

CLIMATE CHANGE DISCOURSE. CASE STUDY: RAIFFEISEN BANK

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This study investigates the climate change discourse as this is a highly debated topic nowadays. A case study is revealed in this paper, which consists of applying the critical discourse analysis method at Raiffeisen Bank, one of the most important international banks. The findings of this study disclose that misleading messages are construed in climate change discourse by using some persuasion means in order to support the statement of the discourse. The study was conducted by combining a wide variety of sources, such as articles, strategies, and reports.

Keywords: climate change, discourse analysis, Raiffeisen Bank

JEL Classification: M10, M14, M16.

1. Introduction

Actions for both adapting and mitigating climate change are fewer and smaller than it is necessary, may be because climate change cannot be perceived directly and the reaction to it depends on how it is communicated. Climate change could be seen as physical process (non-discursive), as well as rhetoric (discourse) of different stakeholders. The aim of this paper is to reveal the issues on which climate change debate is focused, as well as the discourse of Raiffeisen Bank in this area.

2. Background

Climate change is a strongly debated subject, but the debate was not always focused on the same issue. Firstly, the focus was on the process itself – does or does not happening, then it shifted to the human agency, and now it is about the consequences and actions needed. Thus, Crist (2007) suggests that since climate change is now a fact, it is worth focusing more on consequences where uncertainty is legion.

Climate change is beyond its physical dimension an invitation for action. Firstly, by assuming that humans are the causes, and not a natural process beyond their power and will, it results that they has to be the ones who do something to prevent the process. Secondly, if a change takes place in the environment humans will need to adapt to it. These also could be considered as reaction stages. Thus, Huq (2006) argue that two and a half decades ago the focus was on preventing climate change through mitigating emissions, while now adaptation has to be twined with mitigation, because some effects of climate are inevitable.

The scientific debate is not entirely settled (since the “climate consensus” was already criticized by Corcoran in 2006), but it has gave a consistent explanation of the processes and also provided indications on what is to be done. In addition, climate change information is now a mighty flow that reaches far in society.

Despite these premises, appropriate action is lagged, a strong emphasis being on the need to be more active. Since developed countries already have a climate policy, there is a global market for greenhouse gas emissions, renewable energies have stronger support as ever, businesses disclose their contribution to climate change mitigation we could say that society is already active. Thus, the issue is not to be

active, but to be more active. What more active means could be approximated by looking to the gap between what is needed and what is achieved. Research done in this respect has revealed that the difference between active and more active is huge.

What prevent an appropriate reaction to climate science's findings is therefore considered an issue of communication and is researched as such using semiotics and discourse analysis. Some of the outcomes are contradictory. Gare (2007) explores the semiotics of global warming and finds that market, as a field defined by Bordieu, has overlapped all facet of life and this transferred the debate to individuals or institutions that do not have the expertise needed to handle it. Therefore, the blend of climate change messages that often contradict themselves is not convincing enough to change behaviour. Discourse analysis of climate change related articles, web pages and ads in the United Kingdom has brought Ereat and Segnit (2006) to the conclusion that climate change discourse "looks confusing, contradictory and chaotic". Nevertheless, solutions are viewed differently. Gare (2007) considers that in order to have more meaningful climate change messages it is necessary to restrain market's field by heavily taxing advertising. Thus transnational corporations will have less power to corrupt semiotics through rhetoric that undermines people's capacity to think rationally. Ereat and Segnit (2006) consider that the most effective way of stimulating climate-friendly behaviour is to treat this activity as a brand to be sold, thus expanding again market's field.

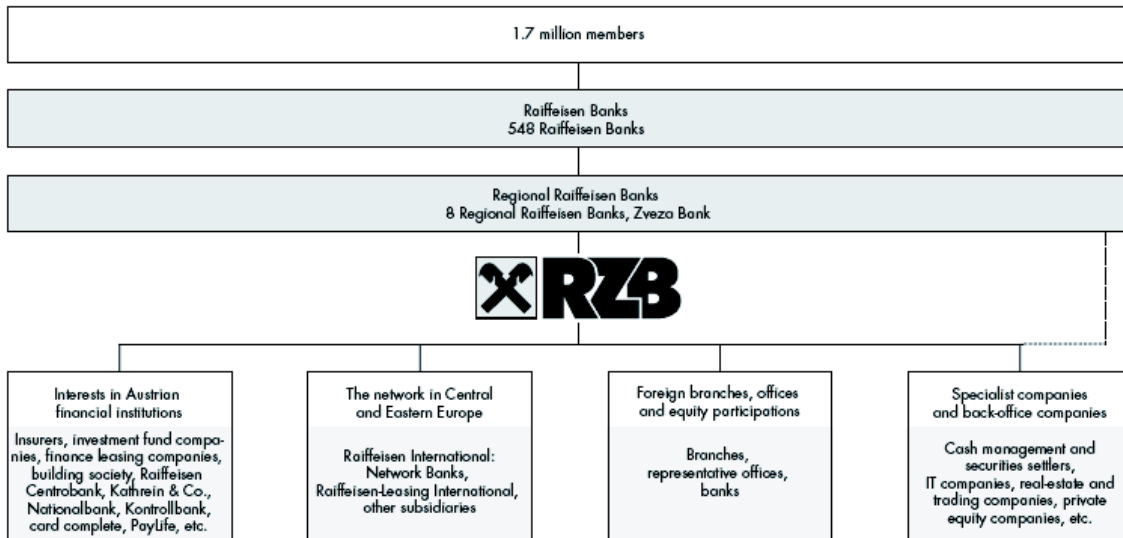
3. Raiffeisen Bank's climate change rhetoric

The **Austrian Raiffeisen Banking Group** dates back to the year 1886 when the first local, cooperative Raiffeisenbank was founded in Mühldorf in Lower Austria. 10 years later there were already as many as 600 savings and loan banks operating according to the Raiffeisen system in Austria. From 1894 on these individual cooperatives founded Regional Raiffeisen Banks (Raiffeisen Landesbanken; the first one was founded in Tyrol) with the primary purpose of liquidity equalisation. Finally, Raiffeisen Zentralbank (RZB) was founded for the same reason (equalisation of liquidity for Raiffeisen Regional Banks) in 1927 as Genossenschaftliche Zentralbank (GZB) and was renamed in 1989. Today, Austria's Raiffeisen Banking Group has the largest retail banking network and a market share of approximately one quarter of the domestic banking business (RZB, 2010a). The structure of the Austrian Raiffeisen Banking Group is highlighted in Figure 1. The Raiffeisen Banking Group is Austria's market leading banking group with EUR 260.2bn of total assets as at 31.12.2009. Its principal focuses in the financing field are retail customers as well as small and medium-sized enterprises. It employs around 85,000 people around the world (RZB, 2010a).

Raiffeisen Zentralbank Österreich AG (RZB) was founded in 1927 and is the central institution of the Austrian Raiffeisen Banking Group (RBG) and the core company of the RZB Group. With a balance sheet total of € 147,9 billion as of 31 December 2009, Raiffeisen Zentralbank Österreich AG (RZB) is the third-largest bank in Austria and one of the country's leading commercial and investment banks (RZB, 2010b; RZB 2010d).

Raiffeisen International is a fully-consolidated subsidiary of Raiffeisen Zentralbank Österreich AG (RZB). RZB owns about 70 per cent of the common stock, the balance is free-float. The shares are traded on the Vienna Stock Exchange. Starting already in 1987 by founding what is today Raiffeisen Bank Hungary, Raiffeisen International has consistently entered growth markets and expanded its regional and local presence (Figure 2). Recent examples are the acquisitions of banks in Kosovo, Belarus, Albania and Ukraine in 2002 through 2005. In January 2006, Raiffeisen International acquired 100 per cent of Russian Impexbank. In July 2006, it purchased Czech eBanka. Both banks were integrated into the network by merging them with the existing local Raiffeisenbanks. As of year-end 2009, Raiffeisen International managed subsidiary banks, leasing companies and a number of other financial service providers in 17 markets of the region. 56,500 employees served more than 15 million customers in around 3,000 business outlets. This presence provides Raiffeisen International with the most extensive and closely-knit distribution network of the international banking groups active in the region (Raiffeisen Zentralbank Österreich AG, 2009; RZB, 2010c).

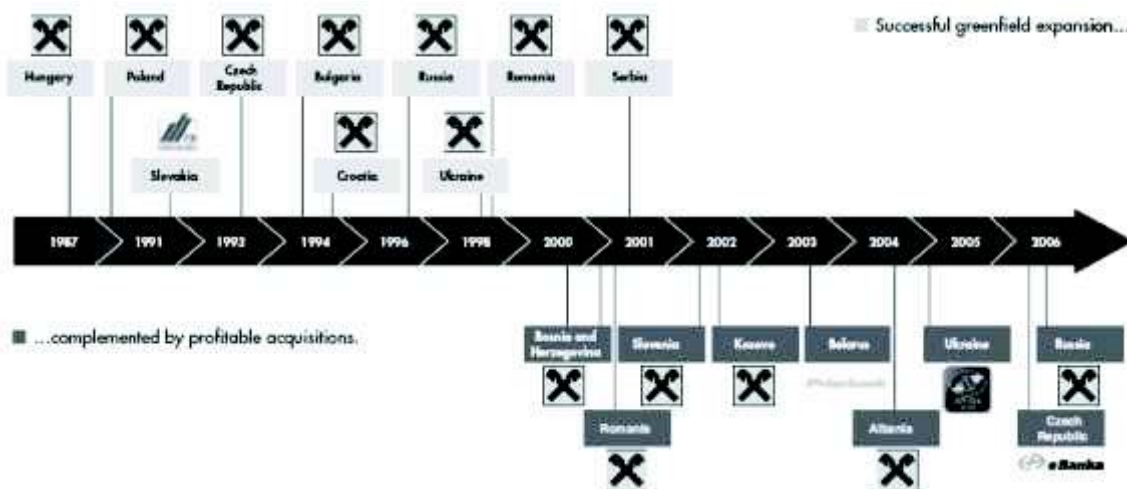
Figure 1 Structure of the Raiffeisen Banking Group



(Source: Raiffeisen Zentralbank Österreich AG, 2009b: 25)

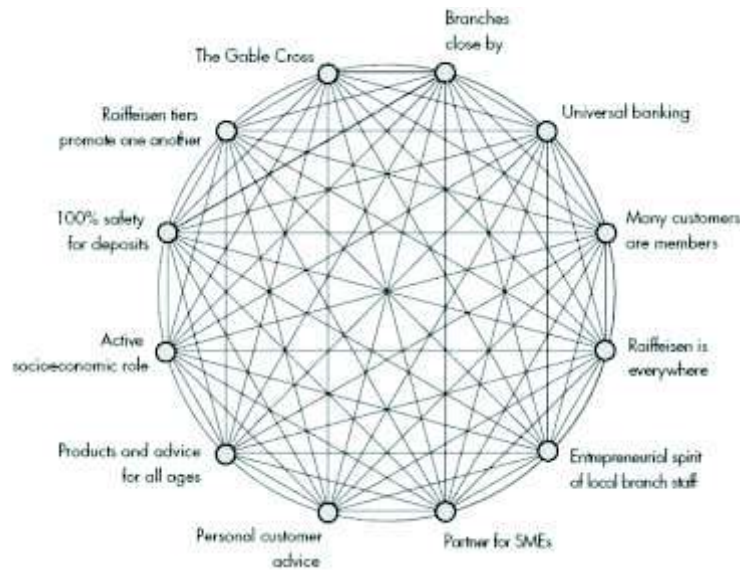
The “DNA” of the Raiffeisen brand consists of 12 success factors (Figure 3): (1) branches close by; (2) universal banking; (3) many customers are members; (4) Raiffeisen is everywhere; (5) entrepreneurial spirit of local branch staff; (6) partner for SMEs; (7) personal customer advice; (8) products and advice for all ages; (9) active socioeconomic role; (10) 100% safety for deposits; (11) Raiffeisen tiers promote one another; and (12) The Gable Cross, meaning the time-hallowed symbol of safety for Raiffeisen’s owners, customers and employees (Raiffeisen Zentralbank Österreich AG, 2009b: 26-27).

Figure 2 Raiffeisen’s network expansion



(Source: Raiffeisen Zentralbank Österreich AG, 2009b: 27)

Figure 3 Success factors of the Raiffeisen brand



(Source: Raiffeisen Zentralbank Österreich AG, 2009b: 27)

RZB addresses climate change in its Corporate Responsibility Report 2007/08 issued in March 2009, and also in its Corporate Responsibility Report 2008 issued in July 2009. The structure of these reports is based on five “guiding principles” of RZB, separate chapters being devoted to each of these principles, preceded by an overview of the company’s values: (1) “who we are”; (2) “a future always needs a past”; (3) “we are here to stay”; (4) “our clients’ success defines our own success”; (5) “the best become better with us”; and (6) “a strong cultural mix”.

The first chapter of the reports entitled “Who we are” firstly presents the RZB Group and afterwards addresses the corporate responsibility in the RZB Group. The authors of the reports are emphasising the idea that the company is “committed to protecting the environment – especially against climate change; upholding human rights; fighting corruption; and contributing to the stable economic development of the regions where we operate” (Raiffeisen Zentralbank Österreich AG, 2009a: 15). In addition, the authors are using a diagram (Figure 4) and are citing Simon Zadek’s model of the various stages of corporate social responsibility in order to demonstrate that corporate responsibility is a core component of RZB’s culture.

Figure 4 Stages of corporate social responsibility and RZB’s achievement



(Source: Raiffeisen Zentralbank Österreich AG, 2009a: 16)

In the end of this first chapter the authors put emphasis on the five above mentioned principles and briefly explain each of these principles that are detailed in the following chapters.

Even though the report issued in March 2009 comprises 80 pages, and the one issued in July 2009 comprises 70 pages, both reports address climate change in only one page (subchapter 3.4 “Raiffeisen Climate Initiative”. This may be surprising having in mind that the first guiding principle of Raiffeisen, declared by the authors, is “protecting the environment – especially against climate change”. However, the authors are tangentially referring to climate change in other chapters (for instance subchapter 4.2 “Consideration of environmental and social factors”), trying to convince the reader that Raiffeisen is actively involved in solving the problem of climate change.

The Raiffeisen Climate Initiative (Raiffeisen-Klimaschutz-Initiative), as it is explained in the report, “brings together all the activities planned and implemented by Raiffeisen organisations relating to sustainability, climate change, energy efficiency and renewable resources. Its purpose is to exploit synergies, make a significant contribution to combating climate change and raise public awareness of the problem” (Raiffeisen Zentralbank Österreich AG, 2009a: 78). This climate protection was called into being in November 2007. “The goals of the *Raiffeisen* climate protection initiative are to take suitable action capable of making a significant contribution to climate protection; to create the prerequisites that will enable the members of the association to make the greatest possible use of potential synergies in the climate protection field; and to promote public awareness of the need for sustainability, climate protection, energy efficiency and renewable resources” (Ecker-Nakamura, 2008: 67-68).

The reasoning begins with the claim that RZB itself “makes a significant contribution to combating global warming”. The main ideas, actions and facts described afterwards signify reasons in support of the claim. The second paragraph starts with the declaration that “RZB sets a good example on climate change”, and some examples are given in support of this statement, such as: internal energy saving days at Raiffeisen; employees are informed about how to save energy outside work (based on the principle that “climate protection begins at home”); exhibitors provide comprehensive advice. The third and fourth paragraphs are also trying to demonstrate that RZB is actively involved in solving the problem of climate change. Other examples are given, and figures are used in support of the main claim (“limiting the average CO₂ emissions of new company cars to 150 g/km”).

Furthermore, after “guiding” the reader to believe what the authors want him/her to believe some objectives and actions are highlighted in both reports. This is the part where the authors are trying to persuade that Raiffeisen has an important role in protecting the environment. However, it is to mention that the goals of “10% reduction in energy consumption at the headquarters building by the end of 2010” and “effective use of donations in response to regional social challenges” appear only in the report issued in March 2009, and they are not stated in the report issued in July 2009. Therefore, we may assume that these two goals have been achieved from March to July of 2009, or they are no longer important for the company. In addition, the actions planned in 2009 identically appear in both reports and these are: (1) helping employees to help: time off for employees to act as volunteer helpers after natural disasters or accidents; (2) training focus on corruption prevention: increased inclusion of corruption prevention in employee training courses; (3) internal environmental actions: implementation as part of the Raiffeisen Climate Initiative; (4) European Energy Service Initiative: planned entry of the RZB headquarters building for the European Energy Service Award; (5) solar energy: installation of PV arrays and solar collectors at the headquarters building; and (6) environmental indicator system: improvements to the RZB Group environmental reporting system.

The authors of the reports claim in subchapter 4.2 (named “Consideration of environmental and social factors”), that the loans are evaluated by focusing on environmental impacts. They even mention that “in one instance the review resulted in the rejection of a loan application”. This way they are suggesting that the environmental impacts are more important for the company than its own profit. Also, the authors mention the company’s “highly specialised teams of advisers on renewable and conventional energy sources”, and the fact that the company financed small climate change and environmental

protection projects, including solar energy equipment. In addition, some figures, pictures (for instance a Bulgarian wind farm financed by Raiffeisen-Leasing International Ges.m.b.H.) and examples are used in order to sustain the claim that the company is sustaining and promoting environmentally friendly projects.

4. Conclusions

Climate change debate has undergone several stages and now it settled on the need for more action. The delay in acting is explained by several studies which are focusing on communication and which reveal that climate change messages come from many sources and crush in an inconclusive and endless public debate. The messages construed by an important climate change stakeholder, Raiffeisen Bank, could be evaluated as misleading since they use truncated or distorted information, and construe immutable facts and goods that justify both uncertainty and slowness in action. On the other hand, this company invests a lot in “greening” its image and preparing its future role as an environmentally friendly company.

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