# Chapter 5 CSR and Greenwashing in Finland: Analysis About the Public Discussions of Greenwashing

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### **ABSTRACT**

Due to the general tendency to express environmental protection, environmentalism, and the actions to slow down the greenhouse effect in the world, the enterprises have noticed the importance of environmental values in their public announcements, documents, and homepages. In other words, corporate social responsibility (CSR) is a very important and topical theme of the firms. The popularity of environmentalism tempts the firms to follow the direction of public opinion even though the actual environmental activities might be minor or even absent. This kind of quasi-environmentalism is called as greenwashing. This chapter focuses on greenwashing and CSR in the Finnish context via public discussions about greenwashing. This chapter is emphasizing the understandings and the sense-makings in the concepts of greenwashing and CSR and their numerous connotations basing on the results of the textual analysis. The outcomes are completed and compared with the international contexts, and, therefore, they are also internationally robust.

# INTRODUCTION

Scandinavian study (Rusko, 2020) noticed that in Scandinavian the firms are expressing values instead of strategy in their homepages. This outcome was evident regardless the industry of the firm. The homepages and "About us" -pages emphasized corporate social responsibility (CSR) or the connotations of CSR, such as responsibility, sustainable development or sustainability, among others.

This study focuses on the role of greenwashing in the society and in the part of the corporate social responsibility (CSR) discussions. The phenomenon of greenwashing is analyzed using Finland as a case

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study example. However, the chapter will finally compare the found results of Finland with the international findings about greenwashing phenomenon.

This chapter will analyze this phenomenon described above using Finland, which is part of Scandinavian, as an example (or case study). Analysis is based on public discussions about CSR and especially greenwashing. Greenwashing is "a deliberate act by an organization to obscure potentially harmful information or deliver information in a way that portrays a false image that the organization is green or eco-friendly (cares about the environment)." (Mitchell & Ramey, 2011). This study takes into account the definition above but also the possibility that part of the public discussions about greenwashing are overemphasized or even "false news". Therefore, especially important is to study the contexts of these discussions, why term greenwashing have been mentioned and what are the aims of the particular news, blog or announcement, where term greenwashing is included in.

Due to fact, that greenwashing is seemingly linked with the concept of corporate social responsibility, this chapter will consider also CSR, especially understandings of CSR in these contexts, where greenwashing has also been mentioned. Thus, in addition to greenwashing, this chapter finds meanings of CSR and its connotations among greenwashing discussions.

In Finland, greenwashing discussions are very popular (in Finnish greenwashing is "viherpesu"). This research process of this chapter covered 200-300 blogs, news or announcement of greenwashing. The referenced number of sources in text is 20. The main focus is on the discussions, which consider especially the role of firms in greenwashing, not of political parties, for example.

As an outcome, this chapter clarifies the concept of greenwashing especially related to CSR. This study finds the different nuances of greenwashing concept. Furthermore, it classifies the various contexts, where term greenwashing has been used. Though the outcomes are based on Finnish context the results have been compared with the outcomes of international studies of greenwashing.

### LITERATURE REVIEW - ENVIRONMENTALISM AND GREENWASHING

# **Environmentalism and Corporate Social Responsibility**

The contemporary global discussions emphasis global warming and greenhouse effect. Environmentalism is not a new phenomenon, however. There are two important early milestones in the development of environmentalism:

- 1. The Limits to Growth report for the Club of Rome 1972 (Meadows et al., 1972)
- 2. Our Common Future report of Brundtland Commission 1987 (WCED, 1987)

The Club of Rome have published several reports, but The Limits to Growth is the most famous one. It based on computer simulations and it forecasted the various global problems, for example in the growth of economy, due to lack of natural resources (Meadows et al., 1972). Partly the popularity of the report based on the oil crisis in 1973, which also turned eye toward natural resources.

Sustainable development is an important theme in the branch of environmentalism. Brundtland Commission published the report named Our Common Future in 1987, which launched sustainable development concept into the public discussion. (WCED, 1987).

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