HOW TO CROWD IN INTRINSIC CORPORATE MOTIVATION FOR HUMAN RIGHTS DUE DILIGENCE BY MEANS OF CORPORATE SANCTIONS?

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ACCOUNTABILITY GAP IN BUSINESS AND HUMAN RIGHTS

• HRDD as a voluntary standard not working
  • Mandatory regimes with effective sanctions needed
• EU Directive on Corporate Sustainability Due Diligence
  • Is the proposed administrative sanction regime an effective solution?
  • Economic deterrence as the leading paradigm in the EU corporate sanction policy
    – Problem: multiplicity of compliance motivations
Motivational crowding theory
- External incentives may *undermine intrinsic* motivations
- Pecuniary sanctions → *economic framing*?
  - Example: EU-based competition law sanctioning (economic deterrence, an economic frame)

Expressive theory of law
- Law’s ability to *stimulate intrinsic* motivations (and not just undermine them)
- Under what circumstances does a legal instrument convey a moral message?
A spokesperson for the social media firm said it "respectfully disagree[s] with the decision, particularly the level of the fine imposed".

"The criticisms are focused on features and settings that were in place three years ago, and that we made changes to well before the investigation even began, such as setting all under 16 accounts to private by default," they said.

Source: BBCNews
DESIGNING EFFECTIVE HRDD SANCTIONS

- HRDD seen through an economic lens → risks of **cosmetic compliance**
- **Value-based** HRDD as a goal
  - Genuine corporate respect for human rights → moral framing needed
- How to associate HRDD sanction regime with **morals**?
  - **Culpability and guilt** as a source of blame and moral condemnation in criminal law sanctioning (punishment theories)
  - Role of culpability in HRDD sanctions?
Heli Korkka-Knuts / How to Crowd in Corporate Motivation for Human Rights Due Diligence by means of Corporate Sanctions?