CHAPTER 1
INTRODUCTION

1.1. Background to the Study

Globalization has undeniably brought about fundamental changes to almost all aspects of human life today wherever they live. Technological breakthroughs, particularly in information, communication and transportation technologies, are the important factors which drive the globalization process in such significant ways in terms of speed, scale, intensity, features and impacts (Held & McGrew, 1999). On top of that, economic globalization has been the predominant feature of globalization. It has opened many opportunities for increasing cross-national trade and investment as well as people mobilization that have resulted in global economic growth with its various impacts.

In the above context Multinational Companies (MNCs or Multinationals)\(^1\) have appeared to be one of the most important and influential non-state actors. Due to their distinctive economic leverages, MNCs have played a prominent role as the engine of growth to both industrialized and developing nations that have significantly contribute to the creation of world-wealth. MNC’s control over strategic assets of global investment and trade have effectively enabled them to stimulate the creation of dynamic comparative advantages that lead to new technology transfers, capital

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\(^1\) This study uses the term MNCs to refer mainly the enterprises that engage in foreign direct investment (FDI) and own or control value-adding activities in more than one country. Some literatures use MNEs (Multinational Enterprises) or TNCs/TNEs (Transnational Companies/Enterprises). The terms of ‘transnational’ and ‘multinational’ are used interchangeably. The former terminology was adopted by the UN Center on Trans Corporation (UNCTC) in 1974, at the request of some Latin American who wished to distinguished between companies domiciled in one country of Latin America, which might invest in another, from those originating from outside the region. The latter is the preferred nomenclature of the developed countries, the business community and most academic scholars, and is the one used frequently in various studies. There are several criteria attributed to define an enterprise is MNCs, including the number and size of foreign subsidiaries, the number of countries in which it engages in value-adding activities, the proportion of its global assets, the degree to which its management or stock ownership is internationalized, the extent to which its higher value activities (R&D) as well as the extent and pattern of the systemic advantages arising from its governance of, and influence over, a network of activities worldwide (Dunning, 1993: 3-4, 11)
formation, human resources development, and expanded international trade (see Steiner & Steiner, 2006: 348 – 360; Kegley Jr & Witkopf, 2001: 226-236). Unsurprisingly, in order to improve their national competitiveness, many developing countries have promoted favorable policies to open the door for as much foreign investments as possible coming in.

However, just like ‘two sides of one coin’, the ongoing globalization has not only resulted in positive economic impacts, but also negative impacts on the well-being of humankind, particularly those living in developing and poor countries. It is argued that globalization has produced a new hierarchy in the world system more unequal than ever before and further subordinated the peripheries. Foreign direct investment and external debts are positively correlated to environmental degradation and violation of human rights (Adeola, 2001, Sawyer & Gomez, 2008). Among others, MNCs are considered as the key non-state actors that have worked to weaken several global environmental regimes designing to address a global solution for several problems, such as: ozone depletion, international toxic waste trade, deforestation, whaling and climate change (Porter & Brown, 1996). Particularly in Indonesia MNCs in mining and oil industries have been criticized for their exploitative business practices that lead to deforestation and other environmental destructions (Isnaeni, 2002).

By the mid 1980s a series of environmental disasters happened across the world which have strongly pushed the emergence of ‘global governance’ among the world community on the importance of environmental protection. Such cases as Bhopal-India

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2 It has been estimated that more than 53,000 MNCs and their 450,000 foreign affiliates have global assets more than US$ 13 trillion and global sales of more than US$ 9.5 trillion. This volume of foreign investments and sales accounted more than one-fifth of the global economy and one-third of the world’s exports. The top one hundred MNCs own nearly US$ 2 trillion of assets outside their home countries and a quarter of the world’s stock of all foreign direct investment (see Kegley Jr & Witkopf, 2001: 226-236); They also hold 90 per cent of all technology and product patents worldwide (see Greer & Bruno, 2000: 17). In addition, they have a great lobbying capacity able to influence governmental policy making process, both at national and international levels. Such political leverage of MNCs is enabled by controlling a world-wide network, having very good infrastructures, possessing high technicality skills of their employee. (Rowlands, in Josseline & Wallace, 2001:133)
of toxic chemical release in 1984 that killed 3000 local residents, the explosion of the Chernobyl nuclear reactor in Ukraine in April 1986 that released a radioactive cloud which spread radiation across a vast area of Northern Europe, devastating the livelihoods of farmers throughout the area, have been quoted in several literatures as some of the most notorious environmental nightmares (see Burchell, 2008; Malkasian, 2004). While in the industrialized world, in 1989 the ‘Exxon Valdez’ -- a supertanker owned by a US giant oil company named ExxonMobil -- spilled 11 million gallons of oil into Alaskan waters. This awful accident has persistently caused an environmental damage for marine inhabitants, including a social cost for local communities who have heavily depended upon the fishing industry for their lives (Steiner & Steiner, 2006: 4-5). In the decades ahead as growing scientific evidence of an increasing hole in the earth’s ozone layer and a pattern of global warming resulting from the increasing emission of greenhouse gases, business communities around the world can hardly avoid facing greater pressures to their roles and responsibilities beyond the profit-making orientation in the globalized society.

Such contradictory features of globalization have created the condition and the need for the United Nations to sponsor global conferences on environment and development in 1992 in Rio de Janeiro, Brazil, renowned as the ‘Earth Summit’. This global landmark event brings forward ‘Sustainable Development’ (hereafter called SD) to be an alternative developmental paradigm. SD is initially the concept proposed by the World Commission on Economic and Development (WCED) in 1987 in their research publication --well known as ‘the Bruntland Report’-- entitled ‘Our Common Future’. SD principally attempts to reconcile the competing interests of economic growth and environmental protection. Because of the big pressures put on by a tremendous collaboration of civil society organizations across nations, SD was politically accepted by world leaders from the business and governmental sectors during the Rio Conference.
In fact, since then SD has formally shaped the policy agenda of governments, international institutions, donor agencies, NGOs as well as business communities around the World (Dodds, 1997).

In line with such UN initiatives, among global business leaders themselves, there has been a growing consensus that they should take a greater share of responsibility in their own ways to protect the environment in the future (Schmidheiny, 1992). Part of the global business community is the World Business Council on Sustainable Development (WBCSD), who are renowned for their publications “Changing Course”. Through this book they argue that they have proven themselves to have long-term reaching visions and clear commitments in dealing with such complex issues in the environment-development nexus. They claim that they have worked a lot for sustainable development through collaborative works with government and non-governmental sectors to initiate various partnership program across the world (WBCSD, 1992).

Under the above global context, ‘Corporate Social Responsibility’ or well known as CSR has recently become a fashionable term. CSR which have sparkled since the years after the 1992 Rio Summit has been considered a relevant approach in examining to what extent MNCs have really shifted their paradigm in doing business that go beyond the interests of their shareholders. According to WBCSD (1999) CSR is: ”the continuing commitment by business to behave ethically and contribute to economic development, while improving the quality of life of the workforce and their families, as well as of the environment and local communities at large”.

However, under the lack of binding regulations that govern MNCs’ business conduct at both global and national levels, some scholars have critically questioned CSR practices, including the so-called trends of ‘greening business’ or ‘corporate environmentalism’ (Utting, et.al. 2002). They wondered whether in reality the
corporations have shifted their business paradigm in such fundamental ways; or whether they are just doing what are so-called ‘greenwash’ practices. As Greer & Bruno (2000) put it, “business are just showing off as if they are friends of the communities and the environment, but actually they promoted and maintained their business interests”.

1.2. Research Problems

The existing studies on CSR have been much colored by business management perspectives. The term is generally used as the manifestation of business ethics or corporate philanthropy (Rodriquez, et.al, 2006). With respect to the particular condition in developing countries, CSR today can be considered as a “bridge connecting the arenas of business and development” (Blowfield & Frynas, 2005:499). While Salim (in Azis, et.al., 2010: 263), instead of supporting Milton Friedman’s opinion saying that “the business of business is business”, strongly argues that “the business of business is to raise sustainability and humanity”.

The CSR-related issues, particularly with respect to the implementation process, have been closely linked with the term of ‘partnership’. It is because, as Lawrence and Weber (2008) suggest, businesses do not operate in a vacuum sphere, instead they exist within the environment created by an interplay between government and society. Interactions among business, government and society cannot be independently separated from one to another. In fact, to a larger extent, partnership has been used as main strategy to carry out CSR program in order to be well implemented and meet the desired common objectives. The 1992 Rio Declaration (Principle 10) has already affirmed partnership as a strategy to address the nexus of environment-development problems, saying that “environmental issues are best handled with the participation of all concerned citizens, at the relevant level”. Whilst, the Agenda 21 of the Rio Declaration has emphasized the role of business community together with other
parties to take a part in the pursuit of the sustainable development agenda.

The importance of partnership has been reaffirmed further in the 2002 World Summit on Sustainable Development (WSSD) in Johannesburg. This Johannesburg Summit has endorsed the idea of multi stakeholder partnership, bringing together governments, business community and civil society, to enable sustainable visions in being implemented into the practices at all governmental levels (Elliott, 2004). In Indonesian context, partnership has taken place in various socio-economic projects, comprising a wide range of issue areas. As an illustration, the UN Projects Data Base below (Figure 1.1.) provides a global picture on where and what kind of partnership projects UN Agencies have established in Indonesia in 2006. There are 74 projects working in more than twenty issue areas, ranging from disaster management, HIV/AIDS prevention, climate change mitigation, gender advocacy, local (government and civil society) capacity building, marine resource management, MDGs achievement, counter trafficking, agricultural reform, marine resource management to technology assistance and industrial skills development (www.un.or.id/upload/map/project).

However, due to lack of detailed information, it is assumed that these partnerships projects have been a part of government partnership programs at the provincial levels, instead of reflecting the notion of multi-stakeholders partnership that provide a bigger room for civil society to take a part in both decision making and implementation process. Globally speaking, over the past three decades, most relationship between business – state – society have been founded upon conflict. Scholarly studies have shown that deep mistrust and misunderstandings have prevailed, particularly between

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3 The Agenda 21 is one of the major outcomes of the United Nations Conference on Environment and Development (UNCED), renowned as the Earth Summit and sometimes called as the Rio Conference – followed the venue of the conference in the city of Rio de Janeiro, Brazil. The Section III of Agenda 21 has clearly identified nine groups of society as the “major groups” whose roles should be strengthened. They are (i) business and industries, (ii) children & youth, (iii) farmers, (iv) local/indigenous people, (v) local governments, (vi) non-governmental organizations; (vii) scientific communities, (viii) women, (ix) workers and unions. It is stated that “any policies, definitions or rules affecting access to and participation by non-governmental organizations in the work of United Nations institutions or agencies associated with the implementation of Agenda 21 must apply equally to all major groups.” [http://www.un.org/esa/dsd/agenda21/res_agenda21_21.shtml], accessed 22 July 2011, 18:15
businesses and NGOs or between states and NGOs (see Arenas, et.al, 2009; Austin in Glasbergen, et.al, 2007:66). Therefore, one of the most challenging hurdles in partnership projects established around the world is how to maintain its implementation in the long term (www.oecd.org/cfe/leed/forum/partnerships).

Hence, a further empirical research is still very important in observing to what extent MNCs have performed their CSR well; how they apply partnership strategy effectively to engage other actors from both government and civil society in order to address the challenging social problems, such as environmental protection, for the achievement of sustainable development. Besides having such distinctive economic power, the embedded business character based on modern capitalism with material profit-orientated ideology(Buckley&Ghauri,1999), compounded by strong lobbying capacity and a wide-world business networking (Rowland in Josseline &Wallace, 2001: 133) have become the major reasons why MNCs need to be scrutinized for irresponsible business practices in the dynamic developmental process around the world.
This study attempts to see how MNCs in Indonesia have performed their CSR program at practical level, in particular to examine how they use partnership as a strategy to pursue their main objectives. According to Kiroan, et.al., (in Aziz, 2010) in Indonesia there is still a gap between current practices of CSR with the ideal norms of CSR proposed by international standards, though there is a good prospective because the term has gained popularity among businesses, academics and NGO communities. Hadad (2010) also argues that altruistic and philanthropic motivations are still the dominant motivations behind the rationale of companies to launch CSR programs. According to him, CSR tends to be merely associated with community development and public relations programs, instead of managing more strategic and sustainable projects with far-reaching implications. Nevertheless, as Malkasian (2004) asserts in her study, the outset of decentralization and democratization era after the end of the Soeharto-led administration in 1998 has provided a big space for the business sector to get involved in handling social and environmental issues together with other sectors, that is government and civi society.

In this study municipal solid waste management (MSWM)\(^4\) is the specific context of issue in which CSR has been particularly practiced in the ecological environment arena. MSWM is one of the serious environmental problems in which the broad ideas of SD paradigm can be translated into a specific local action.\(^5\) Due to its critical linkages in a multidimensional aspect, including social, economic, political, cultural and legal aspects, the Agenda 21, the platform of action adopted in the 1992

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\(^4\) This thesis uses the term of ‘municipal solid waste management’ or abbreviated as MSWM. It refers to the usage of official document in UN publication, including in the Agenda 21 – the platform of action adopted in the 1992 Rio Earth Summit (UNCED) to implement SD. The word of ‘municipal’ here indicates the governmental level of the problems scope of solid waste management. While ‘solid’ means the type of waste, used to differentiate other types of waste, that is, liquid and toxic wastes.
Earth Summit, has incorporated solid waste management problems in the Section II, Chapter 21. It further says:

Environmentally sound waste management must go beyond the mere safe disposal or recovery of wastes that are generated and seek to address the root cause of the problem by attempting to change unsustainable patterns of production and consumption. This implies the application of the integrated life cycle management concept, which presents a unique opportunity to reconcile development with environmental protection. (www.un.org/esa/dsd/agenda21/res_agenda21_21.shtml)

More recently the United Nations has emphasized the importance and urgency of MSWM, which is considered as the most challenging urban environmental problems in the world (UN Habitat & Earthscan, 2010). While, at regional level, the United Nations Environmental Program has defined MSWM as a priority for Southeast Asian countries towards Sustainable Development (UNEP, 2004). The rapid growth of population, urbanization, and modernization has resulted in the increasing proportion of organic waste (over 50%) while non-degradable waste is also growing with new consumption patterns. The lack of institutional capacities and inadequate basic infrastructures has created poor and unsustainable practices of waste management in many cities in Asian region, including in Indonesia.6

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5 If we refer to the UN as well as Indonesian Agenda 21, the scope of environmental problem is very wide. It can be categorized as follows: (1) Human services (poverty alleviation, changing consumption patterns, demography, human health and environment, human settlement development, economic instruments and environmental accounting); (2) Waste management, (atmospheric protection, hazardous chemical management, toxic waste management, liquid and solid waste management, and radioactive waste management); (3) Land resource management (land resource planning, agricultural and rural development, forest management, and water resources and water quality); and (4) Natural resource management (biodiversity, biotechnology development, and marine and coastal zone management).

6 Summary of Thematic Session on “Urban Solid Waste Management” in The 2nd High Level Seminar on Environmentally Sustainable Cities, 15-16 March 2011, Kitakyushu, Japan. The session chaired by Dr. Vann Monytheath, Deputy Director General of Technical Affairs, Ministry of Environment, Cambodia and Co-chaired by Mr. Naoki Mori, Deputy Director General, Global Environment Division, JICA.
Indonesia produces an average of 51.4 million tons of solid waste. Around 69% of the amount enters final disposal site, 7% is processed, and the rest is scattered. Waste generation increases with a 1.93% annual rate, but collection rate continues to decline by 2.5% (MOE, 2009, as cited in Tahir, et.al., 2012:81). Meanwhile, another feature of waste problems in Indonesia can be seen from composition by source. It is estimated that household waste has been dominant, around 48%. It is followed by market waste (24%), commercial waste (9%), street and public facilities waste (5%) and others (14%). Similar to many cities in the Asian region, composition of waste by types in Indonesia is dominated by organic waste. However, the amount of this type of waste tends to decrease. Meanwhile plastic and paper waste tend to increase significantly (see www.uncred.or.jp/env/3r_02/presentation/BG2/RT2_03_Indonesia.pdf).

An evaluation carried out by BAPPENAS (locally abbreviation for Badan Perencanaan Pembangunan Nasional) -- Indonesian National Development Planning Agency)-- and the World Bank concluded that lack of institutional and organizational capacity are the dominant aspects overwhelming the current status of solid waste management problems and constraints in Indonesia, at both central and municipal levels. These aspects critically correlate with low technical and financial management capacities(www.iges.or.jp/en/kuc/pdf/activity20101027/14_Bappenas.pdf).

The Indonesian National Government has principally acknowledged the importance of MSWM problems. Under the national regulatory framework, they pass the Waste Management Law, called ‘Undang-Undang Nomor 18 Tahun 2008 tentang Pengelolaan Sampah (briefly stated UU No.18/2008). The Law provides a wide opportunity for multi stakeholders’ engagement in waste management that includes both business and civic sectors. The Law in particular gives an authority to the local governments for formulating and implementing 3R principles-based waste management.
policies and programs. An important breakthrough also notable in this Waste Law is the so-called points of ‘Extended Producer Responsibility’ (EPR). This principally mandates all producers to be responsible for reducing and managing waste in their business life cycle, from production, distribution to post-consumption. Unfortunately, while several regulations on community involvement have existed, detailed regulations on EPR are still in discussion, and therefore EPR is not yet implemented (Tahir, et.al., 2012: 81)

Taking into account the background above, this study would like to examine PT Unilever Indonesia Tbk (hereafter named UI or Unilever). So far, Unilever has performed its CSR program in the area of environmental protection, such as climate change campaign and community-based waste management program. Unilever is selected as the particular subject of the study since it represents a mature, well-established MNCs operating in Indonesia. It is undeniable that Unilever business in Indonesia for more than seventy years has contributed to the country’s socio-economic dynamics. Unilever operates in the manufacturing industry which produces a wide range of products called ‘fast moving consumer products’ (FMCP). They consist of three types: food, household and personal care products. With its renowned brands, Unilever’s products, such as body soap, shampoo, detergent, margarine, beverages, have a close relationship to the Indonesian’s people daily life, especially women and housewives.

Since 2001 Unilever has developed its CSR program in the environmental field (hereafter called ‘Green CSR’) in Surabaya that focuses on community-based solid waste management (CBWM) program. Through this program Unilever has attempted to educate local people in order to attain environmental awareness and build their capacity to independently carry out waste management activities by applying three principle actions, namely reduce, reuse and recycle (3R principles). Surabaya, the second largest
city in Indonesia, is selected as the first groundwork for this program implementation. Just like many other cities in the country and the Asian region, the Surabaya city government (briefly called in local name Pemkot Surabaya) has been facing various MSWM problems, such as lack of disposal sites, weak institutional and financial capacities as well as lack of regulatory frameworks and law enforcement (Pasang, et.al, 2007, cited in Tahir, 2012:81)

The Unilever’s CBWM program can be considered as a local environmental initiative that potentially brings significant changes to make a better environmental quality of living which is in line with the agenda of sustainable development at the macro level. In fact, the program has received great appreciation from both international and national communities for its achievements (Ramdhani, et.als, 2010). Following the exceptional case of Surabaya current environmental performance in waste management, CBWM program has currently been promoted and developed in many big cities across Indonesia, such as Medan, Palembang, Jakarta, Bandung, Yogyakarta, Banjarmasin, Balikpapan, Tarakan, Makassar, and Menado. The so-called ‘Surabaya Model’ of municipal solid waste management has even been replicated at the regional level, such as in Thailand (Bangkok), Philippines (Bago, Cebu, Talisay, Puerto Princesa), Malaysia (Sibu) and Nepal (Lalitput) (Maeda, 2009:2010).

1.3. Research Questions

Generally speaking MNCs have a strategic role in the intricate linkages of the ongoing economic globalization and global environmental degradation as well as between economic growth and environmental protection. However, as stated above,
further empirical-based study is still needed to assess whether MNCs have proven themselves to shift their business behavior to be more socially and environmentally responsible in substantive ways, rather than being only rhetoric. Taking the case of Unilever’s Green CSR in Surabaya that promotes CBWM program between the years of 2001 – 2010, this study attempts to answer this following question: **why and how does Unilever Indonesia carry out her CSR program in the environmental field in Surabaya?** These two major questions are defined in more details as follows:

(1) *Why* does Unilever need to carry out CSR program in the environmental field, in particular on municipal solid waste problems?

(2) *Why* does Unilever select the Surabaya Municipality as the first local groundwork for the implementation of Unilever’s Green CSR Program?

(3) *Why and how* does Unilever use partnership as a strategy to make her Green CSR program workable in order to meet the objectives; *to what extent and in what way* did the partnership dynamics take place and influence the interrelationship among the actors engaged?

(4) *How can we understand the existing achievements of Unilever Indonesia’s Green CSR program in both specific and broader contexts? Does the overall process of the program with the embedded partnership strategy bring positive contributions to the sustainability goals in the context of MSWM problems in Surabaya? What factors have contributed to the existing achievements and also what are the challenges that may impede future continuous improvements?*

**1.4. Objectives of the Study**

This study at its heart is aimed to attain a much better understanding about the
reality of MNC’s Green CSR practices at the local level. In more specific way, this study attempts to get the answer whether MNC really matters in transforming new norms of environmental protection (in particular municipal solid waste management) through her Green CSR program and the embedded partnership strategy in order to promote sustainable development. This objective indirectly enables us to see whether Unilever have moved towards the so-called ‘people-case’ or ‘development-case’ CSR; or they just simply perform ‘business-case’ CSR practices. Therefore, instead of simply looking at the narrow claims about the success of Unilever’s Green CSR program as stated in the official publications or media coverage, this study in particular aims to address several objectives as follows:

**Firstly**, to explain the contextual conditions at both global, national and local level that have influenced the rationale behind Unilever’s decision to promote Green CSR program with the focus on MSWM problems and select the Surabaya municipality as the first playing field for the program implementation;

**Secondly**, to examine the dynamics of social interactions within the Unilever-led partnership initiatives in Surabaya in order to understand the nature of the relationship among business, government and civil society that has been taking place and the influence of its dynamics to the pursuit of common objectives.

**Thirdly**, to examine the actual contributions of the UI Green CSR program to the quality of governance and practical development needs as well as to see further implications in a broader context related to the sustainability goals.

### 1.5. Significance of the Study

In general this study contributes to the existing studies on the role of MNCs in the nexus of CSR and sustainable development in developing countries. Traditionally CSR has been subject to many studies from business management perspectives so that their
analyses tend to pay more attention to the role of private sector with its wealth and
global outreach (Steiner & Steiner, 2006; Steiner, 2009). This study attempts to fill the
knowledge gap of the past studies that tend to examine CSR from the business lens *an
sich* with predominantly quantitative research methods, particularly surveys (Kolk &
Tudler, 2010:5)

In particular, the significance of this study derives from several considerations
that relate to the selected case study. With regard to the setting, the actors, the
event/program, as well as the process or mechanism, the case study undertaken offers a
relative uniqueness, richness and peculiarity, but as well comprehensiveness to a larger
extent in some ways among other similar studies on partnership in the context of CSR
and sustainable development nexus.

Firstly, this study offers an empirical-based case study from the reality of
Indonesia. Indonesia is the world’s largest archipelagic state and one of the most
spatially diverse nations on earth in terms of resource endowments, population
settlements, locations of economic activity, ecology and ethnicity (see Resosudarmo &
Jotzo, 2009). With such distinctive characteristics, as a developing country Indonesia is
the fertile ground to study the significance of CSR in dealing with various societal and
developmental issues due to many critical problems of poverty, environmental
degradation and poor governance system have existed across the country. Such
geographic setting certainly will give contribution to enrich the existing studies that
tend to pay more attention to the developed economies in North America (especially the
US), Western Europe and East Asia as their country-studies (Kolk & Tudler, 2010: 5).
This complex setting also opens an opportunity to bring forward critical perspectives on
CSR and its actual impacts to society at large and its significance for development.

Secondly, partnership as the strategy of CSR implementation in this study
represents the case of multi-stakeholders partnership that includes various actors across sectors -- business, government and society. Therefore the case goes beyond the so-called Public-Private Partnership (PPP) phenomena that has become popular in advance since it was viewed as an alternative way for providing more effective and efficient public services (GTZ, 2005, cited in Tahir, 2012:2)

Thirdly, a large number of participants voluntarily involved in the CSR program reaches up to approximately 25,000 persons (Unilever Sustainability Report, 2008) provides an important picture of the issue of public participation in the pursuit of sustainable development. Although it will not become the focus of analysis, the fact that majority of the participants (about 90%) are women certainly enrich the issue of gender perspectives of the partnership that are still unexplored.

Fourth, civil society who are actively involved in the partnership of this study are not represented by big and well-established NGOs (neither national nor international), but are mostly local ones. In fact, NGOs are not the single actor in this sector, because the so-called “community-based civic organizations” (CBOs) or “people-based organizations” (POs) or grass-roots organizations which are less-formal and less structured in their nature have taken a part to support the program. The deep involvement of academic communities from both state and private universities has also strengthened the role of civil society in the dynamic of partnership.

Fifth, the study shows the nature of relationship that focuses more on cooperation and rather than conflict. The fact that the dynamics of partnership to move forward with the common objectives has reflected a typical collaborative arrangement.

Sixth, the case study represents the CSR partnership program conducted by manufacturing industries and dealing with urban environmental problems which has not
received enough attention so far. The previous studies mostly examine CSR partnership programs and its relation to social-economic aspects from extractive industries, such as oil, gases, mining and forestry.

Seventh with its comprehensive coverage, this study gives a sort of generic contribution in practical sense. It is useful for doing further comparative or multi cases studies to evaluate the strength and weaknesses of CSR policy and program in the ecological environment arena especially with reference to the standards applied by Indonesian national government as well as international norms.\(^8\)

Finally used to deal with MSWM problems that can potentially be one of the major targets o, this study offers an idea on linking global norms and local actions particularly related to urban environmental problems and to be more specific in changing the paradigms f climate change mitigation. Therefore, the study inherently provides a valuable social learning experience that highlights how potentials, constraints, challenges and achievements for changing the paradigm on certain public issue can be best managed to the pursuit of the desired common goals. In this context, the study presents an explanation on how this linking process has been part of the leadership role of business communities in such a complex partnership and governance institutions.

\(^8\) There is an increasing number of large corporations in Indonesia, including MNCs, National- Private and State-owned companies which have applied CSR program in the environmental field, such as Danone Aqua Indonesia, Coca Cola Amatil Indonesia, Toyota Astra Motor, Astra Honda Motor, General Electrics Indonesia, and Royal Philips Electronics (Philips Indonesia). However, those that share similar programs with Unilever Indonesia are just a few. Some of them are also not focusing in one single area of environmental problems. Coca Cola, for example, has developed various green CSR programs, namely ‘Bali Beach Clean Up’ (BBCU), Kuta Beach Sea-Turtle Conservation, Eco-Mobile and Eco Uniform (http://coca-colaamatil.co.id/csr/index/41.46.107/eco-uniform). Although BBCU has managed the cleanliness of Bali seashores from the plastic waste since 2008 and supported the Bali City Government to make ‘Bali Clean and Green’, the program itself is incomparable with the ‘Surabaya Green and Clean’ Unilever Indonesia has initiated since 2001.
1.6. Research Methodology

1.6.1. Qualitative and Case Study

This study applies *qualitative research method* with *case study* approach for data inquiry. The selection of qualitative method is because quantitative methods, such as surveys, experimental or other ‘controlled’ methods with statistical measures, are either not practicable or better to explore complexities of the phenomena being studied and to reach an understanding of the details or the dynamics in the real world (Gillham, 2000:11).

Meanwhile case study approach is used because the social phenomena to be investigated in this study offers some representativeness of the phenomenon in general. As Swanborn (2010:18) puts it, “the case study … is a way of organizing social data so as to preserve the unitary character of the social object being studied”. The case study is adopted because it also enables the researcher to systematically gathering sufficient information about a particular institutions, individuals, setting, event and process in order to reach a holistic understanding on how a certain phenomena operates or functions in reality (Swanborn, 2010: 18-20; Berg, 2001: 225). In line with this case study approach, constructivist perspective is used based on the assumption that realities in our world is not something given or naturally mechanistic, instead “it is constructed inter-subjectively through the meanings and understandings developed socially and experientially” (cited in Denzin & Lincoln, 2011:103; Bungin, 2003:13-15).

The phenomena of Unilever’s Green CSR practices in Surabaya through CBWM/SGC program is selected as the single case study. The nature of this case
can be considered as both ‘**intrinsic case**’ and ‘**instrumental case**’ study (Stake, 1994, cited in Berg, 2001:229). Intrinsic case means that the Unilever’s Green CSR practices to deal with MSWM problems in Surabaya may present various interesting aspects due to its peculiarities (see explanation in the sub-chapter 1.5 above). Because Unilever’s Green CSR program is also implemented in several cities around the country and in abroad, thus studying the particular one city -- that is Surabaya -- can also be considered a sort of ‘**within-case study**’ (Swanborn, 2010:21). Whilst, this case study is also ‘**instrumental**’ in the sense that it may provide insights into an issue or refine a theoretical explanation. Instrumental case study helps the researcher to do in-depth investigation that opens the way of discoveries of any aspects or activities which are still little known or unexplored.

On top of that, it should be underlined here that what to be the case for investigation in this study is ‘**partnership in the practice of CSR program**’. The clarification of ‘**a case of what**’ matter in this method is very important so that the argument of this study can be restructured and developed based on empirical data along with the relevant conceptual framework (Klotz, 2010). This issue is basically similar to what Yin (1994:23) defines as the problem of selecting the appropriate **unit of analysis**’. Partnership is the main unit of analysis in this study, due to its relevance with the main study questions.

In the end, the success story about Green CSR in reality cannot certainly be isolated from its environment, particularly the local context. Unilever’s partnership strategy adopted to cope with MSWM problems in Surabaya became a puzzling case of CSR practices that prevailing theories of partnership based on rational calculation of material interests. Here we could say that hypothetically Unilever’s
partnership in Surabaya could become one of “least likely case” showing that governance in environmental sector could present many constraining elements.

Another important issue to be discussed here is case selection. At the very beginning the researcher would like to take several cases (multi cases study), that is, Unilever Green CSR in Medan, Jakarta and Surabaya. Having done some ways, the researcher then selected only the case in Surabaya to be studied. There are at least two ways that had been taken to find the case, that is, the so called ‘reputation’ sample and ‘open applications’ (Swanborn, 2010:45-46). With regard to the first way, the researcher interviewed the key person in UI management professionally in charge of Green CSR program implementation in Surabaya, i.e. Environmental Program Manager. From the interview we find out that the case in Surabaya is more eligible than either in Medan or Jakarta. The researcher then used the information gathered from the first interview to develop a frame for the eligibility of the case in Surabaya to be the single one. Meanwhile about the second way, the researcher searched from the webs, including the Unilever official webs and other potential sources (such as newspapers, advertisements, etc). In fact, the selected single case study evidently meets several criteria of specific situations as the critical case, the unique case, the representative or typical case and the revelatory case (Yin, 2003:42 as cited in Swanborn, 2010:50-51; Bungin 2003:53)

Using single case study, instead of multi cases or comparative cases, enables the researcher to reach the main objective of the study, namely being focused, explorative, holistic and comprehensive. Applying multi or comparative cases approaches have some constraints in terms of representativeness, data collection process and findings as well as the differences of city characteristics and time
period in implementing the program. In addition, there is clearly a *time gap* between Surabaya and the other cities or among the cities themselves. Each city has different starting points (timing) in running the program.

### 1.6.2. DataCollection: Purposive and Snowball Sampling

Data collection method used in this study starts from library research or documentary surveys. This aims at collecting secondary data and information from the books, academic journals, daily news, research reports, thesis and dissertation, working or seminar papers, conference proceedings, websites and other electronic sources as well as official documents published by public and private institutions and others international organizations. Extensive website surveys were conducted to determine the selection of the case study. Then literature surveys to a wide range of books, scientific journals and official publications were used in order to provide general pictures, the development of ideas, scholarly opinions and the facts surrounding the core concepts and problems, such as CSR, partnership and sustainable development.

Primary data for this study was collected during the *fieldwork* undertaken in November 2009, May 2010 and December 2010 in Jakarta and Surabaya. It consists of interviews data, observation data, field documents or archival data as well as artifacts. Purposive and snowball sampling are basically the two techniques used by the researcher to interview the participants or interviewees in efforts to gather primary data. The first technique was used to interview a number of participants that included: (1) Mayor of Surabaya, (2) Unilever’s Environmental Program Manager, (3) the Head of Surabaya’s City Environmental Management Board, (4)
the JawaPos Newspaper Marketing Manager, (5) the Surabaya local Non-Governmental Organizations (NGOs) named ‘Pusdakota’, (6) the Head of Jambangan District and (7) Three Jambangan environmental cadres. The total number of participants is 9 (nine) persons.

They were purposely selected because they were considered as the key participants who were highly involved in the whole process related to the CBWM/MSWM program in Surabaya. They can also adequately represent the average member of the population in three sectors, namely public sector (government), private sector (business and media) and civil society (consisting of NGOs and local communities). In fact, they had authorities and responsibilities in their respective positions that made the program effective and so as to successfully lead to the city’s transformation in dealing with municipal solid waste management problems. On that note, the researcher believed that they could provide the most reliable data and information useful for the researcher to gain a much better understanding about the case as a whole, particularly the contextual background and the main process of developing partnership for conducting CBWM/MSWM program, along with its problems and challenges. In short, with a purposive sampling technique, the researcher can get all the information needed to answer the research questions and objectives (Creswell, 2003: 185, Bungin, 2003: 54).

In principle, the selection of these participants has taken into account several goals of determining purposive sampling in qualitative studies, as Maxwell (1996: 70-72) has suggested. First, they achieve representativeness or typicality of the settings, individuals or activities selected. Second, they can adequately capture the heterogeneity in the population so that the conclusions can represent the entire range of variation. Third, they can deliberately examine cases that are critical for the
theories. Fourth, they establish particular comparisons. What is also important is, there were only a small number of participants selected - enabling the researcher to explore things in greater depth. On average, all the participants were interviewed for one and a half hour.

Nevertheless, it is very important to underline here that in order to prevent the study from experiencing the so-called “key informant bias” (Maxwell, 1996: 73), this study does not rely on a small number of informants for a major part of its data even though these informants were purposely selected and the data themselves seem to be valid. To meet the important objectives of a qualitative study, the second technique – the snowball sampling - was also used. This technique was applied to discover participants or informants projected to have the ability to provide data for counterfactual analysis. They were expected to bring more qualitative data that will uncover the hidden facts, discover insightful perspectives, opinions, views and ideas based on the reality at empirical level. In principle, all the qualitative data are expected to be functional in helping the researcher conduct analysis that will be able to counter the “narrow claims ”or “formal realities” on the successful CBWM/MSWM program under the flagship of “Surabaya Green and Clean” (SGC) exposed in the local media or the government’s and the company’s official publications.

Taking into account this objective, the researcher interviewed several participants. The basic criteria used to determine the participants is the ability of the participants to represent different sectors, namely the public sector, private sector and civil society. The participants from the public sector consisted of three persons: (1) the Head of Surabaya City’s Cleansing & Landscaping Department, (2) the Secretary of the Surabaya City’s Developmental Planning Agency and (3) the Head of the Surabaya City’s International Cooperation Sub-Division. Meanwhile, the
participants from the business sector included three members of the Unilever Motivator Team in Surabaya. From Surabaya’s civil society, the participants comprised of: 1) three representatives from local NGOs, which consist of – Bangun Pertiwi, Tunas Hijau, and Darul Falah, 2) A local leader from Jambangan neighbouring units, as well as five persons representing Jambangan environmental cadres, and three persons representing Candirejo environmental cadres. Thus, the total number of participants selected through the snowballing technique is 19 (nineteen) participants. The interview process for each participant took approximately one hour.

There are several purposes why this qualitative study used this snowball sampling and considered the selected participants mentioned above as the key informants (Gillham, 2000: 11). Firstly, to know more in details on how partnership strategy are implemented effectively; to understand more the issue of legitimacy, transparency and participatory; whether UI’s CSR program in Surabaya really meets the public concerns and how the city government officials carry out their duties.

Secondly, to investigate the situations where little is known about, what is out there or what is actually going on. Thus, the participants included by this snowball sampling are very important, among others, to investigate whether there are any conflicts that happen during the program implementation; what are the strength and weaknesses of CBWM/SGC from the local people’s perspectives; whether the program brings actual impacts to a better living quality, including income generation for local communities.

Thirdly, to understand more the informal reality which can only be
perceived from the inside. In-depth interviews as data collection method applied to these snowball samples enable the researcher to capture the insightful views, personal opinion and the ‘hidden facts’ to some extent. Data exploration is needed to meet some critical question whether UI’s role really matters in transforming norms of MSWM in Surabaya or whether UI has moved beyond ‘business case’ CSR practices. Generally public information provided in official websites or company’s report is very particular and limited to the ‘success story’ under the flagship of CSR.

Fourth, to view the case from the perspective of those involved; applying CSR with external orientations and far-reaching visions towards the people and the planet certainly needs to deeply engage multi stakeholders whose perceptions and interests might be different from the company’s ones. Thus, it is very important to know whether the case is really absent from conflict of interests among the actors engaged in the partnership; whether the UI’CSR program really meets Surabaya people’s expectations.

Some interviews were also conducted by applying focused group discussions (FGD) technique. They include FGD with UI’s local motivators, Candirejo environmental cadres and Gundih environmental cadres. In general FGD used by the researcher to attain more various but concerted opinions and to cross-check directly the information needed, particularly related to the working process of partnership taken place at the ground level. All interviews were taped and transcribed in full to permit detailed analysis of content and context. Where extracts from these interviews are used for the analysis in this paper. Having done documentary surveys and in-depth interviews, this study determines data sampling
as follows: (1) **institutions**, represented by Unilever (business), Surabaya City (state), Jawa Pos (business, media), and civil society (Surabaya city and its people, Surabaya local NGOs, Surabaya local academia); (2) **people** represented by individual or groups that

**Notes:**

*Upper left:* interview with environmental cadres at Candirejo Sub-District;
*Upper right:* interview with a reputable scholar at Institute of ITS Architecture Department
*Lower left:* interview at the Office of the Surabaya City’s Development Plan Agency with the BAPPEKO’s Secretary
*Lower right:* interview with environmental cadres at Gundih Sub-District, one of the SGC winner of participating communities, especially with the innovator of community-based water treatment installation system.

**Figure 1.2. Snapshots of the field work in Surabaya**

(The Researcher’s Personal Documents, December, 2010)

belongs to those institutions/organizations mentioned above who are directly or indirectly involved in UI Green CSR program so that they are assumed to have a certain degree of understanding about the issue or problems; (3) **settings** refer to
location (Surabaya City and several sub-districts consisting of Jambangan, Gundih, Candirejo) and time (theyearsbetween2001–2010); (4) event/program refers to community-based waste management (CBWM) and its subsequent Surabaya Green and Clean (SGC) programs; (5) process refers to how partnership is initially constructed, and developed in order to implement the program effectively and how UI Green CSR program gets public response through partnership strategy to promote environmentally-sound municipal solid waste management in order to address MSWM problems;

1.6.3. Triangulation Method and Saturation

In order to obtain validity of the various data and information collected by the application of the two sampling techniques explained above, this study used a triangulation method. (Kanto in Bungin, 2003: 60). This method was applied by doing several in-depth interviews, particularly with several local scholars from the city’s reputable higher education institutions. They were selected based on their expertise, knowledge, and personal experience with the CBWM/ MSWM/ SGC program – thus making them authoritative figures that could provide more objective and reliable personal views and professional opinions. They come from various institutional background of higher education in Surabaya. They are considered as having an authoritative data in accordance with their personal views and professional comments. Because they personally are part of Surabaya citizens, their voice become very critical to search for validity.

These scholars include those from UNAIR --Universitas Airlangga--, faculty members at the Department of Sociology and Department of Administrative-
Environmental Law); from ITS -- Institut Teknologi Surabaya -- faculty members at the Faculty of Environmental Engineering and professor emeritus in the Department of Architecture. The last one is well known as distinguished scholar in urban planning and community development. This study also interviewed scholars from UBAYA (Universitas Surabaya) whose specialization is in chemical engineering, as well as those from PETRA University, a faculty member of business and economics who is also a local NGO activist. Beside these 8 (eight) reputable scholars, the participants also include 1 (one) person from local media (radio – Suara Surabaya), 1 (one) local leader serving as the head of the city’s facilitator association, and 2 (two) persons representing Gundih environmental cadres. Thus, the total participants used for the purpose of triangulation is 12 (twelve) persons (for more details on them, please see the attachment).

With respect to the triangulation method, this study also conducted direct observation to the related sites and primary resources from various archives or official documents, including local newspapers as written evidence. Triangulation method is also applied by doing direct observation to related sites and activities or ‘social situation’ in Surabaya in order to collect visual data or other key information related to the so-called organizing domain. This refers to domains which are related to the research topic (Bungin, 2003: 55-57). For the reasons of simplicity, accessibility, permissiveness we visited Jambangan sub-district, Candirejo sub-district and Gundih sub-district as the representative samples of the successful participating communities in CBWM/SGC program. Meanwhile we also visited Pusdakota Waste Composting Centre, temporary waste stations, trashion products gallery at Jambangan sub-district, temporary waste station, and Bungkul public park as well as other relevant sites across the city.
These locations were selected because they represented frequently recurring activities relevant to the research topic, such as process of conducting composting activities that transform organic wastes to become organic fertilizers; process and results of trashion making activities that recycle plastic wastes to become fashionable products for women and household (for examples: handbag, umbrella, tissue-box, rubbish-box, hat and other souvenirs); and process of transferring wastes from communities to final storage (landfills). In fact, these kinds of social situation were relatively easy for the researcher to do participation (closely observed).

During the process of data collection, this study applied the concept of “saturation”. It is a guiding principle that determines the majority of qualitative sample size (Mason, 2010) used when the collection of new data does not shed any further light on the issue under investigation. The researcher took into account several factors before drawing the conclusion that the 38 selected participants were sufficient for the analysis. The factors include (Ritchie, et.al. 2003: 84; Morse, 2000: 4, cited in Mason, 2010) :

First, the heterogeneity of the population. All the participants represented various actors across sectors that include (1) the Surabaya government officials from the top rank at city level (the Mayor) to the lowest rank at district level, (2) private actors that comprise of business manager and operational staff, as well as (3) civil society sector that consist of several elements starting from local NGOs, local leaders at various communities, environmental cadres in several districts (participating communities), local media and local scholars from various higher education institutions.

Second, the number of selection criteria. It comprised of three major sectors, namely the public (governmental) sector, private (business) sector and civil society
that are authoritative enough to provide the data or information the researcher needed to answer the research questions.

Third, the types of data collection methods used. This study has used several methods, including interviews, observations, study of documents (archives) as well as audiovisual materials. Fourth, the budget and resources available to the researcher. This study was conducted on a very tight budget and a limited time frame.

Fifth, the quality of the data. The collected data so far has represented a good quality of data because they cover various data based on a variety of data sources collected through the usage of multiple methods and techniques. They also enabled the researcher to answer the research questions and meet specific research objectives, in particular the clarification of key issues, such as the genuine motives of Unilever, the scope of Unilever’s and the Government’s responsibility, the potential conflicts at an empirical level, the real achievements of the Surabaya Green-Clean Program, as well as the sustainability of the program. The data also uncovered the voices coming in from the grassroots level that portrayed the informal realities. The data also has portrayed the real process of partnership dynamics at an empirical level, especially at the stages of building, developing and sustaining partnership. The data enabled the researcher to understand that various members of Unilever management – those strategically positioned in the mid management level - worked very hard to “sell” the company’s social ideas on environmentally sound waste management. They also were the operational staff who actually played a prominent role in building the actor network at the local level by motivating local people and including them in the so-called ‘environmental cadre network’.
Last but not least, it is important to note that while most studies in general are based on between 5 to 50 interviews, exceptions for this can still occur – all depending on the type of qualitative research conducted. The study undertaken tends to belong to a cluster of studies based on a grounded theory methodology which usually has sample sizes of between 30 to 50 interviewees, while for studies grouped as based on phenomenology the sample sizes are at least six (Morse 1994: 225, cited in Mason 2010). On top of that, however, the representativeness of the sample or participants is the most important thing for the consideration.

Both in-depth interviews and direct observations are very important methods to get the real pictures, insight views, opinions and perceptions, as well as accurate primary data and information from the participants engaged. These methods are also important and useful to confirm theories to the existing realities, to connect the secondary sources with the primary ones, to confirm formal-official reports to informal realities as well as to uncover the hidden facts (facts-finding).

During the fieldwork, data were also collected from various sources, such as documents and the so-called ‘physical artefacts’. The documents can be defined as (1) ‘archival records’, such as organizational charts, budgets and maps of the geographical characteristics, local newspapers clippings, existing studies; and (2) administrative or official documents that includes an organization’s annual reports, departmental strategic plans, booklets of environmental related-regulations, and other internal-related documents). Meanwhile, physical artefacts (Gillham, 2000: 21) include all things made or produced by member(s) of the population used as the sample. In this case study any products from various activities to reduce and recycle solid waste, such as organic compost and plastic bags could be defined as part of the
data collection under this notion. Craswell (2003: 188) defines this category of qualitative data as ‘audio and visual material’ that include photographs, videotapes, art objects and any forms of sound.

1.6.4. Data Analysis, Interpretations and Validity

As a qualitative inquiry the analytical process undertaken in this study is particularly oriented towards exploration, discovery and an inductive logic of analysis (Patton, 2002: 55-56). By carrying out this type of analysis, this study starts from specific observations to unveil more general patterns. The abundance of qualitative data collected from the field work brings advantages for applying such inductive, descriptive, explorative, constructive and interpretative approaches.

The data analysis is directed by several propositions outlined based on the research questions. The main function of the propositions in this study is to serve as the criteria by which an exploration will be judged. However, the propositions to some extent may also reflect some important theoretical issues.

First, both external and internal factors at multilevel system has influenced Unilever’s Green CSR practices (program and implementation) to address municipal solid waste management problems in Surabaya;

Second, multi-stakeholders partnership is used as the main strategy of Unilever’s Green CSR practices because it can effectively meet the common objectives, while serve the individual actors’ interests.

Third, (local) contextual factors of Surabaya have significantly contributed to the Unilever’s Green CSR practices so that the case of partnership in Surabaya should
be evaluated on its own merits.

In more specific way, this study applies the so-called “process tracing method of analysis”. According to George and Bennett(2005):

The process-tracing method attempts to identify the intervening causal process -- the causal chain and causal mechanism -- between an independent variable (or variables) and the outcome of the dependent variable (p.206)…..Process-tracing is an indispensable tool for theory testing and theory development not only because it generates numerous observations within a case, but because these observations must be linked in particular ways to constitute an explanation of the case. (p.207)

Thus, by using this method, the whole story of the case undertaken can show an empirical causal mechanism in which series of events, beginning from the period of 2001 when Unilever’s encounter with the idea of CSR and environmental protection in Surabaya --particularly environmentally sound waste management--,

had conditioned them to adjust its brand mission through its CSR practice to be more responsible. By doing this, this study would be able to predict whether Unilever has played a determinant factor in taking the discourse in transforming new norms of waste management through Green and Clean City conception and agency. This direction would fit well into the essence of process methods. It is about testing this study’s hypothesis against any alternative paths that is possible regarding to the debate among scholars that could be found as well on the empirical level.

The final step in data analysis uses both constructive and interpretative approaches in order to obtain the ‘meaning’ of the data. By using these approaches, it is expected that the analysis will reveal the hidden facts in the partnership dynamics that uncover the personal insights of the actors. As such, the following
basic questions: ‘what it means to have environmental consciousness, what it means to have a partnership and what it means to promote a new paradigm of waste management, have become very important’. Supported by the richness of the collected data from in-depth interviews and direct observation to the related sites, the analysis attempts to discover the views, values, beliefs, feelings, assumptions and ideologies of individuals engaged in the partnership program --directly or indirectly. In particular, the original insights from the interviewees also disclose criticism, appreciation, expectation and even disappointments of UI’s engagement in the Surabaya community to promote CBWM/SGC programs as part of the company’s green CSR.

These steps of analysis basically aim at attaining ‘the lesson learned’ underlying the basic ideas of this study’ This interpretative analysis can be derived from the researcher’s individual understanding as well as a comparison of the findings with information sourced from either the relevant literature or the existing theories. The latter allows the researcher to have two possibilities, that is suggesting that the findings confirm past information or diverge from it. Another possibility may also appear, suggesting new questions that need to be asked because the researcher had not foreseen it earlier in the study (Creswell, 2003:195).
The last point to be explained here is about validity. According to Hammersley (1990: 57, cited in Silverman, 2000: 175), validity is a ‘truth’, the extent to which an account accurately represents the social phenomena to which it refers. As explained above, the usage of triangulation method has enabled the researcher to pursue this objective. The resulted primary data from in-depth interviews with the key informants at both government and private sectors were...
highly confronted by the triangulation data received from in-depth interviews with local scholars, NGOs and direct observation to the related sites. Official ‘truth’ claimed by the city government and UI environmental manager, particularly with regard to the high achievement of the program, can be criticized by using scholars’ views and opinions as well as empirical facts resulted from the direct observation at Jambangan, Gundih and Candirejo. At the same time the existing studies can also help the process of analysis to closely reach the objective assessment of the whole story.

Talking about validity is indeed uneasy job because it is one of the controversial issues confronting all paradigms. For constructivist paradigm, one of the important criteria is called fairness. Fairness is defined as a quality of balance. It means that as Lincoln, et.al (cited in Denzin & Lincoln, 2011) say:

All stakeholder views, perspectives, values, claims, concerns and voices should be apparent in the text” … “fairness is a deliberate attempts to prevent marginalization, to act affirmatively with respect to inclusion and to act with energy to ensure that all voices in the inquiry effort had a chance to be represented in any texts and to have their stories treated fairly and with balance(p.122)

1.7. Scopes of the Study

Scopes of the study here refer to limitations. It means that there are some conditioning factors to be taken into account as “the boundaries, exceptions, reservations and qualifications” which are inherent in the study undertaken (Castetter & Heisler, 1977, cited in Creswell, 2003: 147-148). There are two kinds of limitations of the study. The first one is concerned with the substantive aspects, while the second one is very much related to the limitations on resources and logistics in the research process.
With regards to the first limitation, this study examines CSR practices in the ecological environment. According to Crane, et.al (2008: 175-342), there are generally four key arenas in which CSR has been implemented so far by large corporations around the world, particularly those based in Europe and the USA, such as BP, Carrefour, McDonald’s, Microsoft, Nestle, Shell, Unilever. These arenas include CSR in the marketplace, CSR in the workplace, CSR in the community, and CSR in the ecological environment. These arenas not just represent the playing fields where the philosophy and practice of CSR can be meaningfully applied, but also the areas in which the interests of particular stakeholder groups can be usefully considered.

However, as Crane, at.al (2008) admit, to some extent ecological issues are inherently linked to the responsibilities of other CSR fields. This is the case in this study. The character of Unilever’s CSR focusing on CBWM program basically has the main objective to reduce waste that brings detrimental environmental impacts, particularly related to the plastic packaging of its products. Nevertheless, by observing the partnership strategy adopted to implement the program in practice, this study may argue that Unilever’s CSR program in Surabaya is also the case of CSR practices in the community development. The bottom line is that Unilever’s CSR practices in this case has reflected the company’s environmental strategy to meet evolving needs in both external and tomorrow sides (Crane, et.al, 2008: 322). This point will be more elaborated in the second chapter.

This study accordingly will not examine the other two arenas of CSR -- in the marketplace and in the workplace – because they are much closer to the internal management of the company and cover different issues, including ethical trading
and human rights. Nevertheless, general information on the company profile and policies that are relevant to be the main analysis is provided. In addition, the discussion of sustainable development is limited to its environmental, social and economic aspects and not going further to cover the issue of poverty eradication and social justice.

The peculiarity of the setting in this case study is bounded by the time frame of 2001 – 2010. The year of 2001 is the time when the UI firstly came to Surabaya with a certain and local based environmental program called “Cleaning the Brantas River”. Having implemented for more than eight years, by the end of 2010 the UI CSR program in Surabaya has changed its focus, from community to office-based waste management program (well known as “Green Office”).

1.8. Organization of the Thesis

The organization of this study is structured as follows:

Chapter One introduces the background of the study undertaken which capture the crossroads themes on MNCs corporate responsibility, partnership and sustainable development. It then explains briefly why the study focuses on the Unilever’s CSR program on MSWM problems in Surabaya municipality. This chapter also outlines the research questions, objectives and significances of the study for the advancement of knowledge. In the following parts, this introductory chapter explains the research methodology, particularly employed for the analysis on the selected case study. Above all, Chapter One would benefit from explicitly saying about the “case of what” and some discussion of case selection and the use
of “process tracing” as methods. In addition, limitations of the study are also explained in this chapter due to its importance for understanding the focus of the analysis. Finally, this chapter presents the thesis outline.

Chapter Two provides a literature survey and theoretical (and/or conceptual) framework of the study. It presents a more detailed review of the literatures from several scientific books, academic journals and other publications that are relevant to the major themes, concepts and related issues to be discussed in the study. Through this literature exposition, the study is connected with previous studies in order to fill the existing gap between the past and current research. In the second part of this chapter, the relevant theories and concepts are highlighted to provide a basis for integrated analytical framework. The important point here is that Chapter Two would discuss more on what does “partnership” mean as the central concept and how the nature of cooperation lurks behind the concept as found in academics writing and policy paper of official publication.

Chapter three describes the context of the study at macro level. The description also includes Unilever company profile and its CSR program activities in general. At its heart the overall description in this chapter seeks to provide several contextual conditions that come about as a result of the dynamics of globalization and Indonesia’s political reforms that have pushed Unilever as an MNCs in fast moving consumer products industries to significantly carry out their CSR program in Indonesia. Briefly speaking, the overall description in this chapter provides the story of how UI get into business by taking into account the discursive role performed by Unilever in transforming their agency in environmental sectors.
Chapter **four** explores the local context and issues to which Unilever’s CSR program is implemented. This chapter highlights the specific characters of the Surabaya city, its people and their existing waste management problems. Basically this fourth chapter also attempts to address the second question of this study, that is, why and how Unilever started their CSR program in Surabaya. In the final sub chapter the renowned program called ‘Surabaya Green and Clean (SGC)’ in which Unilever took a part as the major partner will be described thoroughly. Shortly, this fourth chapter shows the main causal path that link Unilever’s role with its counterpart in Surabaya setting.

Chapter **five** attempts to analyze the dynamic process of the partnership mechanism through which Unilever’s Green CSR program in Surabaya takes place. In this chapter, taking an interpretative approach, the analysis in particular aims to understand the ‘meaning’ of the phenomena centered on the tripartite relationship between business – government – society. This analysis also attempts to see power relations and distributions among the partners engaged. This chapter is expected to identify and examine the critical factors that determine the performance of Unilever’s CSR program so as to achieve the desired objectives.

Chapter **six** provides further analysis using both constructive and interpretative approach to reveal the hidden facts of the on-going partnership strategy embedded in Unilever’s Green CSR program; how the actors engaged give their subjective meanings to the process of partnership, to their counterparts in the partnership and to the program itself which have introduced new ideas and norms of dealing with municipal solid waste management. Based on the results of the major
findings during the field work as well as the literature reviews, this chapter will open the ground for a reflection about broader implications or long term consequences of Unilever’s CSR program with its partnership embedded in Surabaya. This chapter’s analysis is also intended to permit a generation of hypotheses stemming from the collected data (inductive analysis). In sum, this chapter would take the ‘partnership’ into another level in academic and conceptual discussion.

Chapter seven presents the conclusion of the overall study undertaken. The major points of the research fact-findings will be highlighted. On top of that this chapter will provide to what extent the research questions and the objectives of study can be addressed throughout the study. In this chapter, what lesson learned should be taken from the case study will be reexamined briefly, including some other important points of the issue raised during the analysis. Thus, the conclusion will highlight the benefit about ‘making-it-as-a-case’ in the discussion of the role of partnership and the role of business sector on an environmental governance settings. In the last past of this chapter, some aspects of limitations and strength of the study will be highlighted again as the basis to provide a recommendation, for both a further study and some practical reasons (policy recommendations).