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Between Monitoring and Trust: Commitment to Extended Upstream Responsibility

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Abstract In line with the current trend toward sustainability and CSR, organizations are pressured to assume *extended responsibility*. However, taking such a responsibility requires serious and challenging efforts as it appears to involve a wider range of issues and increased need for close interaction between actors along commodity chains. Using a qualitative case study approach, the present article focuses on Swedish public and private procurement organizations with attention paid to textiles and chemical risks. It focuses on two crucial aspects of buyers' relationships with suppliers in their efforts to advance environmental responsibility-taking—monitoring and trust—as well as how they intersect. The aim is to demonstrate, both theoretically and empirically, the limits and possibilities of monitoring and trust for developing extended upstream responsibility. The article demonstrates the problems with, on one hand, simple ritualistic monitoring and, on the other, simple trust, and explores potentially constructive pathways to extended upstream responsibility at the intersection of monitoring and trust. In connection with the findings, the article argues that theories on responsible and sustainable supply chain management must also take the enormous variety of organizations into account: not only large, private, transnational companies, which the literature has until now been preoccupied with.

Keywords Responsibility · Trust · Auditing · Sustainability · Supply chain · Interorganizational

Background and Purpose

Product life cycles in our globalized economy are increasingly extending across borders, as are various risks associated with the global circulation of products. How can we trust that imported products do not contain chemicals that may be hazardous to the health of the workers producing the products, or to consumers wearing, eating or playing with them? How can we trust that imported products are not made by the forced labor of children with no opportunity to go to school?

Establishing a trust that products are made in socially and environmentally responsible ways may require a battery of efforts in organizations that import products from far-distant countries. Recent literature on sustainable supply chain management (SSCM) or responsible chain management/governance addresses a number of challenges associated with the efforts of companies to shoulder an expanded responsibility (see e.g., De Bakker and Nijhof 2002; Vermeulen and Ras 2006; Srivastava 2007; Seuring and Muller 2008; Kovács 2008; Kogg 2009; Boström et al. 2012; Locke 2013). Organizations are pressured to assume extended social and environmental responsibility for their products both upstream and downstream in the supply chain. How they respond to these pressures, however, can be very different. Some stick their heads in the sand; others engage in "green-washing", doing little more than painting their product packages with pretty environmental symbols; and still others develop sophisticated internal management procedures, follow advanced voluntary policy instruments far beyond the minimum legal requirements, and develop new and intensive relationships with suppliers and sub-suppliers to foster a greater sensitivity to a broad range of sustainability issues.

Taking responsibility for preventing the negative social and environmental impact of products produced and

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distributed through complex global commodity chains indeed seems to require serious and ambitious efforts. Geographical, cultural, and political distance accentuates the obstacles. Organizations must reframe their conceptions of responsibility away from a national mindset and beyond their own organizational borders. Moreover, as extended responsibility-taking involves a wide range of sustainability issues, much more information is needed. Buyers need information about the ages of workers in the factories, how many hours they work, if they are allowed to lodge complaints, and whether they use the proper safety equipment. Buyers need to know whether potentially hazardous chemicals have been used in the production process, how to reduce the risks of exposure, how much water the production of a single t-shirt consumes, and the CO_2 emission levels of different types of transportation. Acquiring this- and many other types of information requires novel learning exercises, new information systems, and intensified communication between the stakeholders along and surrounding supply chains. Intensified information exchange has been considered a key prerequisite for the development of environmentally and socially responsible (sustainable) supply chain management (Boström et al. 2012; De Bakker and Nijhof 2002; Seuring and Muller 2008; Gold et al. 2010).

In this article, I focus on buyers' opportunities and limitations to take on an *extended responsibility,* that is, to take into account important sustainability-related impacts that may arise in other parts of the product/supply chain. I narrow my focus here to *extended upstream responsibility*, to focus on what buyers actually do and what they can and cannot do to take into account and affect aspects further up the supply chain. From a buyer's point of view, interacting directly with all upstream actors involved in the processing or delivery of ingredients contained in the product the buyer sells in the market, would for most buyers (if not for the largest and most powerful ones) and for most products be infeasible and wishful thinking. However, it is important to ask what can be done to make extended upstream responsibility feasible for different types of actors: that is, a responsibility-taking with some potential to positively affect and connect more actors in the supply chain as well as to prevent unsustainable practices and contribute to sustainable ones.

From an empirical standpoint, the present article focuses on Swedish public and private procurement organizations with attention paid to textiles and chemical risks. The findings are not just relevant from a Swedish perspective, but are of much more general interest, since developing sustainable supply chains in areas of complexity is a global challenge—and a challenge for any responsible procurement organization in any country dealing with complex issues and complex supply chains. The chemical risks in textiles provide a good example of a complicated matter, with complex global chains and the chemicals used representing a problem area characterized by considerable risks, complexities, and uncertainties.

The paper focuses on two crucial dimensions in the buyer's relationship to suppliers: monitoring and trust, as well as how the two intersect. Monitoring and trust are issues that frequently come into focus in response to perceived pressure to assume extended upstream responsibility. Monitoring (or auditing) is a topic that is frequently used and discussed in the literature and the practice of SSCM. Both practitioners and scholars alike invest a huge amount of resources in the hope of developing and using monitoring mechanisms to advance corporate social responsibility (CSR). Trust is a more subtle phenomenon, but nevertheless highly prevalent in this practice, and is often implicit. The selected topic of monitoring and trust is thus not just theoretically motivated, but has also arisen inductively, reflecting key practices and concerns among the organizations studied. However, the role of both monitoring and trust in developing extended responsibility is highly problematic, which the present article aims to demonstrate both theoretically and empirically. The article will not only provide a theoretically and empirically guided critique of efforts to extend responsibility-taking; a related aim is to explore potentially constructive pathways to extended upstream responsibility at the intersection of monitoring and trust. Thus, by focusing on trust, monitoring, and a commitment to extended responsibility, the article aims to contribute to any approach with a theoretical interest in the feasibility of extended upstream responsibility among procuring organizations of various types. An important objective related to this aim is also to avoid becoming trapped in a single focus on large, private and powerful buyers and retailers, which is a common feature in the CSR and sustainable supply chain literature.

I begin with a presentation of the method and introduction of the case study area, followed by a theoretical section in which the key concepts—extended responsibility, monitoring and trust—are introduced. I then move on to analyze, in a number of sub-sections, challenges related to monitoring and trust. The analysis is followed by a review of recent studies and practices that focus on capability-building as a way of developing extended responsibility. In this discussion, I point out the limited applicability of these approaches and proceed to discuss other potentially constructive pathways from the intersection of monitoring and trust, connected to the empirical context. In the conclusions, I summarize the theoretical contribution I would like to bring to the research field.

Methodology and Introduction to the Case Study Area

The research is based on an intensive and comparative case study approach, the empirical results of which have been

presented in earlier reports (see Boström et al. 2011, 2013; Hedenström 2011; Lidberg 2011). The article draws on empirical findings from a set of case studies of Swedish public and private procuring organizations. The selection of Swedish organizations reflects a convenient sample, as the research took place in Sweden. This is not seen as a methodological problem; however, since many public and private organizations in Sweden have for some time engaged in improving procurement from a sustainability viewpoint, and it is essential that the data include organizations with extensive experience on the topic. Frontrunners in activities of this type can be seen as crucial cases and provide important information about challenges that are general (external validity). The data also allows for important internal variation.

One set of interviews was conducted by project participants between 2008 and 2011, and included qualitative semi-structured interviews with 30 interviewees, representing 23 Swedish public and private procurement organizations. These cases include both large and small organizations that procure textiles. The aim was to include in the project a diversity of experiences, ambitions and contexts related to procurement activities. The organizations were therefore selected according to three dimensions: (1) public vs private organizations; (2) size of the organization; and (3) core business vs peripheral business activities (i.e., either where textiles was the core activity, e.g., selling clothes, or another activity was the core business but a large amount of textiles was nevertheless procured, as in hotel chains). Consideration of these parameters is warranted since the literature to date has had a tendency to focus on large, transnational, private companies and on core activities (Seuring and Muller 2008; Haake and Seuring 2009; Boström et al. 2014). While the present article does not include a structured comparison of these dimensions, an important implication of this wide variety of organizations that procure textiles will be considered in the analysis and conclusions. The organizations operate in sectors such as clothing and fashion, outdoor articles, hotels and conference venues, transport (buses, trams, trains), cinemas, home furnishings, interior design, and hospitals and health care. All of these areas procure a considerable amount of textiles in the form of clothing, upholstery, uniforms, curtains, sheets, carpets, etc.

Another set of empirical material was compiled via three additional and more detailed case studies during the period 2009–2012. The project focused on two cases of public organizations (Stockholm County Council and the Municipality of Örebro) and one private organization (IKEA) that claims to apply a comparatively progressive and sustainable approach to procurement. The aim of using these three intensive case studies was to achieve a deeper understanding of the opportunities and challenges. The three cases in question are based on document studies, participant observations (round-table discussions, internal courses, field visits) and semi-structured interviews (with, for instance, staff from environmental sections, chemical managers, CSR, procurers, users of textiles, as well as suppliers). This paper primarily contains material from the case study on IKEA (see Boström et al. 2013), although some central findings gained from the other two cases will be discussed (see Lidberg 2011 and Hedenström 2011).

The textile sector has been described as buyer-driven in contrast to producer-driven, where trading companies, large retailers and brand-name merchandisers dominate, and interact with weak manufacturers in developing countries (Gereffi 1999; Laudal 2010; Stigzelius and Mark-Hebert 2009). Some large clothing retailers go far beyond their original buying functions and actively engage in activities like product design and fabric selection (Seuring and Muller 2008; Andersen and Skjoett-Larsen 2009). Such market actors may play a significant role in specifying what should be produced, how, and by whom. However, this description only applies to a minority of the organizations studied in this research project. There are many buyers in the textile sector that have not gained such a dominating position in the supply chain. Even if buyers do have leading roles in the supply chain, their power over suppliers' performance in social and environmental sustainability issues is often exaggerated and cannot be taken for granted (Locke et al. 2009; Locke 2013). This variety of different buyers will be dealt with in more detail below when discussing the conditions for extended upstream responsibility.

The management of chemical risks is one of the key sustainability challenges that the textile sector has to tackle. The industry is very chemical-intensive, and a large number of industrial chemicals are used to meet new performance requirements for textiles, such as multifunctional weather protection or flame resistance. There are tens of thousands of chemicals in the global market, of which many are considered hazardous to health or to the environment (Eriksson et al. 2010). Both globally and regionally, there is a fragmented and, according to many sources, highly insufficient set of regulations and agreements to deal with these risks (e.g., Bengtsson 2010; Boström and Karlsson 2013). Considering diffuse risks such as chemical risks along an entire product chain makes the issue of risk governance especially demanding compared to when risks are locally situated and we can easily observed them with our own senses (cf. Beck 1992).

Theoretical Point of Departure: Extended Responsibility, Monitoring and Trust

In this section, I introduce, define and discuss the key analytical concepts used in the article, starting with the meaning of "extended responsibility".

Extended Responsibility

A useful point of departure is the argument put forward by De Bakker and Nijhof (2002) that responsibility must be seen as a sincere willingness to consider the expectations from stakeholders to act in a way they consider desired. Such expectations can stem from actors both within (members of the organization) and outside the organization. In following with stakeholder theory, "responsible chain management" as De Bakker and Nijhof conceptualize it must take into account the expectations on the firm expressed by various stakeholders: customers, suppliers, shareholders, employers, staff, the government, and other actors. De Bakker and Nijhof's emphasis on communication with stakeholders seems apt and important. However, all this seems to require considerable resources as they also strongly emphasize the different organizational capabilities that need to be developed and in place in order to foster such responsibility-taking. Does this mean that an organization must be capable, large and powerful to be responsible? In order to avoid a conception of responsibility as automatically favoring strong, powerful, large-scale actors, I will develop a narrower conception of *extended upstream responsibility*—linked not to particular capabilities, but rather to *commitment.*

Responsibility can be imputed before or after a situation has materialized. The distinction between the concepts of "accountability" and "responsiveness" is useful for clarifying this temporal distinction (Pellizzoni 2004; Boström and Garsten 2008). That is, while accountability is retrospective, defined as an ex-post justification of conduct and connected to answerability, monitoring and sanctions; responsiveness, on the other hand, can be seen as ex-ante openness to all stakeholders and their demands, needs and concerns (Pellizzoni 2004). This ex-ante dimension of responsibility can be seen as a "receptive attitude to external inputs to help in deciding what to do" (Pellizzoni 2004, p. 557). The responsiveness dimension of responsibility shares similarities with the conceptualization provided by De Bakker and Nijhof, but a focus on a "receptive attitude to external inputs" does not necessarily require sophisticated communication systems.

The notion that I use in this article—*extended upstream responsibility*—has been narrowed down to a focus on supply chains. In principle, it can involve both accountability aspects and responsiveness. It extends, in addition, beyond one's own organizational borders. This extended upstream responsibility entails a *commitment* to take into account other stakeholders' expectations of the organization and a wider set of issues, not necessarily limited to the immediate and core activities of the organization (cf. Boström et al. 2014).

Standards and Monitoring

The fact that a variety of stakeholders pressure organizations to assume more responsibility for their social and environmental impact (diffused throughout the entire chain) has resulted in an explosion of various standards worldwide, as well as a scholarly literature on this trend (e.g., Brunsson and Jacobsson 2000; Fransen and Kolk 2007; Boström and Garsten 2008; Boström and Klintman 2008; Locke et al. 2009; Ponte et al. 2011; Locke 2013). These standards include ISO environmental and quality management standards or guidance standards (e.g., ISO 9000-, 14000- or 26000 series), sustainability reporting with the triple-bottom-line framing (e.g., Global Reporting Initiative), self-imposed codes of conducts (such as IKEA's *The IKEA Way on Purchasing Home Furnishing Products*, or IWAY for short), stewardship certification schemes (such as the Forest Stewardship Council or the Marine Stewardship Council), and a variety of ethical and environmental labeling schemes (such as the Global Organic Textile Standard, GOTS).

In their efforts to achieve legitimacy, organizations seek to avoid scandals and ensure that products sold or used are based on socially and environmentally sound practices, as defined by such standards. In the textile sector, this is done with various tools such as written policies and strategies, environmental management systems, labels, codes of conduct, lists of restricted substances, and other specifications (Fransson 2012; Boström and Karlsson 2013). However, several interviewees commented that the trickiest part of this is not formulating, establishing and sending standards and requirements to suppliers (although high knowledge uncertainty as with chemical risks seriously encumbers the formulation of standards and requirements), but rather:

> The difficulty is found in the follow-up and in knowing that "this" is correct. That is the challenge. (Interviewee from a public organization)

When theorizing about environmental monitoring, a useful starting point is Michael Power's theory of the audit society (1997). Power discusses the risk of placing excessive trust in auditing activities. His and other studies on auditing practices have demonstrated the often quasi-scientific image of rationality and rigor in auditing, such as auditing in connection with ISO 9000 or ISO 14000 certification (e.g., Boiral 2012). Certification and auditing is presented as rational, neutral and independent, and for the mere purpose of creating legitimacy and not actually improving quality or environmental responsibility-taking. Auditing serves to uphold a "façade that hides the uncertainties inherent in organizational practices and capabilities" (Boiral 2012, p. 635), while a strict focus

on passing the "exam" (acquiring the certificate) has in fact little relevance for the organizational practice. The criticism is that such auditing is ritualistic and superficial. An almost opposite risk would be that auditing activities require so many resources and so much administration that they displace the focus on core business activities. Auditing then colonizes the operations (Power 1997).

Other central problems concern information asymmetries (where the audited actors have exclusive access to the information needed for inspection and auditing) and the commercial aspects of auditor–auditee relationships. For example, in the ISO certification process, the relationship between audit consultants and the companies audited is dominated by a customer–supplier type of partnership, and this raises doubts about the supposed independence of auditors and their role in the acquisition of ISO "organizational degrees" (Moore et al. 2006; Boiral 2012). The sheer fact that few organizations fail to receive certification, in the case of ISO quality standards, reflects the pressure exerted on auditors. They can hardly refuse to give the majority of organizations a certificate. Otherwise, these organizations would go to other auditors. Their independence may thus gradually erode in a process of "moral seduction", resulting in auditors believing there is no conflict of interest and that their biased advice is unbiased (Moore et al. 2006).

Boiral (2012) notes, however, that learning and motivation can and do coexist with such ceremonial, symbolic and superficial aspects of auditing (see also Locke et al. 2009; Locke 2013). We may then ask what can contribute to independent and effective auditing. Power (1997) suggests analyzing this in terms of epistemic and economic independence. Applied to the empirical context of this article, it is relevant to ask whether buyers, from an epistemic independence standpoint (i.e., an independent knowledge base from which to assess clients), have the expertise necessary to inspect and monitor suppliers and sub-suppliers, and their products and production processes. Moreover, rather than focusing on economic independence as such, it is relevant to ask about the costs of auditing and inspection, as well as transaction costs due to replacement of suppliers in the case of non-compliance with expectations, agreements and standards. This article thus focuses on the challenges of getting the relevant information in situations of high uncertainty and complexity (Vermeulen and Ras 2006; Scruggs and Ortolano 2011), as well as securing the financial resources, expertise (epistemic independence) and organizational routines required to conduct the testing of products, as well as the auditing and inspection of routines and production sites.

A core theme of the article relates to the limits of monitoring in supply chains. Instead of monitoring suppliers, a buyer may simply select suppliers that it perceives

as trustworthy. Möllering (2006) has developed a useful theory of trust in transnational and interorganizational relations, which will be applied here. In essence, trust has to do with the uncertainty and vulnerability of social relations. In transnational governance and relationships, people and organizations are expected to collaborate with others from often distant and contrasting cultural contexts (national, professional, organizational, etc.). In such situations, issues of trust become critical. To trust is to expect something positive of someone, in spite of a fundamental uncertainty contained in the situation. Möllering uses the metaphors *leap of faith* and to *jump into the unknown* to characterize the essence of trust, and defines it in the following way, a definition of trust that will be used also in this article:

> Trust is an ongoing process of building on reason, routine and reflexivity, suspending irreducible social vulnerability and uncertainty as if they were favorably resolved, and maintaining thereby a state of favorable expectations toward the actions and intentions of more or less specific others. (Möllering 2006, p. 111)

Uncertainty and vulnerability are always part of a trust relationship. There is invariably the possibility that a trusted actor will cheat, or in some other way fail to live up to expectations, and thereby cause harm. Möllering discusses three concepts that can prepare actors for trust. While none of them—either alone or in combination—can fully explain the *leap of faith*, they all highlight important aspects of the trust development process.

First, *reason* enables rational actors to gather available information and make assessments of other actors' trustworthiness. One actor will trust another if the pay-off for trust exceeds that of the option to distrust. The positive effect of an "honoured trust" (where expectations are met), and an estimation of its probability, are compared with an estimation of the costs and probabilities of "exploited trust" (i.e., cheating). Möllering argues, however, that rationalist explanations of trust such as this create a paradox. While elements of reason may more or less have a role in all trust relationships, trust as such would not be needed if it could be explained by reason alone.

Second, by drawing on the neoinstitutionalist literature, Möllering uses the concept of *routine* (including also rules and social roles) to show how institutions affect trust. Trust is never just a dyadic phenomenon between two actors, but embedded in a social and historical context. According to this perspective, actors can only trust each other if they are familiar with each other (i.e., not necessarily know each other, but know of the other's *type*) and share a particular set of taken-for-granted norms. Institutions (routines, rules, roles) can be an important basis for trust that precedes it

and prepares for it. Like reason, however, trust as such would not be needed if it could be explained by routine (institutions) alone. Moreover, the institutional-based explanation of trust seems to fall short in its focus on a shared social environment. For example, Möllering asks: "How can actors who come from very different, possibly contradictory environments establish a new common context in which they trust each other?" (2006, p. 75). This question is indeed a crucial one when considering distant social relationships in global supply chains.

Whereas reason and routine concern the availability of given factors that provide the basis for trust, the third perspective, *reflexivity*, is more process-oriented, focusing more on what transpires rather than what is given (see also Kroeger 2012 for a processual view on interorganizational trust). Trust seen as a reflexive process is established through repeated interactions over time between actors. This interaction may begin with a little trust, which is built up step by step through concrete, repeated face-to-face communication. A process of familiarization evolves. People evaluate and mutually learn from each other that they are trustworthy: they don't cheat, they are competent, and they have honest intentions, which in turn leads to a gradual reinforcement of trust relationships and strengthened collaboration.

Again, however, such reflexive interaction is not the sole explanation of trust. One difficulty, for example, is how to explain how the interaction or collaboration began. What explains the blind, first move—the original leap of faith?

According to Boström and Klintman (2008), reflexive trust falls somewhere between simple trust (blind trust) and distrust, and the concept draws attention to an awareness and reflection about the need for and use of trust in uncertain and complicated situations. A person who reflexively trusts someone or something is aware of the provisional nature of trust and takes into consideration the possibility that the trusted arrangement or actor may be fallible (ibid.). Later in the article, I will revisit this idea of reflexive trust when I address topics such as ignorance (Gross 2010) and learning in relation to responsibility.

Below, I continue with an analysis of the focal topic of monitoring and trust, bringing in findings gained from the empirical analysis into the discussion.

Monitoring Suppliers

Getting the Information

As argued earlier, much discussion of extended social and environmental responsibility implies that many new types of information must be obtained. However, accurate, reliable, and comprehensive information, about chemical risks,

for example, is very difficult to obtain (see also Börjeson et al. 2014). Committed buyers face a fundamental dilemma in their efforts to develop some level of "epistemic independence" in this particular risk area. This difficulty relates to the intricate and often uncertain environmental and social risks associated with the production processes and products of global commodity chains. In addition, the epistemological challenge of learning about chemical risks, both in general and with respect to particular chemicals (Haikola 2012), is substantial, and does not diminish if we also take into account the need for information sharing among actors along the supply chain. The clothing sector has been described as having low transparency along the product chain, which makes issues like traceability, communication, and the monitoring of CSR implementation even more problematic (Seuring and Muller 2008; Locke et al. 2009; Laudal 2010). The distance between suppliers and buyers adds to the likeliness of mutual misunderstandings (Solér et al. 2009).

Epistemic independence could be facilitated by external watchdogs (e.g., by civil society organizations) reporting on the activities of the suppliers and sub-suppliers to the buyer directly or indirectly via mass media channels (internet, news reporting). The majority of the cases studied, however, rely entirely on the information provided by the supplier. In the current study, sudden NGO and media attention to particular chemicals sometimes triggered buyers to pay attention to that particular chemical and include it in the battery of questions sent to suppliers. Several interviewees stated that the kind of monitoring they engage in is to send a questionnaire to check whether the supplier has good policies or management systems (such as ISO 14001) for sustainability work. The standard approach used to check a supplier's ambition regarding sustainability is, accordingly, to ask for and verify that it has the appropriate documents (see also Nawrocka 2008; Kovács 2008). In many of our cases, this is seen as "good enough".

A complementary way for suppliers to report on chemicals and safety issues is by way of safety data sheets (Fransson 2012). Safety data sheets are delivered by suppliers and may include information on properties and hazards associated with a substance as well as instructions for handling, exposure reduction, disposal, and transportation. They are also considered problematic and insufficient in various ways, however, as they are lacking in substance, depth and clarity. There are, in addition, different standards on how to report data among different actors along the supply chain. Scruggs and Ortolano (2011), who have studied how progressive downstream companies cope with the informational challenges of managing chemical risks, report that companies devote significant resources to determining which chemicals are

used in their supply chains and products, including researching the effects of those chemicals. In Scruggs and Ortolano's study, like ours, challenges such as scarcity of data and confusing data were mentioned, and information on ingredients and, particularly, hazards was very hard to obtain (ibid.). Our interviewees expressed frustration about lack of information and knowledge regarding environmental and health impact of chemicals in a variety of ways. Lists of restrictions retrieved from external sources, such as chemical agencies, expert consultants, NGOs, and online databases were indeed frequently used and considered essential among a majority of the interviewees for learning what chemicals to avoid. At times pre-defined criteria found in eco-labeling schemes (e.g., Nordic Ecolabel) were used to ask for information about the use of particular chemicals in particular products. Acquiring useful recommendations on possible substitutes, chemicals that could be seen as "good", was seen as especially challenging.

In sum, getting information is a considerable challenge due to both the complexity of this specific risk issue and the complexity of global commodity chains in general. One may also speak of asymmetric information between the buyer and supplier that is difficult to bridge. However, the notion of information asymmetry assumes that the supplier/producer always has the relevant information, which the buyer fails to acquire. This is certainly not always the case because, in situations characterized by uncertainty and complexity, there is no single source of information to look for. Also the supplier lacks this information.

Testing Products

Some of the more resourceful buyers in the study conducted sample testing, including chemical analyses, of end products. Such testing is time-consuming, however, and requires considerable resources. The buyer has to have or engage the expertise to know which chemicals to look for. The buyer must also make a delimited and careful selection from the chemicals and products to test. Based on the interviews, it is clear that the organizations largely conduct tests on a reactive basis, affected by current public risk communication; that is, they test chemicals that are extensively discussed in the current public debate. Consequently, silence is taken as a sign that no interference (i.e., testing) is needed.

> If no-one responds, then I assume, unfortunately, that the work is fine. Then there's no problem…. That's not really the way you should do it…. (Procurer for a public organization)

This type of "excuse" was a common response during our interviews. Many likewise added that they were "in the process of reviewing this, and trying to become better at…."

However, a few of the organizations studied showed a more proactive, systematic approach to sample testing. A number of the interviewees referred explicitly or implicitly to a kind of "test plan", their samples being dependent on knowledge about regulations in different countries and on new strategic product ranges: important, high-volume products, remain in the assortment for longer periods, and have particular colors or prints that give rise to suspicions (Boström et al. 2012). However, due to high costs, only a very limited sample is normally feasible. And there are additional difficulties. Firstly, for those selling clothing, rapid fashion cycles create difficulties; if a certain fabric is for sale for only 6 months or less, it is relatively expensive to conduct tests. Secondly, a buyer may sell both its own brand and other brands. Inspection and testing will thus be focused on one's own brands, whereas one must simply trust the other trademarks and their respective monitoring systems. Thirdly, by testing only end products, there is a risk that one misses chemicals used only in the manufacturing process (and which may have negative health effects for industry workers) and are not detectable in the end product.

In sum, chemical analysis of end products can provide useful information if carried out in a strategic fashion but are, at the same time, infeasible on a larger scale and thus highly insufficient as a means of promoting extended upstream responsibility.

On-the-ground Inspection

Some of the interviewees discussed the importance of going one step further and also making visits to suppliers to monitor the factories "on the ground". Some did this instead of conducting chemical analyses of end products. Obviously such visits also require considerable resources, particularly if the physical distance between the buyer and seller is great. It is moreover necessary to have the relevant expertise—epistemic independence—in order to know what to look for in the factories:

> One has to know what one is looking at… to be at a factory 3000 kilometres inside China somewhere and to get a picture of what they're doing there, or how old the workers are, or what things look like, or whether it's just a side-show. (Procurer in a public transport company)

In some countries, much of the textile production occurs in the workers' homes, which exacerbates the monitoring problem. If visits to factories were feasible for buyers, most would not be able or allowed to conduct unannounced visits unless the buyer was very large and possessed considerable economic power.

A partial solution to this relative "smallness" of individual buyers is to collaborate in business associations or

other kinds of networks and formulate joint requirements and engage in joint monitoring. During the research period, we found many ongoing processes in which actors, in the domestic Swedish context, were trying to establish these types of activities. The intensity of domestic networking reflects a strong, unmet demand for environmental monitoring along supply chains, and for the perceived need to make oneself visible and big vis-à-vis suppliers.

What can large actors do? IKEA has invested considerable resources in developing its own auditing activities and capacity (Boström et al. 2013), that is, epistemic independence. It considers third-party auditing insufficient because it sees self-regulated auditing as a way to develop closer relations with suppliers, and develop IKEA's own competence and gain full insight into the implementation of its own code of conduct (*The IKEA Way on Purchasing Home Furnishing Products,* IWAY) and quality program (*IKEA Supplier Quality Standard*, ISQS). Within its nine "trading areas" worldwide, IKEA employs auditors who speak the local language and make frequent visits to suppliers, even sub-suppliers. The frequency of auditing depends on the company's assessment of production conditions, how critical the production process is seen as, and whether or not the supplier or product is new. In some cases, factory visits are carried out as often as weekly. And IWAY audit typically takes 1 or 2 days (Andersen and Skjoett-Larsen 2009). The audit entails looking over relevant documents, observation of the working conditions in and around the factory, and interviews with management representatives and randomly selected employees. Issues in need of improvement are noted in the audit report. This procedure allows IKEA auditors to continuously follow the gradual implementation of IWAY requirements (Andersen and Skjoett-Larsen 2009).

To confirm that suppliers fulfill the company's chemical specifications, IKEA requires that suppliers submit self-declarations and carry out verification tests at minimum once a year as well as when a change that may affect chemical content is made. The laboratories that the supplier uses must be approved by IKEA. IKEA also has its own laboratory for this type of chemical analysis.

In cases where the auditing report shows that a supplier does not comply with IWAY or other requirements such as chemical specifications, that supplier must take corrective measures within a specific time frame. Failure to comply with the company's codes of conduct has not led to automatic elimination of contracts, however, something which has been noted also in relation to the violation of labor standards (see Locke et al. 2009; Locke 2013). One example of this is China. IWAY stipulates freedom of association among its suppliers' workers, which is problematic and hard to achieve in the Chinese context. Obviously, IKEA standards must be adjusted to the legislation

of the country within which suppliers operate. Thus, choosing to have a presence in China means choosing to violate one's own code. Interviewees cited the lack of compliance among suppliers as one of the biggest challenges for IKEA in its endeavor to control chemical risks along product chains. They talked about the occurrence of both intentional non-compliance and non-compliance by mistake. The latter could relate to a lack of clarity on IKEA's part, i.e., that the supplier had not really understood IKEA's requirements. However, interviewees also talked about the risk of intentional non-compliance by suppliers, because no control system is perfect. Interviewees also felt that some suppliers may take the risk of not complying with the requirements because the suppliers may not see clear consequences such as termination of contracts.

There could, however, be good reason not to terminate a contract with a supplier (cf. Locke et al. 2009; Locke 2013). First of all, replacing suppliers involves considerable new transaction costs, such as the cost involved with informing and teaching about the company's requirements, including its code of conduct and chemical specifications. To end a relation with a supplier is seen as a significant step, and not the most responsible way to do business. As IKEA wants suppliers who can deliver large volumes over a considerable time period, mutual dependence is fostered. Interviewees maintained that, because suppliers become dependent, IKEA has a moral responsibility to the supplier. While replacement of suppliers does occur, the first priority is to improve the performance of existing suppliers rather than to replace them, as one interviewee explains:

> IKEA is generally known for not throwing out suppliers if they fail but rather working with them, strengthening them and trying to get them to follow the right path…. rather than abandoning them.

The company's preference for long-term and supportive relations with suppliers has been noted in other scholarly writings on IKEA (Andersen and Skjoett-Larsen 2009; Ivarsson and Alvstam 2009). In their study of the apparel sector and labor standards, Locke et al. (2009, see also Locke 2013) similarly found that very few brand companies ever exit the factories of their suppliers, even when they are found not to be in compliance with their codes of conduct.

IKEA is an extreme case when it comes to monitoring capacity. Nevertheless, even within this economy of scale, interviewees feel that there is a considerable scarcity of monitoring capacity. For this and other reasons, monitoring is experienced as highly insufficient, which IKEA itself has reflected on at length: "IKEA wants to shift focus from an audit-driven process, and work together with suppliers beyond monitoring" (IKEA 2008a:11).

As even this extreme case experiences considerable challenges, the challenges are likely to be general (see also Locke 2013 for similar argumentation on labor standards). It goes without saying that small public and private organizations face gigantic difficulties in monitoring of this type. For most procurers of textile materials, a similar approach is simply not possible because they do not have the same size, power, financial resources and global reach—a fact rarely acknowledged in the literature on SSCM. Yet, such control is what the audit culture (cf. Power 1997) and the compliance model of voluntary regulation (Locke et al. 2009; Locke 2013) expects.

Summary: Limits to Environmental Monitoring Along Supply Chains

In sum, the challenges involved in making environmental monitoring feasible and effective are huge. Buyers face:

information challenges due to the uncertainties and complexity of this particular issue (chemical risks) and the social complexity of the global commodity chains.

information asymmetry in cases where the supplier actually possesses the relevant information.

a lack of resources and expertise to test products and conduct chemical analyses, activities that are nonetheless highly insufficient and infeasible on a large scale.

a lack of resources, expertise, access and economic/symbolic power to conduct on-the-ground inspection and auditing.

Perceived limits to monitoring (auditing) are often responded to by a call for more monitoring (cf. Boiral 2012). Seldom is monitoring, as such, questioned. In their study of the use of auditing based on voluntary programs (such as codes of conduct) in the footwear, electronics and apparel sectors, Locke (2013) and Locke et al. (2009) argue that the traditional compliance model of voluntary programs—which relies heavily on the idea of setting requirements in the form of codes of conduct, monitoring of conduct, and obligatory corrective measures in cases of non-compliance—has intrinsic limitations. The model finds its expression both in practice and in scholarly literature on, for example, commodity chain analysis and SSCM. This approach is built on three assumptions (Locke 2013). The first is that of asymmetrical power relations between global buyers and suppliers in developing countries. Value chains are buyer-driven, and the economic power that global brand-owning buyers exercise over their suppliers translates into their ability to enforce compliance with codes of conduct. The second assumption concerns the ability to achieve reliable information from factory audits.

Information systems need to be in place, which auditing activities and verification mechanisms can ensure. The third and final assumption concerns the correct mix of incentives. Compliance and violation of codes of conduct should lead to effective rewards and punishments (including replacement of suppliers) to induce manufacturers to adapt to the desired behavior. This model builds on a very optimistic idea that it is indeed possible to close the information asymmetry between actors along the supply chain, as if perfect information is there to be found. Locke and colleagues do not rule out the role of monitoring, though it has better potential in an alternative frame that focuses on commitment and building capabilities rather than compliance. These are topics that I will return to later in the article. First, I will assess what role there may be for trust, rather than monitoring, for the development of extended upstream responsibility.

Trusting Suppliers

A substitute for monitoring is to rely on trust. A buyer may select suppliers that are seen as trustworthy, and therefore do not need to be monitored (cf. Phua et al. 2011 who distinguish between market-based, bureaucratic-based, and trust-based control in the selection of suppliers).[1] The topic of trust was often brought up spontaneously in our interviews, without the interviewer having to address the issue. It was common that interviewees cited labels and other certificates (ISO 14000) as a way to invest in trust (see also Nawrocka 2008; Kovács 2008). If a supplier is certified according to such standards, the certificate is often perceived as a substitute for sending questionnaires and conducting product tests, audits and inspections, because the supplier has been scrutinized by someone else: "I certainly prefer to procure from those that are environmentally certified, because they are audited." Once one has chosen to trust the supplier, then one also trusts the information regarding chemical risks that the supplier is delivering.

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[1] The monitoring part of the relation can then be restricted to only the selection phase, a practice common in public procurement. Indeed, one crucial moment in the development of extended upstream responsibility is when suppliers are selected, because once a supplier has been selected and the exchange and relationship have developed, there are considerable transaction costs and other path dependencies involved to prevent the partners from ending the exchange. Previous literature suggests that the selection of suppliers is primarily not carried out by the use of social and environmental standards, however. Kovács (2008) found that environmental selection and evaluation criteria are "just another" set of criteria according to which suppliers are evaluated. Nawrocka finds that a pre-selection is often already made when environmental criteria are set: "the pre-selection of suppliers for the contracted product may have hindered many companies from realizing the potential of selecting suppliers on environmental grounds" (Nawrocka 2008, p. 355).

However, the fact that auditing is fallible or insufficient is conveniently forgotten or neglected.

Almost all of the interviewees indicated in various ways that the organizations also place trust in suppliers and products if they come from a particular region, for instance Europe: "Europe certainly has a stricter legislation"; while indicating some level of distrust in producers and products from other regions, such as South-East Asia: "If it's outside the EU, you don't always know what the regulations look like." Europe, including indirect references to EU regulations such as REACH, (Registration, Evaluation, Authorization and Restriction of Chemicals), thus appears to be a very important principle for deciding whom to trust. "Then one thinks a little too that—these suppliers that I trust… I know they have a lot of certifications or that they sell to the Germans, and then I know it's usually OK." Negative news reporting about things that may happen in South-East Asia contributes to the arguably excessive use of this principle. This is also evident in that some buyers allocate resources for field visits mainly to this latter region.

One interviewee from a bus transport company noted that his company ultimately had no in-house expertise regarding chemicals in textiles (upholstery, uniforms), and the interviewee placed complete trust in the company's immediate suppliers (Volvo, Scania, Mercedes), companies that in turn are "surely" able to set and monitor tough requirements for their suppliers: "all these companies are, **to be sure** [emphasis added], big within the sector and have very big muscles to work with this." Interviewees also mentioned perceived product quality as an indicator for environmental and ethical quality as well.

This strong reliance on a particular standard, type of actor or region may be codified as "routine-based" trust (cf. Möllering 2006; see also Kroeger 2012). Such trust may appear more as a trust placed in the particular institution (such as an ISO certificate) or the social/political/cultural/geographical context (such as Europe) that a particular actor is situated in, rather than in that exact actor. In situations of great uncertainty, actors need guidance for their actions. Institutionalized scripts of behavior (such as that codified by ISO 14,001) can be useful for this. Actors tend to mimic one another (isomorphism), as it may feel safer to do so rather than to develop one's own independent viewpoint (Di Maggio and Powell 1983).

Trust has to do with expecting something positive of someone or something, in spite of an elementary uncertainty contained in the situation (Möllering 2006). Indeed, many buyers tend to trust suppliers, including their own suppliers—or actually the entire chain—without much reasoning, a lack of common institutions (with the exception of a few abstract standards, such as ISO 14000), and no reflexive interaction. Actors interact with each other "as

if" doubts and dangers were unproblematic and can be set aside (Möllering 2006). Trust, the leap of faith, requires a "will to believe" (ibid.), a human tendency to develop positive expectations toward others. It is not hard to detect such a will among the buyers investigated; or rather, they do not want to believe that there could be anything bad in the products they buy and sell to end consumers. The very imperative **to trust** (buyers *ought to* trust suppliers), can itself serve as a powerful norm. This is a recurring comment we heard from the interviewees: "you *should* trust the suppliers you've chosen to work with." In this sense, we can speak of an "institutionalized trust orientation" (Kroeger 2012) or a kind of "learned ignorance" (cf. Gross 2010).

On one hand, trust is necessary, particularly for the small buyers. An inability to trust—or excessive distrust—could lead to paralysis in social relations, including business relations (Möllering 2006). One would then not be able to trade anything. And in the topic addressed here, it lead to excessive monitoring, which the earlier analysis showed was not feasible. Uncertainty and vulnerability remain despite extensive monitoring. On the other hand, it is important to ask how a buyer is able to avoid trusting a supplier who is not trustworthy. From an extended upstream responsibility perspective, it appears that the "jump into the unknown" is made a little bit too hastily in several of the cases. New risks arise, and it is likely that negative surprises will crop up time and time again as a result of increasing public (civil society, media) attention to social and environmental risks along product chains. Neither monitoring alone nor simple trust alone seems to be a warranted solution. Could there be something between monitoring and trust that could help organizations to deal with this dilemma? Lessons regarding this might be learned from another discussion in the literature, concerning efforts to develop collaboration and the building of capabilities among suppliers and buyers.

Collaboration and Building Capabilities

Arguing against the "traditional compliance approach", which is based on the optimistic assumption that reliable, comprehensive information retrieved from factory audits is possible to get and that the threat of sanctions (in the form of reduced or terminated orders) drives behavioral change, the "commitment approach" (Locke et al. 2009) or "capability-building approach" (Locke 2013) use instead auditing procedures to engage in a process of root-cause analysis, joint problem-solving, information sharing, and the dissemination of best practices; and all this for the mutual self-interest of auditors, suppliers and global buyers. The aim of capability-building is to prevent violations by providing the skills, technology and organizational

capabilities that enable manufacturers to enforce codes of conduct on their own. As such, rather than assuming distrust, capability-building relies on mutual benefits and trust development between buyers and suppliers. Rather than acting as inspectors, whose job would be focused primarily on uncovering code-of-conduct violations and punishing management for such infringements, auditors following this approach act more like consultants working to stimulate joint learning exercises.

Through experiencing and acknowledging the persistent violation of codes, many corporations have begun to develop such capability-building approaches, more or less through collaborative efforts with suppliers (Locke et al. 2009; Locke 2013). In addition to inspecting production facilities and documenting workplace problems, in some cases auditors have also learned to work with the manufacturers to develop innovative solutions to various workplace problems. As auditors gain experience from different factories, and learn about best- and feasible practices, they can also offer constructive input and disseminate good ideas. This enables a more positive educating role rather than a negative, policing one. The implicit threat of buyer exit was nevertheless present in these cases, which provided a further incentive for suppliers to work with auditors in joint problem-solving. Yet, while such implicit threats appeared in the background, mutual respect and trust developed as suppliers experienced that auditors were able to help them resolve problems and improve competitiveness. In some cases auditors gradually came to be seen more as allies than as foes.

IKEA is a good example of a company currently experiencing the limits to auditing and which is experimenting with new capability-building approaches in an effort to improve sustainability in production contexts. While IKEA previously simply "demanded a certain level of quality, service, price and environmental and social responsibility of its suppliers, the company is now *developing* these issues together with the suppliers" (Andersen and Skjoett-Larsen 2009, p. 78; emphasis in original). Ivarsson and Alvstam (2009) characterize IKEA's relationship with its suppliers in terms of a *developmental* governance structure. IKEA does not just sit and wait for compliance. Neither auditing nor trust is seen as sufficient. Rather, the company provides various technical and strategic supports, which is viewed as a long-term process that requires frequent interaction. Monitoring is seen as part of an ambition to motivate and support suppliers to develop their own responsibility, feel ownership, and become more independent of IKEA's presence. Succeeding with this is seen as a precondition for sustainable development. Interviewed staff from IKEA maintained that the broader emphasis on environment and social responsibility is in line with the development of long-term relationships and frequent interaction with suppliers. Previously, when only price and quality mattered in the relationships with suppliers, the relationships were more fluid (Boström et al. 2013). A consequence of this new approach with respect to suppliers is that IKEA has reduced its number of suppliers from 2,500 in the 1990s to 1,074 in 2010 (IKEA 2010), a development that has occurred in parallel with a very large increase in IKEA's turnover.

However, Locke (2013) argues that even the capability-building approach has limits, and tends to assume overly simple answers to the general problem. Many such approaches have too technocratic an approach, which may help to solve some issues (e.g., health and safety issues) but fail to address others, including distributive issues, labor rights, and excessive working hours. The problem is intricate because at the same time as brand owners want to ensure strong sustainability and a positive brand image in the face of the risk of scandals and consumer boycotts—like IKEA, they have an interest in obtaining high-quality products as quickly and cheaply as possible. Global buyers have responded to a global business environment characterized by dynamic consumer demand and shorter product life cycles by reorganizing their supply chains to optimize efficiencies and minimize financial risks. Fluctuating market demand, shorter product life cycles, and competition for market segments lead big retailers to insisting on last-minute changes, lower per-unit costs, quick turnarounds, and so on, which in turn undermines the abilities of their suppliers to respect their own codes of conduct (Locke 2013). These conflicting interests most likely also affect environmental sustainability issues such as chemical risks.

Despite this, Locke (2013) shows that fundamental improvements could still be achieved in some cases. Through structured comparison of capability-building initiatives, Locke observed that positive changes occurred when the relationship between the buyer and supplier was characterized by a collaborative, long-term approach in which risks and benefits are shared by the players. Capability-building cannot be achieved through one-shot training sessions, but is a long-term learning exercise. In complex environmental issues such as chemical risks, facilitating learning environments must likewise be created.

Collaborative, long-term and frequent interaction based on mutual benefits and mutual trust seems, accordingly, to be the answer. However, this model is not feasible for most of the cases we studied. In our material, we note much ongoing activity among buyers in Sweden to engage in educational pursuits, but significantly fewer examples of joint learning efforts that include both buyers and suppliers, such as in the example of IKEA. Another crucial issue for the establishment of dialog is the asymmetric power relations between buyer and seller. In the case of IKEA, the buyer is very big vis-à-vis the supplier, but the reverse can

also be true. Many of the buyers we interviewed considered themselves too small and marginal in relation to suppliers. This perception of smallness prevents them from engaging in dialog with suppliers about social and environmental matters. They simply do not think they have the ability to change the operations of suppliers in ways other than through procuring eco-labeled products or using other authoritative standards already in use among buyers in the field. Their interaction with suppliers is merely about choice (i.e., choosing one or another supplier, or choosing from the available products)—not dialog. Accordingly, many buyers are too small in relation to their suppliers. They have too few resources to engage in sophisticated and ambitious SSCM arrangements. They have too many suppliers they interact with. Public buyers face specific challenges as they are also restricted by procurement legislation. For legal reasons they cannot engage in close and long-term collaboration with suppliers, because such collaboration could be interpreted as violating principles such as equal treatment (e.g., all tenders shall receive the same clear and sufficient information on requirements) and non-discrimination (foreign tenders must be given an equal opportunity to meet the requirements) (Boström and Karlsson 2013). The model suggested by Locke, as well as the overwhelming body of work in the responsible/SSCM literature (e.g., Seuring and Muller 2008), seems to require that responsible buyers be very large and private. Is there no other way for other types of buyers to commit to an extended upstream responsibility? What do you do if you are not IKEA? The literature's narrow focus on these larger actors is problematic also because it assumes a simplified characteristic of the business landscape. Thus, the collaborative model also has limitations, and the following section discusses other possible approaches for engaging in an extended upstream responsibility.

Monitoring for Reflexive Trust?

In this section a few potentially constructive pathways to extended upstream responsibility by the intersection of monitoring and trust will be discussed. I will discuss examples of when monitoring activities indeed seem to provide a basis from which a reflexive trust relationship and some degree of extended upstream responsibility can be developed. Before doing that, however, it is necessary to elaborate briefly on the uneasy relationship between monitoring and trust.

An Uneasy Relationship Between Monitoring and Trust

To begin with, monitoring is based on some degree of mistrust of the party being monitored (cf. Power 1997);

otherwise, monitoring would not be needed. The very fact that the buyer is manifestly monitoring the supplier is an act and a sign that the latter is not fully trusted. The moral imperative to trust suppliers, which I discussed earlier, comes in between. Certainly the supplier could develop an understanding for some level of legitimate caution and the buyer's need to conduct some monitoring, but extensive monitoring (or "excess control", Vosselman and van der Meer-Kooistra 2009) reveals significant mistrust (see also Free 2008 for an illustrating case study). An interviewee from a hotel indicates this ambiguity:

Interviewer	*Do you feel that you have trust for the suppliers that you work with?*
Interviewee	*Yes. Yes, I have to have trust, otherwise I can't work with them, so I trust that they perform well. Then, of course… I don't check how things are and certainly they may have other moral beliefs than I do; everybody is different somehow; but well… I demand my [here, she refers to a number of environmental and ethical standards she expects suppliers to comply with], so what's important for me, is somehow I have to trust that they respect that. There's a limit for how far I can go in my research [checking that suppliers comply with the standards], and so far I haven't prioritized investing my time there.*

Similar statements were made in several interviews. In the accounting literature, for instance, this problematic relation between control and trust has been discussed for some time (see Vosselman and van der Meer-Kooistra 2009). However, this literature also suggests there is no simple either/or relationship between control and trust, rather they interact (Free 2008; Vosselman and van der Meer-Kooistra 2009). Thus, a total absence of monitoring is not likely to facilitate reflexive trust. The interviewees in our study confirmed the existence of this relation between monitoring and trust—discussing, for example, how not following up contracts could lead to moral degradation. Suppliers working seriously on environmental issues may become disappointed and morally degraded if buyers set requirements that are never followed up, meaning that competing suppliers can safely refer to similar standards (i.e., talk the talk) while never actually doing anything.

Some mistrust between transactional parties, particularly early on in a relationship, may be seen as legitimate. Control systems can enhance the level of trust between collaborators, particularly in the early phases, for example, since a control system can cope with social dilemmas (free-riding), prevent potential opportunistic behavior, and

provide feedback that the collaboration is working well (Coletti et al. 2005; Vosselman and van der Meer-Kooistra 2009). Strong trust can even be the basis for introducing new control systems, which in turn facilitate continued trust (Vélez et al. 2008). Literature and some empirical findings thus suggest there are room for some creative interaction between monitoring and trust, and the following section will discuss two types.

Field Visits Revisited and the Role of the Unexpected Question

The empirical material showed us that two types of monitoring were used, and indicated a commitment to some extended responsibility and the important role of reflexive trust: one relatively ambitious approach involving field visits, on-the-ground inspections and face-to-face interaction with the suppliers; and one lighter approach, particularly feasible for smaller buyers with fewer resources, involving asking the supplier unexpected questions.

I have discussed a number of challenges connected to the testing of end products and the monitoring of suppliers, and argued that factory audits and inspection—announced or unannounced—can be rather unproductive. However, factory visits may be done for other reasons besides merely checking that suppliers are walking the talk (the traditional compliance approach) or to develop training and support (capability-building approach), as emphasized in the previous section. For most actors in the material we studied, neither full compliance nor capability-building is a feasible target. Yet, field visits are not necessarily useless. Reasons for this may include the assessment of the commitment and capabilities of factory management and factories (good equipment, good procedures, expertise and staff motivation), which involve face-to-face dialog. This basically means the visits are a conscious and committed effort to learn more and develop reflexive trust. Some of the interviewees—a minority but not insignificant—had conducted field trips and visits to factories with such purposes in mind. They did not have enough epistemic independence to monitor compliance with a variety of public and private regulations. Their approach to responsibility was biased more toward responsiveness than accountability. The impression gained from these interviews is that the role of such physical visits is more about taking account of experiences, and establishing mutual commitment and trust than to either conduct controls or educate suppliers. The sheer possibility of looking into how people are working, what equipment they have, what machines are used, what sewage system is in place, and so on, may establish a reflexive trust (or distrust) that the supplier has the *capacity* to comply with social and environmental standards, *and*

that the supplier is committed and honest (cf. Free 2008). Being invited to visit and compare several production facilities with different environmental control systems were another appreciated opportunity, mentioned by interviewees.

A few of our interviewees spoke of how they changed their understandings as regards the quality of the factories in South-East Asia or India after their field visits. These field visits were crucial to remove overly negative preconceptions and to develop some level of trust, and also to reconsider somewhat the perceived difference, as well as the attitude of (blind) trust to the Western (European) world compared to the East.

An interviewed environmental controller from Stockholm County Council, a public organization, further argued that the most important method of following up requirements is to ask the supplier face-to-face, because then it is hard for the supplier "to lie to you right in your face." Kroeger (2012) discusses the importance of *facework* (see also Giddens 1990), through which interpersonal and organizational trust can be linked to each other. To be sure, informal face-to-face dialog is also fallible, because familiarization may prevent people from asking critical questions and, as discussed earlier, it is such mechanisms in monitoring practices that can eventually lead to moral seduction (Moore et al. 2006). Our cases nevertheless reveal more of a scarcity than an excess of this kind of facework with respect to sustainable procurement. Reflexive trust implies that vulnerability and uncertainty is acknowledged. Through the types of interactions discussed here, the remaining uncertainty and vulnerability can be somewhat compensated by positive behavioral expectations (cf. Vosselman and van der Meer-Kooistra 2009).

Through interaction and monitoring of the other's commitment and capacity, one may also be able to begin to build a reflexive trust relationship, or to reestablish lost trust, for instance, with a supplier that lacks a certificate. The reflexive component may be triggered when the routine is somehow disturbed (Giddens 1990). As many other interviewees had done, the interviewee quoted below had adopted a routine and habit to (blindly) trust and rely on the presence of ISO 14,001 (also ISO 9000) certificates when selecting suppliers. Yet, the absence of this at one supplier triggered reflexive, and perhaps also self-reflexive, thoughts:

> We had a supplier, a Swedish furniture manufacturer, that had neither one nor the other, neither quality [ISO 9000] nor environment [ISO 14,001], so we conducted a field trip and visited them. We already knew that the quality of the furniture was okay, because we had traded with them so much. But when we got down to the factory and went through this and that, and tried this and that, looked at the packaging

and the entire processing, then we saw that they had everything but hadn't documented it. So then we could tick the box, so to speak, when we were to report to the external auditor…. "Well, they do have good environmental work, but they don't have [the management standards]."

The above examples indicate that monitoring in the form of field visits can play an important role not only for controlling and educating suppliers, but for establishing reflexive trust. Still, most of the buyers are too small and cannot afford to travel far to conduct this type of monitoring. There are other ways through which actors can learn about chemical risks, thus engaging in a kind of responsiveness (receptive attitude to risks and stakeholder concerns) through various learning activities. Many are active in various groups that develop policies or guidelines for green procurement. They take part in educational programs, workshops and seminars, and develop internal education for the staff in the organization. They can also develop a receptive attitude in relation to external output by listening to the news, reading environmental magazines, and searching the web. Moreover, a "light" monitoring approach, more feasible for smaller actors but still potentially effective, could be just to ask unexpected questions (beyond merely sending a questionnaire with standard questions) (Boström et al. forthcoming). Some interviewees talked about the importance of making a phone call and asking simple but unexpected questions, which serves as a reminder to the supplier that the buyer *really* is interesting in the issue and is aware of potential problems behind the façade. Several interviewees mentioned how their questions prompted irritated reactions, while, after a time, a change toward the requested direction would nevertheless appear (e.g., the supplier may have a new assortment or have attained environmental certification). The following discussion with two interviewees from a hotel chain is illustrative. When they mentioned the importance of asking frank and simple questions to suppliers, the interviewer asked:

Interviewer	*What response do you get from the suppliers when you ask these questions?*
Interviewee 1	*Well, most of them are positive.*
Interviewee 2	*That I have to give an example of [name of a supplier]. She was very prompt in calling me back and responding that she could answer and then say: "I'm sorry, but I haven't been able to get this information, but I will get back to you because I will find out."*
	That, I think, after all, was kind of nice thing to say: "I don't have it now, but I'll get it."

Interviewee 1	*The supplier faces increasing pressures as these questions are asked more and more. That there are scandals every other day about such things that one didn't know before, and things come up: conditions in the factories, what pesticides are used. More and more of this comes to the surface. That's how it is with the suppliers….*
Interviewee 2	*There is also a big fear expressed by the suppliers when you pose these types of questions. It's like, that they don't really know what register they're acting in, so they're: "Oops, oh well, we couldn't answer that now." And this is consumer power, for sure, when you procure large quantities. I don't think we change that much, but at least I think they're careful and pick up the information.*

Thus, as the discussion illustrates, this type of simple monitoring—just asking questions—can provide a degree of basic trust, sufficient to continue the relationship. To be sure, when even large transnational corporations face enormous hurdles to get suppliers to follow their codes of conduct, it could be seen as wishful thinking to think that a few simple questions could matter. Nevertheless, it would also be wrong to simply reject, in advance, the possibility that such questions can in the long run contribute to an increasing sensitivity among suppliers to sustainability issues in general. After all, less hazardous products are available in the marketplace.

Conclusions

Committing to Extended Responsibility

Intensified communication between stakeholders along and surrounding supply chains has been considered a key prerequisite for the development of environmentally and socially responsible (sustainable) chain management (Boström et al. 2012; De Bakker and Nijhof 2002; Seuring and Muller 2008; Gold et al. 2010). Much discussion in both the literature on and practice of extended responsibility-taking has focused on a strict reliance on monitoring suppliers, thus supporting a narrow ex-post accountability dimension of responsibility. In the analysis above, I have endeavored to show that such strict and sole reliance on monitoring is not feasible. In various subtle ways, explicit or implicit, the other side of the coin—trust—is also problematic. Strict reliance on simple, blind trust is likely to lead, sooner or later, to flaws and disappointment in the

face of new risks and negative NGO- and media reporting. New hazardous chemicals will be detected and the news media will look for scapegoats. While both monitoring and trust have a role to play for developing extended upstream responsibility, strict and sole reliance on either one is highly problematic. Monitoring requires extensive resources, both financially and epistemologically, and excessive monitoring may undermine other productive features in the buyer–supplier relationship, including mutual trust and commitment. This may result in negative feelings of being over-regulated and inspected. The risk of excessive monitoring may apply to some of the larger buyers in the material studied. However, in line with much previous literature on auditing, I find that the majority of buyers—mainly those with less power and leverage vis-à-vis suppliers—engage in a simple, almost ritualistic, type of monitoring. They read documents and rely on completed questionnaires submitted by the supplier. There is a more or less a blind trust in this type of simple monitoring. I have furthermore demonstrated that trust relationships are generally built on a number of overly simplistic heuristic tools, such as relying on certificates or the simple fact that the supplier comes from a particular region, such as Europe. This simple (blind) trust dimension prevalent in practice is something that is rarely acknowledged and discussed in the literature on responsible and SSCM.

To play with the chain metaphor, one may speak of, in part, a blind *simple trust chain* and, in part, a *simple monitoring chain* that for most actors includes, if anything, merely a review of documents. The two "chains" work in parallel, and it is apparent that they are fallible and that a negative form of ignorance is extensive. The majority of our interviewees only knew about the first tier in the supply chain, and were unable to name sub-suppliers further upstream; that is, they check the documents of the first tier and trust that this actor has control further up the chain.

I argued above, citing Möllering, that neither reason nor institution and reflexivity suffice to explain how relationships characterized by low trust are actually established in the first place. How does the initial jump into the unknown take place? Arguably, commitment could be understood as a decision taken in a situation of uncertainty to prepare oneself for incessant learning and the development of reflexive trust through interaction with the supplier. Committing to extended upstream responsibility might thus require a commitment to learn and—to the extent possible (taking into account the different conditions for communication between small and large actors as well as public and private organizations)—a commitment to develop fruitful dialog with suppliers. This type of commitment entails a framing of one's responsibility that does not stop at one's own organizational border or national context.

The simple trust chain and the simple monitoring chain invite a brief discussion on the concept of ignorance in this concluding section. Ignorance is indeed key to understanding learning and surprise. Gross (2010) understands ignorance as not just the absence of knowledge, but as knowledge about the limits of knowing in a certain area, such as the procurement organization knowing that all sustainability implications cannot be known. The buyer has and recognizes the limited knowledge of sustainability consequences connected with a global commodity chain. Two sub-categories of ignorance are non-knowledge and negative knowledge (Gross 2010). *Non-knowledge* refers to knowledge about what is not known, but which is to be taken into account in future planning and learning exercises. *Negative knowledge* is knowledge about what is not known, but which may be considered irrelevant or dangerous to learn more about.

Taking this discussion into account, committing to extended responsibility would entail, on the part of both the buyer and supplier, recognizing ignorance in the form of non-knowledge and preparing oneself for incessant learning and being only provisionally satisfied (reflexive trust). It is important, however, to bear in mind the drastically different conditions faced by different buyers: small and large, as well as private and public. The type of collaborative long-term relationships with frequent interaction that Locke (2013) discusses is only feasible for a few very large, though—in terms of market impact—significant, business players. For them, expanded upstream responsibility should be interpreted as a commitment to close and frequent interaction. Small actors (and public actors, due to legal restrictions) may, on the other hand, not be able to engage in close, frequent and repeated interactions with suppliers. Yet, there could be other reflexive practices that are more in line with their opportunity structures. Other lighter types of dialog and learning exercises thus need to be acknowledged in future discussion and studies of extended responsibility. The two social processes—monitoring and trust—can together assist in creating a fruitful relationship that facilitates responsibility-taking, which in turn includes accountability and responsiveness, as well as more reflexive trust. I have drawn attention to the role of supplier and factory visits for reasons other than to check for compliance (which in general does not work), or for collaborative capability-building (which only works under some conditions and only for large buyers): for developing interpersonal two-way communication and for the assessment of commitment and capabilities. For smaller actors, I have discussed the role of asking simple, unexpected questions, and other types of learning exercises. Monitoring and trust do play a role, but the argument here is that their full potential can only be reached through the *commitment* of both players. The present article can thus bring

to light that the literature on and practices of responsible and SSCM could benefit greatly from much more consideration of the huge variety of organizations, and not only large, transnational private companies, which they are currently preoccupied with. The literature is extremely one-sided in this sense, as if all organizations are like IKEA, Nike, and H&M.

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