International genre, local flavour: Analysis of PetroChina’s Corporate and Social Responsibility Report

Abstract

In spite of the recent globalization of trade and industry under the aegis of World Trade Organisation and the current international awareness about global warming, climate change, and other environmental issues, corporations differ significantly in the way, and the extent to which, they fulfil their responsibility and obligations regarding sustainable industrial development and reporting of their actions as well as intentions. There has been considerable awareness in the West about corporate social responsibility reporting, but a relatively modest inclination to meet such obligations is seen in other parts of the world. In the Peoples Republic of China, the government seems to have actively encouraged their key industries to take their social responsibilities more seriously and to report on their actions and achievements, but no studies have reported, so far, the nature and function of corporate social responsibility reporting practices in China. This paper, taking as its data PetroChina’s Sustainability Reports, employs certain specific aspects of genre analytical framework (Bhatia, 2004, 2008, 2010) in order to explore how the corporate social responsibility reports are discursively constructed, why they are constructed in this manner, and what their intended communicative functions are. Analysis of the linguistic and rhetorical resources exploited in this reporting genre helps reveal the extent to which such disclosure practices meet the expectations of various stakeholders, and how the fairly flexible adoption of corporate social responsibility practices has hybridized the reporting genre with expression of promotion and self-justification.

Key Words: Corporate Social Responsibility, genre analysis, interdiscursivity, hybrid discourse, oil industry, Peoples Republic of China.
INTRODUCTION

As a concept, Corporate Social Responsibility (CSR) has evolved over time and its definition is very much contextual, depending on the implementation of it by the particular company and the geographic region in which the company is based. What started out as social reporting of a businessman’s obligations in order to pursue policies and decisions, or undertake actions which were seen as desirable in terms of the objectives and values of society (Bowen, 1953) in the early 1950s progressed to more formalized definitions in the 1960s. Davis and Blomstrom (1966) defined it as an individual’s obligation to consider the effects of his or her decisions and actions on the social system in its entirety, in addition to the needs and interests of others who might potentially be affected by business actions. As CSR practice spread over the course of the 1970s, more definitions, many common, some varied, also emerged with the more intricate details of what CSR should involve:

“Instead of striving only for larger profits for its stockholders, a responsible enterprise also takes into account employees, suppliers, dealers, local communities, and the nation” (Johnson, 1971: 50).

Resumen

A pesar de la globalización reciente del comercio y la industria bajo el alero de la Organización Mundial del Comercio, y de la preocupación de la comunidad internacional por el calentamiento global, el cambio climático y otros problemas medioambientales; las empresas tienen maneras muy diferentes de abordar las responsabilidades y obligaciones relacionadas al desarrollo industrial sustentable y de informar sobre sus gestiones y propósitos. En Occidente, los informes de responsabilidad social empresarial son un requerimiento para toda empresa, en otras partes del mundo, sin embargo se observa poco interés en cumplir con esta obligación. En la República Popular China, por ejemplo, el gobierno ha incentivado activamente las principales industrias del país a tomar sus responsabilidades sociales con mayor seriedad y a informar sobre sus gestiones y logros. Sin embargo, hasta ahora no se reportan estudios que investiguen la naturaleza y la función de las prácticas utilizadas en los informes de responsabilidad social empresarial en ese país. Este trabajo, que utiliza informes de sostenibilidad de PetroChina como muestra, usa el marco analítico del género discursivo (Bhatia, 2004, 2008, 2010) para explorar la construcción discursiva de los informes de responsabilidad social empresarial, la razón de dicha estructura y sus funciones comunicativas. El análisis de los recursos lingüísticos y retóricos utilizados en el género ‘informe’ ayuda a revelar el grado en el que tales prácticas de divulgación cumplen con las expectativas de diversos stakeholders, y cómo la adopción bastante flexible de las prácticas de responsabilidad social empresarial ha generado un discurso híbrido en la que el género informe se mezcla con expresiones de publicidad y la autojustificación.

Palabras Clave: Responsabilidad social empresarial, análisis del discurso, interdiscursividad, discurso híbrido, industria petrolera, República Popular China.
The 1980s witnessed relatively fewer definitions with increasing emphasis on CSR research and a splintering of work into alternative concepts such as corporate social responsiveness, public policy, and stakeholder and management theory (Carroll, 1999), and the 1990s saw more weight being given to these alternative themes and strategies in corporate social performance (see Carroll, 1999 for a detailed study of the definitional construction of CSR).

Currently, there seems to be no objective and universal understanding of CSR, although, international authorities have tried to convey a more formal understanding of the term. The World Business Council for Sustainable Development (WBCSD), for example, defines CSR as ‘the commitment of business to contribute to sustainable economic development working with employees, their families, the local community and society at large to improve their quality of life’. Regardless of its specific contextual definition, the common element to all adoptions of CSR practices is the emphasis on the fair treatment of all stakeholders, beyond just company shareholders and employees. Stakeholders in this respect can be grouped in the following categories: 1) organisational stakeholders (e.g. employees, customers, shareholders, suppliers), 2) community stakeholders (e.g. local residents, special interests groups), 3) regulatory stakeholders (e.g. municipalities, regulatory systems), and 4) media stakeholders (Tschopp, 2005). CSR nevertheless is still a relatively new phenomenon, which explains to a certain extent the struggle not only for its definition and implications, but also for its implementation and corporate action.

In more recent years, corporate social responsibility has stirred a more intense debate at the heart of which is the question whether:

“corporations should transition from a state of mere compliance to a mode of engagement... This view has become central to the CSR discourse. Also implied in the debate is the idea that the private sector is the dominant engine of growth- the principle creator of value and managerial resources-equitable and sustainable” (Jamali & Mirshak, 2007: 244).

CSR and a relative lack of consistency in its adoption by companies, or rather a lack of a universal standard, as not all companies disclose social responsibility and the ones that do vary both in terms of quality and quantity, has stirred a fairly contentious debate. On the one hand, there are those who believe that the corporation is a legal construct concerned with only two primary responsibilities bestowed by the law-making money for owners and obeying the minimal, relevant rules; and on the other hand, there are those who believe the corporation is a social organism and hence bears duties of any good citizen, thus “entailing a wider range of economic, legal, ethical, moral, and philanthropic responsibilities” (Jamali & Mirshak, 2007: 245). Whatever the motivation or persuasion, rhetorically speaking, corporations need to engage in CSR discourse, which is essentially a reporting genre, through which corporations report their actions that they may have taken to meet their obligations towards society.
In practice, however, there is always a tension between what they report in terms of corporate actions as well as achieved outcomes and what is offered as explanation or justification for their lack of actions. Interestingly though, there are always various expressions of good intentions to take desirable actions. In other words, what is often witnessed in the CSR report is the promotion of interests and good intentions of the corporation as opposed to factual reporting of actual performance, thus producing a mixture of discourses of reporting and promoting in the very same document.

1.1. Aim of the study

Despite the recent globalization of trade and industry, and increasing socio-political awareness about crucial environmental and social issues, corporations vary in the manner in which they fulfil their social and environmental responsibilities, in addition to the way they report them. And while the West has demonstrated considerable awareness about the impact and importance of CSR reporting, there has been, in comparison, a more modest inclination to meet such obligations in other parts of the world. In China, the government in recent years has been actively encouraging state enterprises in key industries to report more seriously their social responsibilities and achievements, but so far there have been relatively few studies conducted on the nature and function of corporate social responsibility reporting practices in China. The main purpose of this study is to analyze the CSR reports from one of the most important industries in China, namely PetroChina, one of the largest oil companies in the world. The focus is not so much on the traditional rhetorical move analysis of the lengthy CSR reports, but more specifically, on the use of linguistic and rhetorical resources exploited in this reporting genre to investigate the extent to which such disclosure practices meet the expectations of various stakeholders, in particular, those suggested by agencies such as The United Nations Conference on Trade and Development (UNCTAD) about standards in the reporting of CSR actions. The specific aims of the study thus are:

A. To investigate the extent to which PetroChina’s Social Responsibility Reports meet the expectations and standards of international agencies; and

B. Drawing on the use of specific lexico-grammatical resources, to assess the extent to which PetroChina’s Social Responsibility Reports achieve their main communicative purpose of reporting corporate performance and to what extent the reports incorporate their intention to justify and explain their modest performance through self-promotion.

1.2. Data collection and methodological framework

The selected data for this paper is part of a larger corpus consisting of twenty CSR reports from India, China, the US, Canada, and Hong Kong (from the oil, banking and aviation industries) for an international project on Collective Argumentation on
Climate Change, for which the researcher is the lead investigator. However, due to the more specific aims of this paper, the focus is primarily on an in-depth analysis of the most recent Sustainability Reports from PetroChina (2008-2011). Each of these reports is approximately 60 pages long, and is published annually and made available in English on the company’s website (not all reports from previous years are available on the website, and hence the corpus in general for the larger project, utilised the latest published reports. This paper specifically focuses on those aspects of the CSR documents that report on the company’s social commitments and policies, including environmental policies.

Analysis of the reports also took into consideration the templates provided by non-industry groups on the reporting of corporate social responsibility actions. Although there is no set universal template for the production of a CSR report (since its adoption is not mandatory internationally), the researcher consulted in particular the Guidance on Corporate Responsibility Indicators in Annual Reports (GCRIAR) (2008) published by UNCTAD which research showed was a popular reference point for many companies.

The research into this particular area began with a general search conducted on major oil industries in China in order to identify corporations that were considered particularly dominant in these sectors. Several Google searches fielded using different combinations of keywords confirmed that the chosen company in the selected sector was the most dominant in the market. Following which, the researcher visited the official company website, navigating through to the company’s CSR reports (uploaded by the company in all cases in pdf format and in English). The Internet has made collection of public discourse very convenient, although it also means that extra steps have to be taken to ensure reliability of data, especially its originality, authenticity, and completeness.

Data collected and analyzed for the project, from which this paper is derived, namely the twenty CSR reports, were entirely authentic, downloaded from the official company websites and bearing the company logo, in addition to a signed letter by the chairperson. Moreover, the data has not been tampered with, since the reports published were all in English, with no need for translation, and although the researcher read through and analysed all twenty reports collected, in particular the four from PetroChina, due to space constraints and focus of this paper, only a selection of extracts could be included.

As briefly mentioned earlier, the data for this paper draws on the Sustainability Reports (which are also referred to as CSR report or a Corporate Citizenship Report) from PetroChina, a state owned enterprise (SOE), and the largest oil and gas producer and distributor in China, in addition to being one of the largest oil companies in the world. Although CSR reporting is a relatively new phenomenon, some countries have adopted it more rigorously than others. Furthermore, while CSR reporting is
an international genre, so to speak, it is also important to note, that CSR is a socio-politically and culturally situated practice. In China the concept of social responsibility is believed to originate from the Confucian concept of ‘family’ embedded in corporate culture, so social responsibility is often seen as an extension of this old tradition. However, that being the case, CSR reporting only came into practice in China in 2006, only five years ago, being made mandatory by the Government for SOEs, after the 1994 Company Law was ‘criticized for its inability to cope with the changing economy in China’. A comprehensive revision began in 2004, and in October 2005 “The National People’s Congress (NCP) passed the new company law…” which gave “explicit recognition to CSR” (Li-Wen, 2010: 70). The fear and awareness common amongst many American companies that CSR might repress profit-maximization has not yet been fully embedded in the attitude of SOEs, which perhaps is another reason for the more rigorous implementation of the practice. CSR reporting has gained more prominence amongst Chinese industries as a tool to help compete with Western countries and encourage them to work in China.

Although there have been several different frameworks for analysing professional discourse as genre (Miller, 1984; Swales, 1990; Bazerman & Paradis, 1991; Bhatia, 1993), this study will use some of the more recent developments in genre analytical framework proposed by Bhatia (2004, 2008, 2010), more specifically his concept of Critical Genre Analysis, to analyze a corpus of textual data drawn from the CSR Reports taken from the official company website of PetroChina. Critical genre analysis (Bhatia, 2008) can help determine how CSR reports are constructed, interpreted and exploited by corporate players within conventions that govern and constrain CSR reporting practice, by focusing on their intended communicative purpose, rhetorical form, and the form-function correlations they display. Critical Genre Analysis will thus bring into focus the motivations for drafting such texts (Bhatia, 2008, 2010) in an attempt to understand why corporations construct their reports the way they do. The analysis will provide some explanation as to how corporations use the opportunity to repair or maintain company reputation since corporations do not exist in a vacuum but sustain and are sustained by wider society. The analysis will also provide some understanding of corporate culture, especially company concern for the disclosure of their responsibility to society at large. In short, critical genre analysis will provide some insights into one of the most relevant questions in genre analysis of professional communication (Bhatia, 2004), i.e., how and why are these reports written the way they are? This study will focus on and discuss also the extent to which this CSR reporting genre ‘appropriates’ linguistic and rhetorical resources from other corporate genres, such as annual corporate reports, to ‘bend’ (Bhatia, 2008, 2010) the conventions of CSR reporting to present a positive image of the company rather than objectively reporting corporate actions.

Drawing on the established genre analytical framework (Swales, 1990; Bhatia, 1993, 2004, 2008, 2010), proposes ‘critical genre analysis’ as a tool to analyse and understand professional practice, claiming that discursive performance in professional
communication contexts is primarily motivated not simply by their socially shared concern to report corporate actions to their stakeholders, but also equally importantly, to maintain goodwill and positive image of the corporation. This often results in large-scale hybridisation, and more specifically, in ‘bending’ of generic norms. Based on his study of corporate annual reports, he demonstrates how corporations attempt to maintain stability in the share price movements at times when market conditions are volatile, or when a specific company is not able to perform well in a specific annual cycle. He also points out that such discursive actions can be best analysed using his version of ‘interdiscursivity’ (Bhatia, 2010), which he defines as appropriation of text-external generic resources. This framework to analyse hybridity in generic construction and interpretation through the interdiscursive appropriation of lexico-grammatical, rhetorical, as well as other semiotic resources, as suggested by him, will be used to analyse the corporate social responsibility reports from PetroChina. In addition, the study will also employ guidelines from international agencies such as The UNCTAD, The Guidance on Corporate Responsibility Indicators in Annual Reports (GCRIAR) and Grice’s Co-operative Principle to understand and explain the extent to which the reporting is strategically communicated in CSR Reports from PetroChina. I would now like to discuss, though briefly, some of the relevant aspects of International Standards for CSR reporting and the relevance of Grice’s Co-operative Principle before taking up detailed analysis.

2. International standards for CSR reporting

There is as such no international standard for the production of a CSR Report, nor is its adoption mandatory across the board, although several international organizations have attempted to implement a possible template. The UNCTAD released two documents on International Standards of Accounting and Reporting (ISAR): the Guidance on Good Practices in Corporate Governance Disclosure (2006), and Guidance on Corporate Responsibility Indicators in Annual Reports (2008). The aim of the first one was to achieve ‘better corporate transparency and accountability in order to facilitate investment flows and mobilize financial resources for economic development’. The second one emphasizes the importance of corporate transparency in facilitating ‘investment decisions, and more broadly, allows governments and other stakeholders to assess an enterprise’s contribution to social and economic development’. Another popular standard is the ISO 26000 Guidance on Social Responsibility (2010) produced by the International Organization for Standardization, which comprises 163 national standards bodies from around the world, and provides businesses, governments, and general society with ‘practical tools for all three dimensions of sustainable development: economic, environmental and social’.

The GCRIAR (2008: 2), with the aim of “creating more concise, more useful and more performance-oriented reports” emphasizes the importance of responsible corporate reporting for the purpose of providing all concerned stakeholders with
the information they need and are entitled to. The report, drawing on the concept of corporate responsibility drawn from strategic management theory, ascertains that “managers can add value to an enterprise by taking into account the social and economic effects of an enterprise’s operations when making decisions” (GCRIAR, 2008: 5). Reporting on an enterprise’s performance should provide all concerned stakeholders with “an account of an enterprise’s impact on society. This added transparency can lead to greater accountability of the enterprise to its principal stakeholders” (GCRIAR, 2008: 5). The report assigns this responsibility to companies in view of them as ‘organs’ of society, and failure to live up to the expectations pegged on them, the report claims “may undermine an enterprise’s license to operate or public acceptability” (GCRIAR, 2008: 5). Similarly, the ISO 26000 (2010) states that an organization’s performance in relation to the society within which it functions ‘has become a critical part of measuring its overall performance and its ability to continue operating effectively...a reflection of the growing recognition of the need to ensure healthy ecosystems, social equity and good organizational governance’.

Concerned stakeholders are defined as “groups of persons that are affected by and/or can influence an enterprise, without necessarily holding an equity share of the enterprise” (GCRIAR, 2008: 5), including the general public, civil society organizations, the government, in addition to shareholders, business partners, consumers and employees. One way of correctly and responsibly addressing concerned stakeholders is to ensure that corporate responsibility reporting takes the following quality indicators (listed below) into account. Interestingly, there seems to be here an overlap between the quality principles laid out by the UN and Grice’s (1975) conversational maxims of quantity (give as much information as is necessary), manner (information should be conveyed in a manner that is logical and devoid of obscurity and ambiguity), relation (information conveyed should be relevant), and quality (the information is truthful, free from bias and supported by evidence).

A. Relevance and Materiality vs. Maxim of Quantity: information can only really be regarded as useful if it is relevant in meeting the needs of the audience, enabling them to draw on it in order to form an opinion or arrive at a decision, through the evaluation of past, present or future events (GCRIAR, 2008: 11).

B. Comparability vs. Maxim of Manner: the audience of the report should be able to “compare the indicators over time and between enterprises to enable them to identify and analyse the outcome of changes in policy and management” (GCRIAR, 2008: 11).

C. Understandability vs. Maxim of Relation: relevance and materiality of information must also be conveyed in a manner understandable to the reader; the information should be presented in a manner that aligns with the experience and knowledge of the readers. It should include the following: “(a) a good design; (b) systematic classification of topics and indicators; (c) concise use of language; and (d) an explanation of unknown terms in the text, or the inclusion of a glossary to enhance
understandability. Relevance takes priority over understandability, but the two concepts should not be seen as mutually exclusive” (GCRIAR, 2008: 13).

D. Reliability and Verifiability vs. Maxim of Quality: information should be reliable, in that it should be “free from material error and bias, and when it gives a true, complete and balanced view of the actual situation. The information should be faithful and representative of the actual situation in the business, complete within the boundaries of what is relevant, well-balanced on both positive and negative events, presented in the right context, and free of material misstatement. It should be neutral (free from bias)” (GCRIAR, 2008: 13).

The paper will focus in particular on the last two principles (of understandability, and reliability and verifiability) put forward by GCRIAR (2008), which are especially concerned with the content and construction of the reports, and the interpretation on the part of the stakeholders and other intended audiences of such reports. The comparison between the GCRIAR principles and Grice’s Maxims, it is hoped, will serve to reemphasise how the reports exploit expected generic norms in order to achieve intended socio-political and/or socio-cultural aims.

Following the GCRIAR, the United Nations Global Compact outlines the Ten Principles that ask companies ‘to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption’:

- Human Rights
  Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
  Principle 2: make sure that they are not complicit in human rights abuses.

- Labour
  Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
  Principle 4: the elimination of all forms of forced and compulsory labour;
  Principle 5: the effective abolition of child labour; and

- Environment
  Principle 7: Businesses should support a precautionary approach to environmental challenges;
  Principle 8: undertake initiatives to promote greater environmental responsibility; and
  Principle 9: encourage the development and diffusion of environmentally friendly technologies.
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

These Principles are also reiterated by ISO 26000. However, while the GCRIAR advocates more on the quality of reporting, ISO 26000 attempts to standardize the content of such reports. Some of the more specific issues in the topics include (ISO 26000, 2010: 7):

- Organizational Governance

Human Rights:

- Civil and political rights
- Economic, social and cultural rights

Labor Practices:

- Health and safety at work
- Human development and training in the workplace

The Environment:

- Climate change mitigation and adaptation
- Protection of the environment, biodiversity and restoration of natural habitats

Fair Operating Practices:

- Anti-corruption
- Promoting social responsibility in the value chain

Consumer Issues:

- Protecting consumers’ health and safety
- Consumer service, support, and complaint and dispute resolution

Community Involvement and Development:

- Wealth and income creation
- Social investment

The above cannot be regarded as a mandatory template but a suggested standard of what minimum requirements companies should generally adopt with some flexibility. The above standards do, however, state that adherence to the above quality and content measures do not only contribute to sustainable development, but also
contribute to benefits for companies’ themselves, including the gain of international competitive advantage; a more credible reputation; maintenance of employee morale and productivity; maintenance of consumers, clients, and workers; support of financial sponsors and investors; and betterment of relationships with other companies, governments, the media and general society (ISO 26000, 2010). This study will focus on the extent to which the CSR reports from PetroChina adhere to the suggestions in the standards set by ISO and UNCTAD, and to what extent they deviate from them, what the possible explanations for these differences might be, and to what purpose.

3. Analysis

3.1. Socio-culturally situated CSR reporting

The communicative purpose of CSR reports is indicated at the outset of all CSR reports in the section entitled ‘About this report’, as illustrated in the following extract from the 2009 Sustainability Report by PetroChina:

PetroChina Company Limited (‘PetroChina’, also referred to in the report as the ‘Company’, ‘we’ and ‘us’) has published three CSR reports since 2006. As an important platform for communication and exchange between us and all our stakeholders including the public, this report can enable you to understand us better and also help us solicit your views and suggestions… to better present the concept and performance of scientific, safe, clean, economical and harmonious development, respond to concerns of all our stakeholders, and bear the corporate social responsibility as an international energy company (PetroChina, 2009).

This is a very broad and general claim, which seems to be consistent with expectations of international audiences; however, a simple rhetorical analysis of CSR reports reveals that PetroChina does not import the suggested international template for CSR reporting wholesale, but instead adapts it to suit the local socio-political priorities and constraints. The sections that are typically and most explicitly followed include:

Organizational Governance

Labor Practices

The Environment

Community Involvement and Development

The exclusion of human rights from the contents of the CSR reporting is perhaps not entirely surprising given the comparatively rigid implementation of CSR; it is stylized to meet the local socio-political agenda. As Li-Wen (2010: 74) points out:
The SASAC [State-Owned Assets Supervision and Administration Commission of the State Council] recognized that CSR has become a new trend at the global level, referring to a proliferation of CSR initiatives such as UN Global Compact, ISO 26000, and multinational companies’ codes of conduct and sustainability reports... In the SASAC’s view, however, the contents and measures of CSR for the central-government-controlled SOEs were still unclear in the global and domestic CSR movements... The CSR principles for the Chinese SOEs should be consistent with the international trend but also be compatible with the national and organizational reality in China....

China has in the past demonstrated a contentious human rights record, as Buckley (2011) points out, ‘The row between Beijing and Washington over human rights has intensified since China’s ruling Communist Party extended its clampdown on dissidents and rights activists, a move which has sparked an outcry from Washington and other Western governments.’ However, Li-Wen (2010: 66) reiterates, regardless of private initiatives,

“private actors are becoming acquainted with the CSR standards in the global market, but the implementation is still subject to Chinese companies’ technological capacity and bargaining power in relation to their international buyers” (Li-Wen, 2010: 66).

Many of the Chinese CSR initiatives are explicitly intended to develop CSR with ‘Chinese characteristics.’ The Chinese government plays an important role in directing the discourse of Chinese CSR. A definitional characteristic implied in the state-led Chinese CSR initiatives is that human rights issues are excluded from the scope of Chinese CSR. As Bhatia (2004) points out, corporations often relax the expectations of meeting socially recognised communicative purposes in order to realize their ‘private intentions’ by adapting models to suit local constraints and contexts, thus ‘bending’ western CSR norms (Bhatia, 2004, 2010; Li-Wen, 2010).

3.2. Promoting vs. reporting

Close analysis of CSR reports from PetroChina reveals a not entirely unexpected mixing of promotional elements in the reporting discourse, which seems to flout the basic principles laid out in GCRIAR: ‘understandability’, ‘reliability’ and ‘variability’. A number of recent studies in critical discourse analysis (Fairclough, 1993) and genre analysis (Bhatia, 2005) indicate that promotional discourse has become an incredibly versatile genre, gradually influencing/invading other genres, both academic as well as professional. Promotional discourse has thus become ‘a subtle art form rather than traditional hard selling’ (Bhatia, 2005). Frankental (2001: 20) similarly mentions,

A number of other companies are now committed to producing annual social reports. This is a reflection of the inexorable movement towards greater transparency and disclosure. Of course these reports have been widely dismissed by NGOs as ‘window-dressing’, ‘greenwash’, a ‘PR exercise’.

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Traditionally promotional discourse has been associated with advertising, which is often viewed as a form of discourse intended to inform and promote in order to sell ideas, goods, or services to a selected group of people (Bhatia, 1993). In his later work Bhatia (2004) highlights the typical rhetorical moves used in advertisements:

1. Headlines
2. Targeting the market
3. Justifying the product or service by ‘establishing a niche’
4. Detailing the product or service
5. Establishing credentials
6. Endorsement or Testimonials
7. Offering incentives
8. Using pressure tactics
9. Soliciting response
10. Signature line and Logo etc.

Although the overall rhetorical structure of CSR reports is not similar to the one given above, we find very interesting interdiscursive appropriations from typical promotional genres such as those mentioned above (Bhatia, 2008, 2010) as part of the CSR reports from PetroChina, thereby generating a mixed genre, mostly reporting but partly promotional. Let me illustrate some of these appropriations from the 2010 PetroChina Sustainability Report.
The reporting template laid down by the UN and by ISO 26000 aims to help companies standardize reports, and convey information in the most comprehensible and objective manner. However, the invasion of promotional discourse in the reporting genre results in material, which is not entirely “free from material error and bias” (GCRIAR, 2008: 13) or necessarily “conveyed in a manner understandable to the reader”.

3.3. ‘Private intention’ in CSR reporting

The inclusion of promotional elements as part of reporting can be best explained in terms of what Bhatia (2005) calls expression of private intention within the socially accepted communicative purpose of a specific genre. CSR reports from PetroChina give a clear indication of this under the section ‘About this Report’ at the beginning of the documents. They indicate their intent in publishing the report (underline added for emphasis) as follows:

PetroChina Company Limited (PetroChina, also hereinafter referred to as the “Company” “we” and “us”) has published its annual Sustainability Report since 2006. This is to present our
stakeholders and the public with a clear picture of our commitment and performance in pursuit of scientific, safe, clean, economical and harmonious development. We also hope the Company can win wider support and regard from various social communities… We sincerely hope that this report will increase your awareness of the issues concerning sustainable development of the whole society such as challenges in energy scarcity, climate change, environmental protection, poverty and underprivileged groups. These issues have direct impact on the sustainable development of PetroChina and the prosperity and progress of society and the economy as a whole. (PetroChina, 2010: 2)

The statement of intent above indicates to the audience that the purpose of the report is to ‘present our stakeholders and the public with a clear picture of our commitment and performance’—commitment and performance indicating ‘intention’ to carry out certain actions, and ‘actual’ actions that have been carried out. More than reporting past year’s performance the actual intention of the report is revealed in the statement, ‘Company can win wider support and regard from various social communities’, which can be viewed as an indirect appeal for goodwill on behalf of the company. This purpose is possibly the most important one given the nature of the industry, where there is more of a need for self-justification. The discourse of goodwill is generated by companies, who want to convey that they care about the society that they are operating in. Such reporting demands blind faith on the part of society, and an expectation on the part of the companies that publishing the reports is equivalent to providing evidence that they care, and at least for that they should be given credit. Interestingly enough, this section of the report also includes a ‘disclaimer’, in case the CSR report goes beyond the limits of normal expectation of the reporting genre towards promotional elements.

The report includes a set of Forward-Looking Statements. Except historical facts, all events that may or will occur (including, but not limited to, premise, objectives, estimation and business plans) and descriptions of such events are categorized into the Forward-Looking Statements. Due to the presence of external uncertainties, actual outcomes or trends in the future may differ from those expected in the statement…We sincerely hope that this report will increase your awareness of the issues concerning sustainable development of the whole society such as challenges in energy scarcity, climate change, environmental protection, poverty and underprivileged groups. These issues have direct impact on the sustainable development of PetroChina and the prosperity and progress of society and the economy as a whole. (PetroChina, 2010)

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actual outcomes or trends in the future may differ from those expected in the statement. (PetroChina, 2009: 2)

The reports seem to lay down their intentions to engage in certain actions, and any discrepancies are justified due to ‘the presence of external uncertainties’, and ‘actual outcomes or trends’ are left vague. The statement further seeks positive favour from the audience by emphasizing that in addition to presenting a clearer picture about the company’s performance, it also seeks to ‘increase your awareness of the issues concerning sustainable development of the whole society’, thereby assuming the role of expert, or educator. These further cast PetroChina in a positive light as a company that looks for progress beyond itself to include society, to ‘the prosperity and progress of society and the economy as a whole’ playing out its patriarchal duty as gatekeepers of society. Interestingly, both extracts though from CSR reports published in different years are incredibly similar in their phrasing; the same pattern emerged in all the CSR reports analysed from PetroChina, thus reinforcing the suspicion that CSR is often a lip service to a company’s activities and a public relations exercise instead of a factual report of the company’s yearly activities.

It is also interesting to note that a similar strategy to counter any exaggerated promotional input is balanced by the inclusion of a legal disclaimer in the company’s Annual Report, which is once again viewed as a mixture of promotional and reporting discourses (Bhatia, 2008, 2010, for more details):

This annual report contains certain forward-looking statements with respect to the financial position, operational results and business of the Group. These forward-looking statements are, by their names, subject to significant risk and uncertainties because they relate to events and depend on circumstances that may occur in the future and are beyond our control. The forward-looking statements reflect the Group’s current views with respect of (sic) future events and are not a guarantee of future performance. Actual results may differ from information contained in the forward-looking statements. (PetroChina Annual Report, 2010)

The above statement is also a summative example of what we find in the rest of the report, which frequently appropriates discourses of promotion within what is largely a reporting genre.

3.3.1. Extract from Section 02 Safe and Clean Production and Operation

PetroChina took an active attitude for development of natural gas, coalbed methane, biomass energy and other low-carbon energies. We produce and supply clean fuel product…In 2010, the Company further promoted surveillance and statistics of GHG emissions and promulgated the Technical Standards on Formulation of GHG Emissions List… also developed statistics analysis software and intensified training of employees… The Company also attaches great importance to participating
in domestic and foreign discussions and exchanges on cutting GHG emissions… (PetroChina Sustainability Report, 2010: 27).

In the extract above the company seems to juxtapose reports of its accountable actions (taking ‘an active attitude’, ‘reduce and sequestrate carbon’, ‘produce and supply clean fuel product’, ‘promulgated the Technical Standards on Formulation’, ‘developed statistics analysis software’, ‘intensified training of employees’) with statements about its intentions to act (‘put green development at a strategic level’, ‘took an active attitude’, ‘promoted surveillance’, ‘attaches great importance’). Deviating from traditional reporting format, PetroChina tries to claim goodwill from audiences by listing not only actual actions undertaken, but also a general perspective towards social responsibility, giving the impression that regardless of the nature of its industry, the company is conscious of its responsibilities. The combination of action verbs (‘reduce’, ‘sequestrate’, ‘produce’, ‘supply’, ‘promulgated’, ‘developed’, ‘intensified’) paint a picture of constant action- growth and development of new methods, supply and production of clean energy, and reduction of harmful practices. In conjunction with nouns of intention (‘attach importance’, ‘active attitude’ ‘strategic level’, ‘promoted’) they serve again to imply significant action, although they are merely statements of perspective, which are vague in detailing how or when those intentions will be realized.

3.3.2. Extract from Section 03 ‘People-Oriented’ Employee Development

PetroChina consistently adheres to the concept of ‘people orientation’. We respect and maintain the legitimate rights of our employees to promote localisation and integration of diverse cultures, and make efforts to solve the problems of great concern to employees. We aim to guarantee that all employees can share in the achievement of corporate development. (PetroChina Sustainability Report, 2010: 37).

The extract above also employs verbs such as ‘adheres’, ‘respect’, ‘maintain’, ‘promote’, ‘make efforts’, ‘aim to guarantee’, which are typically associated with ‘intentions to act’ rather than ‘actions taken’ and are often interpreted as aspects of promotional discourse rather than reporting discourse.

3.3.3. Extract from Section 5 Giving Back to Society

The Company cannot develop without the support of local governments and people. In turn, the fast development of our principal operations effectively support and drive the local economic growth and social development… The Company develops and constructs supporting facilities in the new oilfields, directly providing local residents with better living conditions such as water and electricity supply, traffic and communications, etc. The Company also initiates the construction of new projects of oil refining and chemical, with increasing production level and varieties. This directly offers materials for local units to develop processing projects and creates a large number of job opportunities. (PetroChina, 2008: 42).
In the extract above, the report claims an explicit relationship between the company and all its major stakeholders in the development of the company—‘company cannot develop without the support of local governments and people’—and the interests of the community, such as the ‘supporting facilities in the new oilfields’ contributing to ‘local economic growth and social development’, ‘better living conditions such as water and electricity supply, traffic and communications’ and creation ‘of a large number of job opportunities’ for the people. However, the way it is expressed indicates a clear intention and perhaps commitment to such relationships, but it does not report any action or performance in this direction, on the part of the company, and hence it appears to be merely a public relations exercise.

Let us now look at the extent to which CSR reports from PetroChina follow guidelines given by various international agencies already mentioned earlier.

### 3.4. Principle of Understandability

According to GCRIAR (2008: 13), ‘Understandability’ is concerned with the relevance information has to the intended target audience, and whether its manner of conveyance is comprehensible to the reader. And while the reports interpret the principles in a more literal manner, following ‘(a) a good design; (b) systematic classification of topics and indicators; (c) concise use of language; and (d) an explanation of unknown terms in the text, or the inclusion of a glossary to enhance understandability’, thus producing a listing of contents and organizing it into logical sections, providing a glossary, the content itself is not entirely relevant given the emphasis on the promotional slant. Consider the following extracts.

(Extract A) …achieved multiple substantial results in major basins such as Tarmin, Erdos, Qaidam and Bohai Bay…the Company continued to strengthen technological and management innovation to drive the transformation for our growth pattern …Company overcame the negative impact caused by extreme climates and produced 850 million barrels of crude. (PetroChina Sustainability Report, 2010: 17)

(Extract B) …developed six key technologies including well location optimisation, separate production, remote control, and 12 matching technologies. Major technological breakthroughs have been achieved in cluster wells, horizontal wells and reservoir stimulation, resulting in a shift from vertical well development to cluster and horizontal well development. (PetroChina Sustainability Report, 2010: 19)

(Extract C) In 2010, we continued to deepen the construction of the HSE management system and focused on enhancing basic management at grassroots to advance safety and environmental protection, resulting in overall improvement in two areas. (PetroChina Sustainability Report, 2010: 29)
In 2010, the Company broke down the pollutants reduction indicators, deepened implementation of the ten emissions-cutting projects, conducted a specialised audit of operational effectiveness of key emissions-cutting projects, enhanced inspection and surveillance of desulfurization of coal-fired power plants, and conducted on-site examination of key enterprises’ pollutants emissions statistics and online monitoring equipment. The Company accelerated establishment of a pollutants reduction system, started the circular economic pilot work and enhanced evaluation of effects achieved in reducing pollutant emissions. (PetroChina Sustainability Report, 2010: 31)

The extracts above can be seen to illustrate how the principle of understandibility is flouted when information conveyed is not entirely comprehensible, but more importantly laced with a promotional edge, expounding on the company’s achievements rather than details of the actual processes, or their effects: ‘multiple substantial results’ (extract A), ‘developed six key technologies’, ‘Major technological breakthroughs’ (extract B). Also, the excessive use of expressions such as ‘substantial’, ‘key’ and ‘major’, ‘important’, ‘successfully’, ‘vital’ found many times in the reports, promote the achievements of the company, emphasizing their profitability, their competitiveness, and their credentials.

Extracts C and D, more specifically, report information about the efforts implemented to reduce environmentally harmful processes, but subtle use of expressions such as ‘growth’, ‘achieve’, ‘strengthen’ (A), ‘continued’ (A, D), ‘advance’ (C), ‘deepened’, ‘enhanced’ (C, D), ‘accelerated’ (D), in conjunction with verbs such as ‘drive’, ‘overcame’ (A), ‘broke down’, ‘conducted’, ‘started’ (extract D) create a picture of constant action, of consistent progress, but more importantly, they imply that all of these processes that curb damage to the environment, including—pollutants reduction indicators, implementation of the ten emissions-cutting projects, surveillance of desulfurization, establishment of a pollutants reduction system—are already in place, and that the company is already socially responsible, and strives for constant improvement. The company’s environmental initiatives are expounded consistently, as pointed out by Li-Wen (2010: 99), since the “government has political, social and economic motivations to encourage and also to control the development of CSR in China, resulting in uneven development of CSR issues. Environmental issues have the broadest space to develop while human rights have the most limited. Chinese companies also have mixed incentives to adopt and manoeuvre CSR initiatives. The private CSR initiatives such as CSC9000T reveal Chinese companies’ efforts to strike a balance between responsible production and cruel business reality”.
3.5. Principle of Reliability and Verifiability

GCRIAR (2008: 13) defines Reliability and Verifiability as providing information that is reliable, in that, it should be “free from material error and bias, and when it gives a true, complete and balanced view of the actual situation”. The information should be faithful and representative of the actual situation in the business, complete within the boundaries of what is relevant, well-balanced on both positive and negative events, presented in the right context, and free of material misstatement. It should be neutral, with the aim being transparent of a company’s actions and processes. Transparency, it was hoped, would soften public criticism, but more importantly provide companies an opportunity to put forward their version of events. As Liversey and Kearins (2002: 250) emphasises,

[Transparency] carries with it the potential to reconstitute ‘reality’ related to sustainable development in one-sided arbitrary and manipulated ways. That is, in exercising the mechanics of knowledge production…sustainability reporting can be used as a way of imposing form on nature and society. It serves firms’ attempts to construct themselves, and business more generally… reports will redefine the images of companies themselves as well as if their stakeholders’ concerns in a manner that will serve their own interests. Corporations will make transparent what they will want to have seen.

Although CSR aims to make transparent corporate actions and practices, what is often found is justification of intended corporate actions, which obscures not only the motives with which information is relayed, but also the transparency of the text, which no longer free of bias. This particular discourse of self-justification is unsolicited, but frequently found in order to deflate possible criticism, and present the corporation in a positive light. Here is how this has been realised in the corpus.

(Extract E) PetroChina consistently adheres to the concept of ‘people-orientation’. We respect and maintain the legitimate rights of our employees to promote localisation and integration of diverse cultures and make efforts to solve the problems of great concern to employees. (PetroChina Sustainability Report, 2010: 37)

(Extract F) Since our fortune comes from society, it is our responsibility to give back to society. We pay attention to the livelihood of people, support educational undertakings, participate in the construction of communities, promote the all-round development of economy and society, and make efforts to build a harmonious society. (PetroChina Sustainability Report, 2009: 36)

(Extract G) By the end of 2010, we had dispatched officials bringing local communities advanced ideas and management expertise, which
contributes to local development. In addition, we provided free newspapers, technical books and compact discs to help local residents meet their urgent needs of various skills. Besides, we contacted with mainstream media such as the central television station to promote investment in the local communities. (PetroChina Sustainability Report, 2010: 45)

The above extracts illustrate how companies justify their social responsibility through self-justificatory discourse. In persuasive lists of three, which according to Atkinson (1984), is an effective linguistic device to elicit approval and applause, working “to strengthen, underline or amplify any kind of message” (Atkinson, 1984: 60): ‘adheres to the concept of people-orientation… respect and maintain… make efforts to solve’ (extract E); ‘we pay attention…support…participate…make efforts’ (extract F), ‘we had dispatched officials… provided free newspapers… we contacted with mainstream media’ (extract G). Listing in this case serves to build up the reputation of the company through emphasis. Heritage and Greatbatch (1986: 116) also point out,

The role of emphasis in the generation of applause is intuitively evident. It is inherently associated with the achievement of prominence… it calls attention to passages to which the speaker attaches particular significance and to which a supportive audience will properly respond.

In the case of oil industries, two main groups of stakeholders are primarily addressed, and need to be convinced of the goodwill of the company:

The first group comprises those who expect it to be socially responsible due to its otherwise ‘negative’ effect on the environment and societies. These are mainly NGOs… The second group is made up of the host countries and direct consumers, who pay less attention to the social reputation of the companies and more to their operational performance. (Anderson & Bieniaszewska, 2005: 5)

The principle of reliability and verifiability is being flouted in the obvious contradiction in an oil company claiming environmentally friendly practices, or in PetroChina’s claim about care for human resources despite the glaringly obvious lack of a section on human rights in the Sustainability Report. Frankental (2001: 20-21) argues here that this highlights the very promotional nature of CSR reporting, whereby:

No corporate affairs manager will admit that their company is not socially responsible. Yet social responsibility requires a critical faculty on the part of companies. Any company that aspires to be socially responsible must be prepared to admit to its shortcomings and mistakes. A company cannot accept that anything it does ever falls short of good corporate citizenship, that does not own up when...
it breaches its own codes of conduct, cannot have the mechanism in place to learn and improve. Yet so many major corporations fall into this category.

Promotional discourse not only allows companies to put forward their version of events, but especially given the nature of certain industries, for example the oil industry, gives companies the chance to justify their actions and proliferate goodwill into society, as a way of combating the negative nature of their industry. As Livesey and Kearins (2002: 252) point out,

In expressing a sense of caring and emotional investment, these reports paint a portrait of companies with ‘good intentions’. The audience is encouraged to accept unsubstantiated and often unlikely implicit promises- that an oil company will protect the environment….

The extracts below illustrate how PetroChina justifies the nature of its industry through its promotional discourse:

(Extract H) The most important resources in the world are human beings and the natural environment they rely on. The ideas of caring for life and protecting the environment have been integrated into our working motto. (PetroChina Sustainability Report, 2008: 28)

(Extract I) As a socially responsible energy enterprise, PetroChina has put green development at a strategic level and placed a high premium on controlling and reducing GHG emissions to slow down climate change by taking active measures to reduce and sequestrate carbon. (PetroChina Sustainability Report, 2010: 27)

PetroChina promotes itself in the extracts above through the reiteration of its social responsibility and commitment, which get realised in the form of broad general statements, such as ‘most important resources in the world are human beings’, ‘caring for life and protecting the environment’, ‘socially responsible energy enterprise’, ‘green development at a strategic level’ and ‘high premium on controlling and reducing GHG emissions’, with the only claim that all these are ‘integrated into our working motto’, no more than that.

CONCLUSION

The paper made an attempt to examine Corporate Sustainability Reports from one of the most important industries in China, PetroChina, one of the largest oil companies in the world, in order to determine to what extent disclosure practices meet standard expectations of various stakeholders. More specifically drawing an international genre such as corporate social responsibility reporting in a more on genre analysis (Bhatia, 2004, 2005), the paper investigated the nature and function of situated, local context.
Analysis of data revealed that CSR is often more an exercise in public relations than mere reporting of a company’s practices and adherence to social obligations. Basing its Sustainability Reports on international templates of CSR, but flouting key principles of Understandibility, Reliability and Verifiability, the reports were dominated by expressions of self-promotion and interest through stating of intention to act rather than actions undertaken. Frankental (2010) argues that if CSR was not just an invention of public relations, it would possess a universally agreed upon definition, a universal set of benchmarks, standard references for gauging those measurements, a system of auditing, and verification by external, accredited bodies. The lack of these makes the adoption of CSR across and within companies fairly flexible, and thus easier to exploit in the interest of the companies. Often falling in line with traditional promotional discourse, generally associated with advertising, the reports engage in selling PetroChina as a socially conscious corporation, which contradicts the nature of its industry, through discursive expressions of goodwill that lay down intention to act in socially responsible and caring ways. An obvious lack of information on the company’s human right’s policies, is further compensated through self-justificatory discourse that builds on the importance of the company in the function and prosperity of society itself. CSR provides PetroChina with an opportunity to put forward its version of reality, which the company takes full advantage of by bending what should typically be a report of company progress, actions and limitations, into a highlight of the company’s contribution to the China’s sustainable development, thus combatting not only the negative nature of the oil industry but also harsh business reality. As Frankental (2001: 23) mentions,

While it is legitimate for companies to use ‘cause-related marketing’ as a means of improving their branding and positioning, does this amount to corporate social responsibility? Not in my view because CSR is about a company’s long-term footprint on society. It is about the extent to which a company is prepared to examine and improve its impact on all those affected by its activities… corporate social responsibility is an invention of PR, and will remain so, until paradoxes… are addressed.
REFERENCES


