

Why Enforcing Corporate Social Responsibility (CSR) is Morally Questionable

Dennis Masaka

Abstract

Docketed literature on Corporate Social Responsibility (CSR) exhibits heated contentions on the nature of business-society relations. This paper seeks to explore this contentious issue in the light of contemporary incorporation of CSR in business strategic plans. It notes that enforcing CSR on business might lead to its manipulation to advance corporate organisations' purely self-interested ends rather than pursuing intrinsic philanthropic activities for the good of society. An insight into the undesirable consequences of enforcing CSR is given. Using Kantian ethics, the paper notes that the instrumental use of CSR by corporate organisations is immoral because it does not treat CSR as an end in itself in the same way as the profit maximisation is conceptualized in business circles. The paper, therefore, concludes that the integration of CSR in corporate organisations' strategic plans is seen as instrumental to the realisation of their profit motives other than a genuine show of social concern.

Keywords

Corporate Social Responsibility, Business, Corporate Citizenship

Introduction

The relationship between business and society has, for long, been a source of intellectual interest to business ethicists (Carroll, 1999:268; Heinze, 2005). Though it appears undeniable that corporate organisations function "...as part of an interactive system of relationships with individuals and groups in society" (Mescon, Bovée and Thill, 1999:64), the ideal business-society relationship remains intractable. Concern for business to contribute towards social prosperity has always persisted since the days of Aristotle who reckoned the need for business to reflect the interests of the society in which their operations are based (Solomon, 1999:83). People live in a society and everyone is part of the social organisation. Business is wholly dependent on society. It can only thrive in well-organised societies where individuals cannot, themselves, produce all their needs and wants; for when people are wholly self-sufficient, the concept of business serves no purpose on their lives. Thus, a stable and well-organised society fundamentally makes it possible for people to engage in business. It is on this basis that social activists have strongly argued that the business community ought, in return, to show concern to the society that sustains an ideal environment for profit making.

Schreuder (1978) acknowledges the inseparability of business and ethics. For him, the slim wedge between business and ethics can be bridged by a concept of Corporate Social Responsibility (CSR). He defines CSR as the performance or non-performance of certain activities by a private enterprise or corporate organisation without the expectation of direct economic gain or loss, for the purpose of improving the social well being of the community or one of its constituent groups (ibid: 74). It is the duty of business community to promote the welfare of society. For instance, a corporate organisation is said to be socially responsible or a good citizen (see Matten and Crane, 2003) if, among other things, it makes safe products devoid of serious structural defects, carefully disposes of its industrial wastes without causing ecological disasters, provides equal employment

opportunities irrespective of gender, race or class and contributes towards solving society's problems in a number of ways such as building Old Peoples' Homes and donating food to the poor. Proponents of the narrow view of CSR do not deny the importance of CSR as part of corporate strategy to ensure that an enabling social environment for profit generation and maximisation is created through, among others, prosocial business practices and helping out society solve its problems. The core of their argument is that CSR is not important in itself but in so far as it helps them achieve their self-interested profit motive.

The need for individuals and corporate organisations to be socially responsible is also documented in the Old Testament. Benson reports that under Old Testament rules, if a man knew that his ox gored others, he was responsible for keeping it under strict control (Benson, 1982: 89) In the contemporary world, business constitutes a very indispensable social institution in that it supplies society with goods and services and positively and negatively impact on the social and natural environment. This dominant nature of business in society has led people to be very wary of its activities. Pertinent questions have, therefore, been raised with regard to whether the welfare of society takes precedence over the organisational objectives to generate and maximise profits or vice versa.

Friedman (Shaw, 1999:167) strongly denies the contention that corporate organisations have direct social responsibility to the society in general. He is, therefore, opposed to calls for business to contribute towards solving society's problems over and beyond maximisation of profits for the business. The paper argues that the quasi-mandatory calls for corporate organisations to contribute towards solving society's problems runs the risk of being manipulated into a strategic tool to enhance their corporate image. The paper concludes that corporate organisations' compliance to governmental requirements for them to engage in CSR are just but a ploy to enhance their business fortunes. Though the paper notes strategic attempts by corporate organisations to integrate CSR (Dentchev, 2005)

in their business plans, it argues that such acceptance of CSR as part of organisational objectives may not be pursued because it is the right thing to do independent of its consequences but because it is good for the fortunes of business. For Dentchev (*ibid*: 3), the problem with CSR theories is that they are prescriptive on corporate organisations to contribute to social prosperity because it is morally correct to do so without offering a practical advice to business. This, therefore, makes the practical relevance of CSR theories in bridging the gap between business and society doubtful.

Understanding CSR

Docketed definitions of CSR are not clear over its exact nature and place in the business-society relations. The complexity of coming up with a universally agreed characterisation of CSR is partly a result of the fact that social problems differ from society to society and this tend to define the role that business has play in society as well as the expectations of society on how and to what extent business should help in solving social problems. Votaw (1973) as quoted by Carroll (1999:280) seems to be summarising the complications of coming up with a unanimous definition of CSR when he notes that:

The term [social responsibility] is a brilliant one; it means something, but not always the same thing, to everybody. To some it conveys the idea of legal responsibility or liability; to others, it means socially responsible behavior in an ethical sense; to still others, the meaning transmitted is that of "responsible for," in a causal mode; many simply equate it with a charitable contribution; some take it to mean socially conscious; many of those who embrace it most fervently see it as a mere synonym for "legitimacy," in the context of "belonging" or being proper or valid; a few see it as a sort of fiduciary duty imposing higher standards of behavior on businessmen than on citizens at large.

Thus, a precisising definition of CSR is as elusive as its exact nature and role in the business-society relations. Such absence of a specific and widely agreed definition makes CSR vulnerable to confliction interpretation by stakeholders (Windsor, 2001). However, what cuts across a number of definitions that scholars have proposed on the concept of CSR is the general belief that, beyond the quest to maximise corporate profits, corporate organisations play a crucial role in solving society's problems. For Matten and Moon (2004:3), the fundamental idea of CSR is that "...it reflects both the social imperatives and the social consequences of business success, and that responsibility accordingly falls upon the corporation, but the precise manifestation and direction of the responsibility lies at the discretion of the corporation." Such a characterisation of CSR makes it a mandatory exercise in that it assumes that business has a direct responsibility to help in solving society's problems. We argue that, though the modalities of implementing CSR programmes are at the discretion of corporate organisations, it does not make CSR a freely chosen programme to contribute towards social prosperity.

The quest to make business reflect a moral face by being socially responsible in its operations and interactions with the human society and the environment can be traced back to Aristotle who is famed as the first economist (Solomon, 1999:82). Aristotle had a strong interest in the ethics of exchange and for that reason, he can rightfully be called the first business ethicist. He was critical of trade for profit which he believed to be lacking in virtue. He, therefore, regarded those who traded for profit as "paracites" (Solomon, 1999: 82) and all trade as a kind of exploitation. Though, his attack on the institution of business

is unwarranted given that not all business ventures can wholly be described as exploitative, he was right in advocating for the bridging of the gap between business and the rest of life. This is necessary in order to ensure compliance of business organisations to acceptable standards of moral conduct as mandated by a given society.

Aristotle notes, and rightly so, that one has to think of oneself as a member of the larger community and endeavour to excel to bring out what is best for himself and humanity's shared enterprise. Since what is best for those in business is in turn defined by the larger community, there is really no contradiction between individual self-interest and the greater public good. A business person whose personality is socially defined, would never perform actions that are wholly immoral and anti-social. Therefore, for Aristotle and subsequent proponents of the broader view of CSR such as Davis (1983), the widely held narrow view of CSR that business is primarily concerned with profit making and maximisation than social concern is unrealistic. For Davis, corporate organisations ought to have responsibilities beyond simply enhancing their profits because they enjoy greater social and economic power in any society. The social power of business justifies society's expectations for corporate organisations to contribute towards social prosperity. Though he admits that CSR is a vague concept, he goes on to define it as "businessmen's decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interest" (Carroll, 1999:271). For him, CSR can easily be justified by the fact that it brings about economic gains for the concerned corporate organisations in the long run. Thus, for Davis and other adherents of the broader view of CSR, modern business is intimately integrated within the rest of society and tends to derive some economic mileage out of it. A corporate organisation does not operate in a vacuum, but in a society that it influences in great many ways. In this way, therefore, it appears to be a contradiction in terms to argue that business' sole aim is to make profits for its investors without any special responsibility to the welfare of society and the environment.

Anshen looks at the broader view of corporate responsibility from a historical perspective. For him (1983: 98), there has always been some sort of "social contract" between business and society. Though implicit, this contract represents a strong understanding within society about the proper and ideal goals and responsibilities of business. For Anshen, society always moulds the guidelines within which business is allowed to operate so that it can derive certain benefits from the business operations undertaken in its midst.

Though Carroll (*ibid*: 268) acknowledges that the business community's concern for society has been evident for centuries, he restricts his study to the 20th century. It is on this premise that he undertook to trace the trends in the characterisation of CSR up to the contemporary period. However, an attempt to ascribe a controversy free definition to CSR has been perennially elusive. He (1999:270) singles out Bowen (1953) as the first to initiate the modern attempt to characterise the doctrine of CSR. For Bowen (*ibid*), the prominence of corporate organisations in society does not only give them vital power and decision-making, but their activities also affect the lives of people in great many ways. For these and other reasons, sound business-society relations are supposed to be established in order for business activities to conform to societal expectations. He (*ibid*: 270), therefore, wonders, "what responsibilities to society may businessmen reasonably be expected to assume?" To this question, he (*ibid*) proffers that corporate responsibility "...refers to the obligations of businessmen to pursue those policies,

to make those decisions, to follow those lines of action which are desirable in terms of the objectives and values of society." As a result of his influential contribution to the early formal literature on CSR, Carroll (ibid: 270) regards Bowen as the "Father of Corporate Social Responsibility." However, Bowen noted that business's contributions to social responsibility is not a solution to many of the problems that society face, but carries an important truth that must guide business in its operations in their future dealings with society.

Davis (1960), McGuire (1963), Heald (1970), Johnson (1971), Manne and Wallic (1972) in Carroll (ibid) all concur that socially responsible business practices are not only beneficial to society but are also of strategic importance in achieving the profit motive and enhancing public rating and acceptance of such corporations that incorporate CSR in their business models (Dentchev, 2005). Socially responsible business decisions and activities can bring about financial benefits to the concerned corporate organisations in the long run. However, such a perception of CSR strips it of its intrinsic worth and degrades it to a mere instrument for the achievement of corporate organisations' self-interested goals.

Carroll (1979) in Carroll (1999:282) made an influential contribution to the debate on the meaning of CSR. He came up with a four-part definition of CSR when he stated that a corporation has economic, legal, ethical and discretionary responsibilities. He argues that organisations have an economic responsibility to engage in activities that generate profits for them. For him, the economic component of CSR conforms to a capitalist economic system where commodities that business deal in must be sold at a profit (see Smith, 1991; 2002). Such pursuance of the economic component is crucial for a corporate organisation to remain in business. Otherwise naked philanthropism is contrary to the objectives of engaging in business. The legal responsibility ensures that a corporate organisation's operations conform to the legal requirements of the society in which it operates within. For him (ibid: 283), society expects corporate organisations to fulfil their economic responsibility within the legal parameters set forth by that society's legal system. After noting the inadequacies of previous definitions on CSR, in that they only made reference to business' primary responsibility to make profits and obey the law, Carroll (Op Cit) went beyond these self-interested goals to include ethical and voluntary acts to help society solve its problems. The ethical responsibility says that corporate organisations' actions must conform to the moral precepts of their host society. Carroll might have included the ethical responsibility in his four-part definition of CSR over and beyond the legal responsibility because the law does not cover every aspect that makes corporate organisations act in an ethically responsible manner. The fourth responsibility is the discretionary responsibility. This responsibility ensures that corporate organisations voluntarily contribute towards solving a number of ills that afflict society. For him (1999: 283-4), this responsibility is not as clear an expectation of society, as is the case with the ethical responsibility. For this reason, therefore, Carroll argues that corporate responsibilities that fall under this component are voluntary. However, it is paradoxical to posit that discretionary/philanthropic responsibilities are voluntarily chosen by particular individual managers and corporate organisations, and at the same time posit that society expects corporate organisations to show such responsibilities. Since such discretionary/philanthropic responsibilities (ibid: 289) of corporations are driven by their desire to engage in social roles not enforced by law nor expected of corporations in the ethical sense, but which are, by and large, societal expecta-

tions, it therefore means that they cease to be voluntary in the strictest of sense. However, for Carroll (ibid: 284), though discretionary/ philanthropic responsibilities are "...not mandated or required by law and not expected of business in an ethical sense, [they are becoming]...increasingly strategic" in that such contributions towards solving society's problems enhance corporate image as well as its stranglehold on the market. Dentchev (2005:3) treats "...CSR strategy as a deliberate choice of activities that enable the organization to meet its objectives." In light of this, therefore, CSR is, by and large, used as an instrument to achieve organisational objectives and not as an end in itself.

In their comparative study of CSR in Europe and America, Matten and Moon (2004) coined a distinction between what they termed 'implicit' and 'explicit' CSR. For them (ibid: 9), explicit CSR refers to corporate policies to conduct themselves in such a way that advances the interests of society. It involves "...voluntary, self-interest driven policies, programmes and strategies by corporations addressing issues perceived as being part of their social responsibility by the company and/or stakeholders." Though what corporate organisations do is normally done in order to achieve their self-interested motives, business would want to externally appear otherwise through their public pronouncement that their CSR activities are done for their own sake. The major limitation of CSR so perceived is that it regards responsibility to society as without intrinsic worth but instrumental value in so far as it fulfils the self-interested motives of the concerned corporate organisations.

For Matten and Moon (ibid: 9), implicit CSR involves "...the entirety of a country's formal and informal institutions assigning corporations an agreed share of responsibility for society's interests and concerns." Thus, this form of CSR is, by and large, prescriptive and mandatory in that it obligates corporate organisations to adopt values, norms and rules that enable them to address issues that stakeholders perceive as the responsibility of corporate organisations. Implicit CSR is a feature of many economies though its nature and extent to which it is enforced may differ from nation to nation. For them (2004:13), "...every country has a specific, historically grown institutional framework which shapes and constitutes what they call a 'national business system' or 'social system of production.'" National Business Systems (NBS) differ from country to country and contains the essential ideas that inform implicit corporate CSR. However, we argue that making CSR a mandatory corporate obligation is not only a violation of the autonomy of individual corporate organisations but also may lead to its increased abuse for corporate organisations' self-interested goals.

Challenging CSR

The traditional and narrow view of CSR conceptualise business as primarily preoccupied with profit generation and maximisation. Friedman prominently represents this position. For him (1983; see also Levitt, 1983), the doctrine of CSR is a well-disguised bid of managerial irresponsibility. The owners (shareholders) of a corporate organisations hire managers for the sole purpose of increasing profits of the firm so that the owners can realise a reasonable return on their investment. In this regard, since corporate contribution to the alleviation of society's problems reduces the profits and consequently the return on investment of shareholders, managers who make such contributions are neglecting their fiduciary responsibility to the owners and are acting contrary to their contractual obligations (ibid). Such actions are, therefore, inherently irresponsible and a deviation from the set purpose of engaging in business.

Furthermore, Friedman argues that corporate expenditures for solving social problems are not the prerogative of corporations but the prerogative and obligation of governments. Thus, corporate managers who spend funds for social welfare are acting like governmental decision makers but without the feature of being elected to legitimise them. Therefore, the doctrine of CSR, for Friedman, is a subversive doctrine that imposes responsibilities on the corporation that can best be tackled by those who occupy political office. Since government taxes corporations, it would amount to double taxation if managers of corporate organisations were to contribute towards solving society's problems.

Consider a corporate organisation located within a community that is at a point of starvation as a result of a dire shortage of foodstuffs. The corporate organisation is financially sound and has, since its formation, been realising large amounts of profits. Friedman would say that it is not the prerogative of that corporate organisation to provide for the well being of the community because its objective of engaging in business is production and distribution of goods and services, not social welfare. For him (1983), those within the realm of business who concede the necessity for a broader view of CSR are business people who are helping to propagate ideas that are damaging to the tenets of capitalism. Thus, Friedman would not approve of the actions of managers of corporate organisations who, for philanthropic reasons, decide to illegally apportion investors' profits to provide food to starving members of the community unless if doing so helps in the maximisation of profits for the stockholders.

However, besides the need to make profits, corporate organisations ought also to help out society when a need arises. What might seem problematic is to regard corporate organisations as primarily obligated to solve society's problems. Helping society out of their free choices might even, in return, help the concerned corporate organisations to gain a good reputation within their communities (Dentchev, 2005; Heinze, 2005) and consequently enhance their business fortunes. In addition, corporate organisations can atone themselves for some of their morally questionable business practices by, for instance, assisting HIV/AIDS patients through the provision of Anti-Retroviral Drugs (ARVs). In this way, therefore, corporate organisations tend to enhance their fortunes in a situation where the community has confidence and trust in their operations.

Manipulation of CSR

With calls for business to show concern to society and the environment gaining momentum in the contemporary era, frenzy for compliance to this concerted demand to consider the impact of their operations to society is likely to have disturbing results on the business-society relations. Calls for CSR have tended to take a coercive stance with governments imploring corporate organisations to show social concern in their operations and interactions with society and the environment. This pronounced call for business to show social concern is primarily a reaction to widespread cases of corporate misdeeds in the form of pollution to the environment, disregard of consumer rights through, among others, selling substandard commodities and profiteering and general disregard for the welfare and well being of stakeholders.

However, a trend is looming whereby the mandatory call for corporate organisations to contribute towards solving social issues are manipulated to further their economic gains through morally scandalous interactions with society and the environment. Corporate organisations' morally questionable response

to this call is partly because they are an unwilling lot in this quasi-coercive call for them to embark on CSR activities. This, therefore, explains the main thesis of this paper that call for CSR has now been corrupted and manipulated to further enhance the economic advantage of those in business to the detriment of the rights of consumers and the environment.

When Carroll (1991) revisited his 1979 four-part characterisation of CSR, he replaced the discretionary with the philanthropic component emphasising that this component also includes the notion of Corporate Citizenship (CC). In light of this, he (1999:289) posits that "the CSR firm should strive to make a profit, obey the law, and be a good corporate citizen." For him (*ibid*), Corporate Citizenship is part and parcel of a crusade to establish the place of business in society that is by and large dominated by CSR. The call for corporate organisations to act as responsible citizens has been widespread in the contemporary management literature. This involves corporate organisations taking an interest in the whole social world. Matten and Crane (2003:2) concur with Carroll that CC has assumed an important role in the CSR discourse though "...its usage has been far from consistent, and... not clear at all." The lack of a widely accepted definition of CC in the management literature, however, does not weaken our contention that good CC for its own sake is important for the success of both corporate organisations and the social world. For Matten and Crane (*ibid*: 4), in its early usage, CC involves charitable donations and other corporate philanthropy done for the good of a local community. Carroll (1999:289) suggested that the philanthropic component of his 1991 revision of the definition of CSR embraces CC and noted that it is a voluntarily chosen commitment to help out the community that corporate organisations operate within. For Carroll (Matten and Crane, *ibid*: 4), since CC is simply desired and not expected of business organisations, it is less important than the other three categories namely the economic, legal and ethical responsibilities. For Matten and Crane, this view is referred to as the limited view of CC in that such philanthropic contributions towards solving society's problems are done for the strategic reasons to enhance the fortunes of the concerned corporate organisations.

Since the limited view of CC is primarily driven by self-interested motives, and not out of concern for the welfare of society for the sake of it, Kant (2002) would morally condemn corporate philanthropy that takes the acts of helping out society as a mere means to the enhancement of business fortunes. It is our contention that such corporate strategies to manipulate the general expectations of society for corporate organisations to show social concern in their dealings with it is immoral in that it attaches instrumental value to corporate philanthropy and, therefore, disinvest it of any direct concern for the welfare of society. Thus, to talk of corporate philanthropy when it is seen as strategic philanthropy (Matten and Crane, 2003:4), as a generous charitable donation to society is to miss the point in that its strategic focus on the society in which it operates in, testifies to the fact that it is concerned with ensuring a stable social, environmental and political environment not because it desires a stable society for its own sake, but because a stable society is ideal for investment and business success.

It is common parlance in the business world to hear business organisations talking of 'ploughing back some of their profits to the community' as part of their social responsibility. These public claims by corporate organisations to 'fulfil' their social responsibility pre-suppose that they have an obligation to help society solve its problems. This corporate contribution towards solving society's problems has taken many forms. They can be in

the form of 'clean up' campaigns where stockholders and workers commit themselves to a day or so of periodic cleaning the streets of cities in which they are based or donating money to local authorities in cities and towns so that they can, for example, address the ecological disasters caused by the discharge of industrial toxic waste in water bodies and helping in initiating and financing home-based care groups for terminally ill HIV/AIDS patients. Genuine questions arise here. Is this elaborate show of CSR motivated by a genuine concern for the welfare of society and the environment they operate in and serve or is it just but a gimmick to enhance their corporate standing through these seemingly good-intentioned actions? Is this concern for the environment a disguised ploy to trash the extensive damage that corporate organisations are inflicting upon the environment or do they engage in CSR because government or society mandate them to do so? These and other pertinent questions probe the near ubiquitous competition to engage in CSR among corporate organisations in the contemporary business environment.

It is our contention that talk of genuine show of CSR is actually an illusion in the contemporary business environment. According to this reasoning, contemporary business operations are never inclined towards genuine concern for public interest because it is a good thing to do but simply because they ensure a conducive environment to make profits. Therefore, corporate organisations' quasi-philanthropic activities aimed at advancing public welfare are an open plot to extend their economic grip on the market. What corporate organisations might be aiming at, therefore, is that consumers must support their supposed 'philanthropic' endeavours by doing business with them. In this regard, CSR engagements assume instrumental and not intrinsic value. They are worthwhile in so far as they improve the fortunes of corporate organisations and bad in so far as they are injurious to their corporate image and business prospects. By implication, therefore, CSR may be viewed as a means to the desired ends of corporate organisations and not an end in itself (Kant, 2002). Treating humanity as an end in itself implies that we should uphold the place of every free rational being in the moral community. Therefore, "...deliberately refraining from giving others help when they need it is wrong" (Velasquez, 1997:43) considering that society places a lot of trust on business to operate in a manner that that is prosocial. Therefore, if compliance to calls for corporate organisations to help in solving society's problems is manipulated to rip, for instance, more financial rewards and goodwill than what a given corporate organisation commit to the social cause, then for Kant, it is immoral because it uses CSR as a mere instrument for the attainment of corporate objectives. Though clothed in the language of CSR, such investments in corporate social activities are morally scandalous. It is in light of this that Druker (1984) in Carroll (1999:286) implore corporate organisations to "convert" their social responsibilities into business opportunities when he remarked that:

...the proper 'social responsibility' of business is to tame the dragon, that is to turn a social problem into economic opportunity and economic benefit, into productive capacity, into human competence, into well-paid jobs, and into wealth.

Thus, such contribution to social prosperity are not done because it is the right thing to do but because they are of strategic importance in so far as they create an enabling environment for the unhindered pursuance of corporate organisations' economic goals.

Granted that the show of CSR by corporate organisations is not done from genuine concern for the welfare of society and the environment, it lacks moral value. However, the moral status

and responsibilities of corporate organisations is highly disputed. Friedman (2002) denies that business has responsibilities that can be equated to those ascribed to natural persons. Only people can be said to have responsibilities and not business. He (1983:73), therefore, held that:

A corporation is an artificial person and in this sense may have artificial responsibilities, but "business" as a whole cannot be said to have responsibilities, even in the vague sense.

But can we not rightly say that business is technically a moral person or a bundle of moral persons that have to act in such a way that is morally praiseworthy? Since the external image of a business organisation is defined by the person(s) that own and run it, it is utopian to try to bracket out business practices from the realm of moral evaluation on the basis of the technicality that corporate organisations are not natural persons. Corporate organisations' economic fortunes or misfortunes are, partly, reflective of the moral standing of the persons that constitute them. It is not; therefore, an overstatement to say that a corporate organisation is technically a moral person whose actions are equally subject to moral evaluation just like those of natural persons. An attempt to exempt corporate organisations from moral evaluation on the technicality that they are not natural persons is fallacious in that it disregards the undisputed fact that a corporate organisation is just but a bundle of natural persons that put together their resources and skills into a pool and employed them with the prime motive of making more money. Therefore, Friedman's attempt to abstract business from the realm of moral evaluation can be blamed on a failure to properly situate business in the broad scope of morality. Indeed, business has and ought to show social concern through actions that aim at positively contributing towards betterment of the communities that it provides with goods and services and this makes his attempt to alienate business from the realm of moral evaluation is utopian.

The concerted efforts by those who seek to alienate business from the realm of moral evaluation confirm the suspicion that talk of CSR is just but much ado about nothing. Business organisations' obsession with incorporating strategic CSR in their operations is primarily driven by their desire to enhance their self-interested profit motives in a competitive market place. The increased pressure on corporate organisations to engage in CSR has also induced them to become very ingenious by making sure that they rip off more than they commit to the social cause. Commenting on how corporate organisations perceive CSR, Johnson (1971) in Carroll (1999:274) gives four views one of which notes, and rightly so, that "...strongly-profit motivated firms may engage in socially responsible behavior. Once they attain their profit targets, they act as if social responsibility were an important goal-even though it isn't." In light of this, therefore, CSR strategies are not seen as primarily aimed at enhancing social prosperity but as means to the attainment of profits for stockholders.

Branco and Rodrigues (2007: 5) note that "...the concept of CRS has evolved from being regarded as detrimental to a company's profitability, to being considered as somehow benefiting the company as a whole, at least in the long run." Perhaps the initial resistance to calls for corporate organisations to contribute to CSR was premised on the claim that corporate organisations as profit-oriented enterprises ought and should not inherit responsibilities that are foreign to their legitimate mandate. However, with competition among corporate organisations on the market getting stiffer by the day, CSR is fast becoming a catchword in company boardrooms and in their interactions with the external world as they seek to exploit the once avowed responsibility to

impress the market that is suspicious of corporate organisations whose practices and actions are, by and large, anti-social. It is our contention that the scramble to show social concern among corporate organisations is not well-intentioned one, but it is a gimmick well thought out to make them remain acceptable in the market that is now aware of its rights and expectations from those who provide them with goods and services. The rigours of competitive markets implicitly force those who own and operate corporate organisations in their midst to conduct their affairs in a manner that is sensitive to the moral concerns of society and environment they operate in. Thus, the current obsession among corporate organisations to comply with institutional obligations is, by and large compliance for convenience and it is not justified by the fact that helping out the community in solving its problems is good for its own sake but because it plays an instrumental role in enhancing their profit objectives. It is in light of this, therefore, that we propose that CSR ought not to be enforced on corporate organisations but should proceed from their voluntary concern for society and environment in which they operate because it is the right thing to do. This is not to say that their profit motive must be trivialised, but that CSR programmes must be pursued out of a genuine need to contribute towards social prosperity.

Kantian View on CSR

It is the contention of this paper that enforcing CSR is immoral. Making CSR mandatory creates moral problems in that it violates the moral rights of owners of corporate organisations to freely choose whether to contribute towards social prosperity or not. Moral rights are rights that entitle all human beings to be permitted to do something or entitled to have something done for them (Velasquez, 1997:34). Societal expectations for corporations to act in certain runs into the danger of making CSR engagements as mere instruments for the furtherance of self-interested corporate interests namely profit generation and maximisation. Lack of intrinsic concern for the welfare of society in the operations of corporate organisations over and beyond the obsession with creating an enabling environment to reap higher profits also makes the frenzy of business organisations to contribute towards solving societal problems morally illegitimate and scandalous.

German rationalist philosopher, Kant (2002) argues that only actions that are done from a sense of duty can be rationalised as having moral worth. Duty or simply doing what is right for its own sake is the foundation of morality. Kant had a firm belief in the universality of ethical behaviour. For him, moral criteria are categorical imperatives in the sense that they are absolute and unconditional, irrespective of consequences. His moral thought finds a necessary connection between morality and reason (Matson, 1987:392; Lawhead, 2007: 369) because it is only rational beings who are able to form and act in accordance with a universal conception of morality. He also argues that if there is to be universal moral law that is morally binding, it must be predicated on reason (Boss, 1999:25; Norman, 1986:103). Central to Kantian moral thought is the belief that moral actions must not be justified by their consequences or any other reasons except for their own sake. He would disapprove of enforcing CSR simply because it brings about favourable consequences to society. It is for this reason, therefore, that we regard enforced CSR as devoid of moral value because it is done not from a sense of duty but in accordance with duty as prescribed by bodies external to concerned corporate organisations. He would also disapprove of the manipulation of enforced CSR

by corporate organisations in order to enhance their business fortunes because doing so would be to use consumers as instruments for the attainment of what corporate organisations regard as worthy self-interested objectives. Though the benevolent activities of corporate organisations that contribute towards social prosperity are praiseworthy, for Kant, they still lack moral value because they are not done from a sense of duty. For him, it is not enough for one to merely perform the morally correct action because one may, in that instance, be motivated by self-interested reasons that have nothing to do with doing what is right for its own sake (Beauchamp, 1983:34). We argue that corporate organisations should simply show social concern because it is the right thing to do. Otherwise if contributing to social responsibility is done simply to advance the corporate ends of business, it is devoid of moral value. It is for this reason, therefore, that we regard enforced CSR or its manipulation as devoid of moral value because it is done not from a sense of duty but in accordance with duty.

The most fundamental moral principle, for Kant, is the categorical imperative. An imperative is a linguistic form that conveys a command. He comes up with two formulations of the categorical imperative. The first one says, "Act only according to that maxim whereby you can at the same time will that it should become a universal law" (Kant, 2002:17). In other words, the maxim that underlies an action must be rationalised as a universal moral law for it to have moral value. So, according to Kant's first formulation of the categorical imperative, the enforcers of CSR have to consider whether they themselves, for example, would be willing to have others force them to contribute towards social prosperity because of its favourable consequences to the well being of society. They have to ask themselves whether they would be willing to be treated thus by others. Therefore, if they are not willing to have everyone act in such a manner, even towards them, then it is morally wrong for them to treat others (i.e. corporate organisations) as merely having instrumental and not intrinsic worth. It is not acceptable in Kantian terms to act on a maxim that fails the test of universalisability and reversibility. A moral maxim that underlies enforced CSR is universalisable if everyone in a similar situation under all circumstances chooses to coerce another person or corporate organisation to contribute towards CSR because doing so has beneficial consequences to society. It is, therefore, inconsistent to argue that it is right to coerce corporate organisations into contributing towards society's well being, but wrong to force government, for example, to honour its obligations. Thus, reversibility requires moral actors to put themselves in the position of the recipients of their actions.

Though Kant would morally condemn the imposition of CSR on business, he would equally condemn its strategic use to achieve corporate organisations' objectives. In this regard, whatever freely chosen practices corporate organisations do, they have to ask themselves whether they would accept them if they are done to them. If they cannot accept them, then the maxim that underlie such actions cannot not be universalised as moral law. Granted that most corporate organisations contribute to social responsibility simply as a legal requirement, and not from a genuine and voluntary concern for the welfare of society because it is the right thing to do, then the maxim that underlie such actions cannot be rationalised as moral law. Thus, the instrumental use of CSR is immoral in Kantian terms because it is not done for its own sake but because of its beneficial consequences to stakeholders.

By virtue of being rational, human beings have free will and autonomy. These attributes make human beings different from

every other thing in nature (Boss, 1999: 25, see also Liszka, 1999:100). Since autonomy and free will are essential for a being to be treated in a dignified manner, it follows that only rational beings have intrinsic worth. Thus, rational beings ought never to be treated as means only to some ends but as ends in themselves. Kant (2002:20) therefore implores us to so "Act in such a way that you treat humanity, whether in your own person or in the person of another, always at the same time as an end and never simply as a means." Therefore, it is immoral for governments to enforce CSR on owners of corporate organisations in that doing so will be to treat them as mere means to their self-interested ends of contributing towards social prosperity. It is our conviction that, if corporate organisations are to help out society in solving its problems, they ought to do so because it is the right thing to do not because government says so. Otherwise enforcing CSR would lead to its abuse whereby corporate organisations implement it because of the economic mileage that goes with it. Thus, enforcing CSR would lead to its immoral use by corporate organisation to further their self-interests. To treat human beings as means only is to degrade them to the realm of brutes or objects that are incapable of free will. As Branco and Rodrigues (2007:5) note, "...nowadays companies engage in CSR because they can reap benefits from such engagements." Their position implies that corporate organisations may not be prepared to contribute to CSR when doing so does not enhance the image and profitability of the company. Thus, Kant would not approve of corporate organisations' contribution to social responsibility that is done not because it is good in itself but as a means to the enhancement of their business fortunes. For Kant, deceptive claims by the corporate world that their contributions towards CSR are driven by the need to contribute towards social prosperity, when in fact they are part and parcel of endeavour to enhance their self-interested grip on the market, are immoral not only because the principle that underlie them cannot be universalised as a moral law, but also because they treat human society as if it is expendable.

Corporate organisations may manipulate CSR because they do not freely choose to contribute towards solving society's problems, but because society expects them to do so. Though a corporate organisation is not natural persons per se, it is made up of natural persons whose free choices or lack of them influences its success and relations with society. Kant (Velasquez, 1997: 40) notes that all human beings possess certain moral rights namely that everyone should be treated as a free person equal to everyone else. For him, everyone has a moral right to such treatment, and everyone has the correlative duty to treat others in this way. In light of this, therefore, enforcing CSR would be a violation of the autonomy of corporate organisations to make free choices unhindered by governmental or societal influences whether to or not to contribute towards social prosperity. Thus, the responsibility to engage in CSR can only have moral value in Kantian terms if it is done because it is the right thing to do, and not because government or society demands it, or because it brings about beneficial consequences to the fortunes of the concerned corporate organisations.

By treating humanity as an end, Kant meant that everyone should treat each human being as a being whose existence as a free and rational person should be promoted. This, for Kant, (Velasquez, 2002:99), means that each person's freedom must be respected by treating people only as they have freely consented to be treated beforehand and that each person's capacity to freely choose for himself the aims he will pursue must be developed. Thus, enforcing CSR would be a violation of the freedom of persons that constitute corporate organisations in that it ne-

gates their autonomy to choose whether to or not to contribute towards solving society's problems. In addition, enforcing CSR is tantamount to using owners of corporate organisations as mere instruments for the advancement of the CSR enforcers' own interests, that is, helping in solving society's problems. Since coercion and force negates corporate owners' freedom to choose whether they have to take part in solving society's problems, then enforcing CSR is immoral.

However, the doctrine of Corporate Moral Responsibility (CMR) invokes very difficult but pertinent questions with regard to whether corporate organisations can be rightly accorded a moral status as moral agents. Can corporate organisations be said to be morally responsible for their business practices? Peter French (Shaw, 1999:165) believes that they could be reasonably described as moral agents that can be held morally responsible for their actions. For him, corporate organisations can be moral persons with all the rights, privileges and duties bestowed to such persons (ibid). However, French's ascription of rights, duties and privileges to corporate organisations seems to go too far to the extent of equating them with human persons. Corporations per se cannot be executed or jailed (Simon, Powers & Gunnemann, 1983:87) for their activities though they can be fined for their illegal and immoral business practices.

What is important in French, Goodpaster and Matthew's (1983) ascription of moral personhood to corporations is, however, that they ought to be accountable and morally responsible for their actions which impact on society and the environment at large. They should not engage in activities that are potentially injurious to the society and the environment. This entails that they are morally obligated not to release to the market commodities whose structural defects or shortcomings have a likelihood of causing substantial damage and harm to the environment and consumers. Consumers require sufficient information on the strengths and limitations of using a certain product or service that corporate organisations sell.

For Bowie (1983), the operation of a corporate organisation is not a matter of right but is rather predicated on a binding contract with society. So, "in return for the permission to do business, the society places certain obligations and duties on the business" (ibid: 103). Since, corporate organisations are created by society not only for the benefit of their stockholders but also for the society that permit them to operate, they have a moral obligation, for example, not to cause ecological disasters, air pollution and environmental degradation beyond acceptable levels through their operations. In this regard, De George (1982; 2006) points out that corporate organisations are not only morally obligated to avoid the deposition of toxic and corrosive wastes in water sources, but also are morally obligated to protect the general public who live in the vicinity of the corporation from possible ill effects of the corporations' operations such as explosions or radiation from industrial and factory plants. They also ought not to inflate the virtues of their products for the simple reason of luring customers to buy them. A morally responsible corporation would work towards cultivating morally responsible practices so that it does not harm or endanger consumers and the society in general. Such a corporation is more likely to receive a favourable approval rating from both its workers and society. However, corporate organisations' contribution to social responsibility should be done not because of its desirable economic consequences to the corporation nor because the law says so, but must be done because it is the good thing to do independent of rewards or punishment or other consequences. It has, therefore, been noted that enforcing CSR is not only morally questionable, but also lead to its manipulation for

the realisation of corporate objectives. Corporate organisations are now manipulating an otherwise well-intentioned cause of CSR to further enhance their grip on the market and business fortunes to the detriment of society that is disturbed by the irresponsible business practices on it and the environment.

Conclusion

This paper argued that enforcing CSR is not only immoral but can also lead to its manipulation by corporate organisations for their self-interested motives. Though the paper noted that business in the contemporary world are integrating CSR strategies in their business plans, it argued, that such prosocial endeavours lack intrinsic worth since they are primarily meant to enhance

corporate image not out of a genuine concern for the welfare and well being of society. Two dominant positions on the doctrine of CSR were considered namely the narrow and broader view of CSR. Proponents of the narrow view argue that the only social responsibility of corporate organisations is to make profit. However, the adherents of the broader view have come up with a rival position that argues that corporate organisations have social responsibilities in addition to their economic responsibilities both of which are supposed to be treated as ends in themselves. The paper concluded that corporate organisations might positively integrate CSR strategies into their business models if they were to voluntarily adopt it rather than to be coerced to do so.

References

- Anshen, M. (1983), "Changing The Social Contract: A Role for business," in Beauchamp, T.L. and Bowie, N.E. (Eds.), *Ethical Theory and Business*, Prentice-Hall, Inc, Englewood Cliffs, pp. 97-103.
- Beauchamp, T.L. (1983), "Ethical Theory and Its Application to Business," in Beauchamp, T.L. and Bowie, N.E. (Eds.), *Ethical Theory and Business*, Prentice-Hall, Inc, Englewood Cliffs, pp. 1-51.
- Benson C.S. George (1982), *Business Ethics in America*, D. C. Heath and Company, Lexington.
- Boss, J.A. (1999), *Analyzing Moral Issues*, Mayfield Publishing Company, Belmont.
- Bowie, N.E. (1983), "Changing the Rules", in Beauchamp, T.L. and Bowie, N.E. (Eds.), *Ethical Theory and Business*, Prentice-Hall, Inc, Englewood Cliffs, pp.103-106.
- Branco, M.C. and Rodrigues, L.L. (2007), "Positioning Stakeholder Theory within the Debate on Corporate Social Responsibility", in *Electronic Journal of Business Ethics and Organisation Studies EJBO*, Vol.12, No. 1. Available http://ejbo.jyu.fi/pdf/ejbo_vol12_no1, pp. 5-15.
- Carroll, A.B. (1999), "Corporate Social Responsibility: Evolution of a Definitional Construct", in *Business Society*, 38; 268, Sage Publications, pp. 268-295.
- Davis, K. (1983), "An Expanded View of the Social Responsibility of Business," in Beauchamp, T.L. and Bowie, N.E. (Eds.), *Ethical Theory and Business*, Prentice-Hall, Inc, Englewood Cliffs, pp. 94-97.
- De George, R. T. (2006), *Business Ethics*, Macmillan Publishing Company, New York.
- De George, R. T. (1983), "Can Corporations have Moral Responsibility?" in Beauchamp, T.L. and Bowie, N.E. (Eds.), *Ethical Theory and Business*, Prentice-Hall, Inc, Englewood Cliffs, pp. 57-67.
- De George, R. T. (1982), *Business Ethics*, Pearson Prentice Hall, Upper Saddle River.
- Dentchev, N. (2005/284), *Integrating Corporate Social Responsibility in Business Models*, Hoveniersberg, Ghent University.
- Friedman, M, (1983), "The Social Responsibility of Business Is to Increase Its Profits," in Snoeyenbos, M., Almender, R. and Humber, J. (Eds.), *Business Ethics and Corporate Values and Society*, Prometheus Books, New York, pp. 73-79.
- Friedman, F. (2002), "The Social Responsibility of Business Is to Increase Its Profits", in Hartman, *Perspectives in Business Ethics*, Tata McGraw-Hill Publishing Company Limited, New Delhi, pp. 225-230.
- Goodpaster, K.E. and Matthews, J.B. (1983), "Can a Corporation Have a Conscience?" in Beauchamp, T.L. and Bowie, N.E. (Eds.), *Ethical Theory and Business*, Prentice-Hall, Inc, Englewood Cliffs, pp. 68-81.
- Heinze, K.L. (2005), *In the Mood to Give: How and Why Positive Affect Increases the Importance of CSR to Prospective Employees*, Northwestern University.
- Kant, I. (2002), "Grounding for the Metaphysics of Morals", in Hartman, L.P. (Ed.), *Perspectives in Business Ethics (Second Edition)*, Tata MacGraw-Hill Publishing Company Limited, New Delhi, pp. 16-21.
- Lawhead, W.F. (2007), *The Voyage of Discovery. A Historical Introduction to Philosophy*, Thomson Wadsworth, Belmont.
- Levitt, T. (1983), "The Dangers of Social Responsibility", in Beauchamp T.L. and Bowie N.E. (Eds.), *Ethical Theory and Business*, Prentice-Hall, Inc, Englewood Cliffs, pp. 83-86.
- Liszka, J.J. (1999), *Moral Competence. An Integrated Approach to the Study of Ethics*, Prentice Hall, New Jersey.
- Matson, W.I. (1987), *A New History of Philosophy (Volume 11)*, Harcourt Brace & Company, Orlando.
- Matten, D. and Crane, A. (2003), *Corporate Citizenship: Towards an extended theoretical conceptualisation*, Nottingham University Business School, Nottingham University.
- Matten, D. and Moon, J. (2004), 'Implicit' and 'Explicit' CSR: A Conceptual framework for understanding CSR in Europe, Nottingham University Business School, Nottingham University.
- Mescon, M., Bovée, L.B. and Thill, J.V. (1999), *Business Today*, Prentice Hall, Upper Saddle River.
- Norman, R. (1986), *The Moral Philosophers. An Introduction to Ethics*, Clarendon, London.
- Shaw, W.H. (1999), *Business Ethics*, Wadsworth Publishing Company, Belmont.
- Simon, J.G., Powers, C.W. and Gunnemann, J.P. (1983), "The Responsibilities of Corporations and their Owners," in Beauchamp, T.L. and Bowie, N.E. (Eds.), *Ethical Theory and Business*, Prentice-Hall, Inc, Englewood Cliffs, pp. 86-93.
- Schreuder, H. (1978), "The Social Responsibility of Business", in Dam, C.V. and Stallaert, L.M. (Eds.), *Trends in Business Ethics. Implications for Decision Making*, H.E. Stenfort, Kroese, B.V.
- Smith, A. (1991), "The Wealth of Nations", David Campbell Publishers Ltd, London.
- Smith, A. (2002), "The Wealth of Nations", in Hartman, *Perspectives in Business Ethics*, Tata McGraw-Hill Publishing Company Limited, New Delhi, pp. 237-241.
- Smith, A. (1991), "The Wealth of Nations", David Campbell Publishers Ltd, London
- Solomon, R.C. (1999), "Corporate Roles, Personal Virtues. An Aristotelean Approach to Business Ethics", in Donaldson, T. and Werhane, P.H. (Eds.), *Ethical Issues in Business. A Philosophical Approach*, Prentice Hall, Upper Saddle River, pp. 81-93.
- Velasquez, M.G. (2002), *Business Ethics. Concepts and Cases*, Pearson

Education, Inc, Delhi.
Velasquez, M.G. (1997), "Ethical Principles in Business", in Getz, K.A.
(Ed.), Business, Ethics and Society, Simon & Schuster Education

Group, Needham Heights, pp. 19-72.
Windsor, D. (2001), "The Future of Corporate Social Responsibility", in
The International Journal of Organisation Studies, 9 (3), 225-256.

Author

Masaka, Dennis. Dennis Masaka is a Philosopher at Great Zimbabwe University in Zimbabwe. He has a strong interest in carrying out research on political and socio-economic issues that affect humanity in their daily endeavours with special reference to Zimbabwe from the standpoint of philosophy. His paper entitled: 'Moral Justification of Whistleblowing in The Context of Zimbabwe's Economic Crisis' has been published by the Electronic Journal of Business Ethics and Organisation (Finland), and Epistemological Implications of Selected Shona Proverbs published by the Centre for Advanced Study for African Society (CASAS) (co-authored by E.T. Gwaravanda).

Email: masakad2005@yahoo.com

Postal Address: Great Zimbabwe University, Faculty of Arts, Department of Philosophy and Religious Studies, P.O. Box, 1235, Masvingo, Zimbabwe
Telefax: (263) (039) 253504