studies</td>
<td>2</td>
<td>Institutional analysis, institutional theory.</td>
</tr>
</tbody>
</table>

Source: D’Amato, G. (2013)

Among the themes increasing in importance, we can find corporate reputation, comparative studies, and emerging economies. The environment has been subdivided and specialized into subtopics, such as environmental performance, environmental reporting, environmental policies, pesticide regulations, and resource management.

Interestingly, a trend is noted towards researching on local initiatives and public-private partnerships. In recent years, more emphasis has been placed on relationships among different stakeholders with business.

4.3. Main themes in CSR & development

The main themes covered by the studies were related to various areas of concern, with the most common issues
being: impact of globalization, social economy, cooperatives and partnerships, role of MNCs, business ethics, and stakeholders.

In order to find out what conceptions and areas of interest businesses had in relationship with development, we followed the structure of the different level mapping debates exposed in the theoretical framework.

In the macro-level of CSR and development, which relates to globalization issues and international frameworks, we found the following themes: several studies related to EPZ and FTA. An interesting study by Metzger et al., (2010) shows how links exist between aid allocation by the corporation and the regions where their operations are set. FDI concerns also include the impacts on social spheres as its increase in LA is starting to be noticed. An article by Emunds (2003) raises questions about the problems and risk that financial integration might bring to developing countries by exploring the concept of co-responsibility in development. Lastly et al (2005), focus on the case of child labor in Brazil to highlight different disputes regarding international ethical concerns. In general terms, the macro level approach gained much attention at the beginning of the decade. Nevertheless, an increasing tendency exists to explore CSR issues in a more intermediate and local level.

The meso-level (interconnections between local and international issues) deserved considerable attention during the last decade. The findings lead us to the discussion on how the role of business in LA might differ among countries. The concern for social welfare in LA has been different according to historical and economic facts. The case of Mexico is very relevant inasmuch as contributions from business, NGOs and other philanthropic activities are considered below average. In describing this situation, Blasco and Zoner (2008) compared France and Mexico and illustrated the complex ways in which institutional contexts shape the appropriation and interpretation of CSR in different cultural contexts. The study by Vertegen (2005) on corporate governance and CSR contrasts the North American countries and unveils how, even though there is geographical proximity, other dissimilarities emerge with regard to business ownership and corporate governance.

These differences between the role of state or business can also be seen in Brazil. An important rising theme is the relativism of international standards when applied to developing contexts (Figuereido, 2008; Raufflet & Amaral, 2007 and Lawrence & Wokutch, 2005). What we have seen in this review is the increasing concern regarding the different settings and needs of developing countries with respect to CSR implementation. Specific topics like Corporate Reporting, Corporate Reputation, Business and Economic Ethics have been studied in LA in relationship to the financial performance of the firm. This perspective of analysis becomes useful when trying to establish links between the firms’ performance and social impacts.

Finally, at a micro-level we refer to those particular issues that have a strong local influence, such as clusters, local legitimacy, and cultural embeddedness. What we found is increased attention to studying specific issues in each country, such as how local initiatives are being developed to satisfy developmental needs. The study by Giuliani & Rabelloti (2005) shows how some SMEs have upgraded in clusters characterized by public-private initiatives aimed at supplying research and technology extension services. It is important to mention the inclusion of relevant topics for LA like small-scale entrepreneurs and communities of organizations. Increasing work on CSR is available on issues related to relationships between MNCs and stakeholders, mainly NGOs. Nevertheless, this study shows a tendency towards prevailing managerial perspectives on these discussions.

Lastly, the main industries covered by the articles were related to natural resources like mining, the petroleum industry and commodities such as forestry, coffee, and banana plantations. Also, studies were published on the topic of goods and services, maquiladoras, biotechnology and pharmaceutical industries.

4.4. Tendencies in cross-sector initiatives

During recent years, concerns for cross-sector alternatives have arisen; partnerships, alternative organizations, alliances, and networking, among others, have been in the centre of the academic debate. Mukherjee Reed & Reed (2009) described four different models of actual business partnerships. The importance of NGOs in cross-sector initiatives has emerged given the types of projects framed in the 10 principles of the United Nations Global Compact.

Latin America has a long tradition of interest in the use of natural resources and collective management practices. The role of community, market-oriented enterprises like community forest or other rural community enterprises have changed their relationships with the private sector. It is likely to see in the communities a shift of roles from mainly producers, concessionaires, or workers employed by the firms to integrate players in the value chain production process.

Another salient issue in CSR partnerships has to do with emerging institutional arrangements like institutional governance structures to carry out CSR in Central America, women-led partnerships, and shared environmental governance. Likewise, the new configurations of collaboration among players have become a source of institutional development. Finally, it is interesting to mention the experience observed in the Dominican Republic in the uncoordinated implementation of public and private labor regulations (Amengual, 2010). In this study, the author shows how these two labor regulations, although uncoordinated, ended up being complementary. These findings expand the understanding of public-
private initiatives as win-win situations where there can be knowledge shared and improvement of assets.

### 4.5. Aligning CSR initiatives and development Issues

The focus of this literature review was mainly to establish the relationship with CSR initiatives and DI; therefore we searched how CSR has been conceived and its implementation in relationship with development agendas. In general, we observed that multiple interests existed reflected in the types of initiatives implemented by MNCs in LA. Nevertheless, it was hard to observe if formal commitments were made by the private sector to align their efforts with governmental agendas. The research done by Torres-Baugarten and Yucetepe (2008) found how MNC spending in voluntary initiatives is limited in comparison to other emerging economies and that this might be due to a lack of the establishment of good corporate citizenship standards in the region. What we find in common in most of the studies is the lack of general agreement or a consensus among CSR initiatives by corporations and the need to align them with public developmental agendas. In fact, research is needed on how private initiatives work in hand with governments and NGOs in long-term development goals.

The study in Brazil by Flanagan and Whiteman (2007) is an interesting case that shows how this alignment of public and private agendas can be achieved. One could argue for the need to attract attention to the new configurations in the public-private arena as there is a tendency towards the involvement of governments and other stakeholders such as NGOs to negotiate CSR priorities within the contexts of developing countries and to reach consensus over these.

### 5. Conclusions & discussion

This article contributes to the theory and practice based on the findings mentioned above. From a conceptual viewpoint, this article maps out the different approaches the relationship between business and development has been following during the last decade. From a practical standpoint, the article provides clear paths for further research. The review has been able to show a shift from globalized research topics like regional integration that captured the attention of most academia at the beginning of the decade to more intertwined local concerns like partnerships and innovative strategies to deal with DI. Theoretical research questions addressing the alignment of public and private agendas are becoming crucial to understand organizational change and the complexities of social development. Also, there is room for more practical research questions, such as: How can the private sector help in strengthening local capabilities and sharing knowledge transfer to improve institutional assets?

These ideas should be explored hand-in-hand with the political will to establish productive partnerships in LA.

One of the main objectives of this review was to shed light on further orientations for scholarly research. In this line, we have observed the need to explore organizational configurations and organizational change of community involvement and alternative partnerships according to the local contexts. Academia should pay special attention to different power relationships among stakeholders, given that this is often common in LA contexts. The relationships among governments, NGOs and academia are definitely another area in need of research, given that there is a dynamic environment.

Research is required on regulatory frameworks evaluating the impacts of regulatory norms and sanctions, as well as stimulus to CSR initiatives in each country. It is important to carry out mid- and long-term impacts of environmental and social reporting of businesses. Questions like how international enforcement affects corporate governance and small and medium shareholders are also areas of concern. It is crucial to keep in mind the role of culture and social capital in development. Furthermore, a more holistic approach to social and economic development could draw attention to carrying out comparisons among industries, or countries to find out how regulatory systems (like tax-based incentives) have been legitimised by cultural arrangements.

Beyond cultural deterministic explanations as Blasco & Zoner (2008) named it, it is imperative to look at the dynamic institutional context where CSR grows and develops. Clearly, this context is central in order to make room for cross-cultural comparisons with other LA countries were social institutions have played a more relevant role and the presence of the private sector is much more significant. Comparisons between South and Central America can also be fruitful in insights regarding CSR in developing economies. Lastly, scholars interested in CSR and development have overlooked the Caribbean region. Studying sociopolitical interactions of countries that have signed free-trade agreements could become a source of important information on the evolution of CSR in LA. As Pasquero (2000) states, a need exists for more extensive considerations of geopolitical factors that influence the institutional environment of businesses. Latin America and its uneven integration to markets is a source of rich data analysis. Given the political circumstances, countries like Venezuela, Bolivia, and Ecuador might become the focus of attention of how CSR is conceptualized and exercised by different institutional players in a more transdisciplinary approach.

### 6. References


Pasquero, J. (2000). Regional market integration in North America and corporate social management: Emerging governance


