Chapter 1

Corporate Social Responsibility: Towards a Definition

Introduction

Human beings’ aspirations to be a catalyst for a positive social change are not necessarily a new phenomenon. Questions regarding the impact of human interventions have been present in various forms for centuries, ranging across the ancient, classical, medieval, mercantile, industrial and corporate eras in some or other forms.

Until, last few decades of twentieth century, there was no explicit mention of the term Corporate Social Responsibility or CSR anywhere, though it was present. So this chapter will give in-depth overview of the theoretical aspects such as definitions, evolution, and philosophical impetus of the term CSR.

1.1 Historical Evolution of CSR

Hinduism speaks about nishkama karma.\textsuperscript{17} Buddha speaks about living in the community, being part of it and helping the other attaining enlightenment. Bible speaks about loving one another and supporting the needy. Gandhi propagates the ideal of ‘swaraj’ — with which he advocates love for one’s own State.\textsuperscript{18} According to Tilak, ‘swaraj’ meant Dharma Rajya in the sense that together with the love for the State, each one has also a moral duty towards one’s own State.\textsuperscript{19} Thus we see that from the very outset of the civilization, there has been appeal to be concerned for the common good, for the community, for uplifting the weaker section etc. In the later chapters of this work we shall deal in detail the evolution of CSR in Hinduism, in Indian philosophy and other major religious and cultural backgrounds.

\textsuperscript{17} Eknath Easwaran, \textit{The Bhagavad Gita}, (Nilgiri Press, California, 2008), 52.


\textsuperscript{18} Ibid., 19.

\textsuperscript{19} Urmila Sharma, S.K. Sharma, \textit{Indian Political Thought}, (Atlantic Publishers & Dist, New Delhi, 2001), 113.
Certainly, there may have been a time when social responsibility meant truly caring in both symbolic and material ways for one's fellow human beings. All of them spoke about supporting other human beings in their own way. However, this support was more of private or exclusive in nature which became uneven and unstable as societies were hit with the waves of modernity and individualization. Bellah et al., describe in their book, “…latest phase of that process of separation and individualization that modernity seems to entail.” This modern scenario created weakness in the modern societies. In the words of Bellah et al., "every social obligation was vulnerable, and every tie between individuals fragile.” So, there arose an urgent need for a structured concept for the notion of social obligations. Though this notion of social obligation existed for centuries, the term CSR as we have it today was not coined. This research is oriented to delve more into the philosophical foundation of the term from a multi-faceted, multi-religious, multi-cultural view points, that made a paradigm shift to the modernized society, christening all of it as CSR — the good work for “the greatest happiness of the greatest number” articulated by Jeremy Bentham who was more a social reformer than a sociologist. “Happiness depends on ourselves.” More than anybody else, Aristotle enshrines happiness as a central purpose of human life and a goal in itself. One of Aristotle’s most influential works is the *Nicomachean Ethics,* where he presents a theory of happiness that is still relevant today, over 2300 years later. The key question Aristotle seeks to answer in these lectures is: what is the ultimate purpose of human existence? What is that end or goal for which we should direct all of our activities? Everywhere we see people seeking pleasure, wealth, and a good reputation. But while each of these has some value, none of them can occupy the place of the chief good for which humanity should aim. To be an ultimate end, an act must be self-sufficient and final, “that which is always

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22 Ibid., 276.  
desirable in itself and never for the sake of something else,” and it must be attainable by every human being. Aristotle claims that nearly everyone would agree that happiness is the end which meets all these requirements. It is easy enough to see that we desire money, pleasure, and honor only because we believe that these will make us happy. Everything else is a means towards obtaining happiness, while happiness is always an end in itself. As Aristotle says, “for as it is not one swallow or one fine day that makes a spring, so it is not one day or a short time that makes a man blessed and happy.” In the midst of everlasting quest for happiness, former US Army General Omar N. Bradley’s words would enlighten us back to our core human nature to reinvent and regenerate the forgotten and unwritten natural laws that governs the concept of CSR which we are trying to investigate.

The world has achieved brilliance without wisdom, power without conscience, ours is a world of nuclear giants and ethical infants. We know more about war than we know about peace, more about killing than we know about living.

For our research in CSR, happiness has a vital role as the corporations try to make the society happier through their welfare activities. So we cannot by ignore the great philosophers as the study delves into the philosophical foundations of CSR and its impact on the society. Every act of CSR enhances happiness waves in the society for those who benefit from it. As Aristotle clearly viewed that, happiness is a final end or goal that encompasses the totality of one’s life. If, it is one’s life, there is no doubt that it is the totality of the society too. Because, man is a social animal and he lives and acts in the society. Thus, we can agree with Aristotle and say that happiness is the ultimate end and purpose of human existence — CSR is trying to achieve that ultimate end of human existence through individuals and corporations. Theoretically speaking, CSR is a corporate entity or terminology but in this research I would equate individual as an equal entity to corporate because,

the corporation is an idea, an imaginary entity, without substance or sensibility and therefore incapable of anything like responsibility. Instead, corporate responsibility will always depend upon people using their frail and vital sentience and following the path that this assigns.30

Obviously, the above passage manifests that individuals are indispensable as they are the decision makers even in the corporate scenario. CSR is similar to individual social responsibility except that the group or organization is the actor.31 Thus, the bottom-line of responsibility falls onto the individuals who act for the corporate. Thus, individuals are vested with the moral responsibility to oversee the construction of the ‘good life’ for the planet and its inhabitants.32 Good life or well-being of the society calls for an altruistic approach both at individual and corporate levels which can bridge the philosophical disconnect between the corporate and social good.

So, we need to have a closer observation of what CSR is! Or let us see how professionals have defined it, though we know its meaning in the language of heart. In order to do that, we need to pose some of the most frequently asked and answered questions — and probably for all those individuals and organizations dealing with CSR issues is the obvious — just what does ‘Corporate Social Responsibility’ mean anyway? Responsibility for what, to whom and who is forcing firms to be socially responsible? Is it a stalking horse for an anti-corporate agenda? Something which, like original sin, you can never escape? or What?

1.2. No Universal Definition but a Working Definition of CSR

A group of seven blind mice encountered an elephant.

Someone asked: "What does an elephant look like?"

"Like a pillar," said the mouse who had been grabbing the elephant by one of its legs; "like a snake," said the one who had taken the tail; "like a fan," said the one who had

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touched the ear; "like a hose," said the one who had grabbed the trunk; and so on and so forth.

Something similar happens with CSR too.

While there is no universal definition of Corporate Social Responsibility, it generally refers to transparent business practices that are based on ethical values, compliance with legal requirements, and respect for people, communities, and the environment. Thus, beyond making profits, companies are responsible for the totality of their impact on people and the planet.33

Different organizations have framed different definitions — although there is considerable common ground between them. So why is there a common ground? What is that ground? Is it happiness which is the ultimate end of human life? I think that can be detailed only when we know the common ground of it which is the philosophy or ideology behind it. To know the ideology behind it, we need to inspect the term from different perspectives through the Philosophies and philosophers as we are dealing with a pretty corporate term of the modern era.

CSR is purely a business or management terminology which gained relevance during the last two decades of twentieth century or so. Milton Friedman, a Nobel Laureate economist famously argued that the “social responsibility is a governmental function.”34 He further argues that the government is responsible for correcting acknowledged social ills by allotting funds and setting up institutions to deal with them. In addition, people are responsible for voting for the political leaders whose agenda includes the social ills they wish to be corrected.35 This argument of Friedman raises a clear dichotomy of whether it is a management term or a general term. In fact, a clear paradox of charity versus profit which is pretty alien to the business world. We are of the opinion that only by taking a closer look at the term and its philosophical origin we will be able to make the wedding of ‘charity and profit’ under one umbrella.

35 Ibid.
However, before we delve deeper into the definitions of CSR I prefer to give a working
definition of CSR which makes the concept a more general topic for the convenience of
the nature of my research. Basically, we understand that, what CSR does is nothing but a
philanthropic activity which is the offshoot of the Law of nature which reminds each of
us to keep balance in the society and nature for achieving happiness or making the life
happier. Thus we think that CSR is nothing but the old wine in the new bottle with the
advent of modernization and technological development of the last decades of twenty
first century to the present. For me the essence of CSR is nothing but as it is said in the
Bible “love your neighbor as yourself.”36 It simply means that you cannot be ignorant to
the sufferings, poverty and miseries of the people around. We have a moral responsibility
towards our fellow beings.

Finding a generally acceptable definition for CSR has been a major challenge across
disciplines. It has been observed that companies, consultants, lawyers, NGOs and other
interest groups have separate definitions for the concept.37 However, quite apart from
different definitions, it has also been observed that institutions and individuals change
their definition of the concept over time. At this point we are not giving any documentary
definition of CSR as it would be dealt separately and in depth later on in the study. Thus,
at this point we would go with a working definition from an inter-disciplinary research
perspective for better understanding of the salient features of this research. Hence, “CSR
is the human efforts here on earth to make a positive impact in the society through
sharing the wealth and resource acquired from the society for the growth, progress, and
well-being for achieving happiness which is the goal of human life.” The above working
definition is pretty much in line with a widely often quoted definition by the World
Business Council for Sustainable Development states that: “Corporate social
responsibility is the continuing commitment by business to behave ethically and
contribute to economic development while improving the quality of life of the workforce
and their families as well as of the local community and society at large.”38 Some

36 Mark 12:31.
37 “The Importance of Corporate Responsibility” A While Paper from Economist Intelligence Unit
sponsored by Oracle, 2005.
38 “CSR Definition” <http://www.wbcsd.org/DocRoot/RGk80O49q8ErwmWXIwtfF/CSRmeeting.pdf>,
Retrieved on 03-03-2011.
definitions require that CSR reaches beyond the legal and economic obligations of the company and therefore imply that voluntarism is a characteristic feature of CSR.\textsuperscript{39} This simply means that“...social responsibility begins where the laws ends. And first is not being socially responsible if it merely complies with the minimum requirement of the law, because this is what any good citizen would do.”\textsuperscript{40} Thus, CSR starts where the law ends indicate clearly that everyone’s responsibility in achieving happiness which is the goal of human life.

However, the dynamics of business has crossed its boundaries set decades back and have introduced strong motifs of societal well-beings in dispensing business and fiduciary duties. Today's globally Trans-National Corporations (TNC) or so called Multi-National Corporations (MNC) are turning increasingly sensitive to the needs and aspirations of society at large not perhaps for the love of the society but for selfish self-sustainability. According to Deepak Alse "the world of business … is an unbounded system!… The 'Corporation' is in effect an acceptance of the idea that profit seeking should happen through indirect approaches."\textsuperscript{41} The business of business is longer driven by the myopic vision of satisfying its owners, the shareholders or its own employees. Therefore, the premise of the existence of corporations is to make profits only has had a fundamental and philosophical shift.

Much academic and practical corporate interest has spawned over the last decade, especially during the fierce battles over putting the environment above the greed of uncontrolled productivity and industrial growth. With spurious and unrelenting growth in world trade and commerce the need for industrialization had been the natural logical consequence, however at the cost of destroying global ecology. Globalization, having all its merits and advantages, had to wrestle with rising currents of societal and political unrests by bringing forth a novel idea of integrating society and business under one equation called Corporate Social Responsibility.

\textsuperscript{40} Davis (1973), 312, cited in Ibid.
\textsuperscript{41} “Is Profit as a "Direct Goal" Overrated?” <http://hbswk.hbs.edu/item/6454.html>, Retrieved on 26-02-2011.
The wind of globalization has also touched India and CSR is being interwoven into the psyche of local businesses and individuals. Obviously, the change process is slow and only in its infancy due to not having the proper acceptance at the senior professionals. CSR and organizational sustainability have crossed intellectual boundaries of reason and now are firmly in place, affirming the concept that local and global corporations and individuals need to change their skins on how businesses must be run for continuing to keep clients happy, building future client relations, and being responsible for the societal welfare and environmental safety.

1.3 Some Definitions of CSR and its Evolution

Many definitions abound on CSR. The definition of CSR by the World Business Council for Sustainable Development offers an acceptable one definition in its publication *Making Good Business Sense* by Lord Holme and Richard Watts. They state that "corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large to improve their quality of life." It is also good to look at different perceptions of what CSR mean from a different societies across the world. There are definitions as different as: "CSR is about capacity building for sustainable livelihoods. It respects cultural differences and finds the business opportunities in building the skills of employees, the community and the government" is the perception from Ghana."CSR is about business giving back to society" is the view from the Philippines.

The UN Sub-Commission on the Promotion and Protection of Human Rights recognizes CSR as:

> Corporations and other business enterprises have the capacity to foster economic well-being, development, technological improvement and wealth, as well as the capacity to cause harmful impacts on the human

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43 Ibid.

44 Ibid.

45 Ibid.
rights and lives of individuals through their core business practices and operations, including employment practices, environmental policies, relationships with suppliers and consumers, interactions with Governments and other activities.\textsuperscript{46}

The Canadian Centre for Philanthropy defines CSR as “a set of management practices that ensure that the company minimizes the negative impacts of its operations on society while maximizing its positive impacts.”\textsuperscript{47} This definition therefore provides the link between the decisions tied to the social responsibility and ‘the business’ derived from the respect of the lawyer instruments, the population, the communities, and the environment. However, Social Responsibility is not an economic exchange, not the cost associated with some potential benefit. Nor is it a price that has to be paid in order to receive a reward. Rather, it is based on the acknowledgement of the social bond, the fact that we are all in this together and that many social goods cannot be attained without working together.\textsuperscript{48}

We need to feel a sense of obligation to each other. Individuals in positions of power and privilege need to assist those who are less fortunate. Corporations and individuals need to be responsible for how their actions impact on the welfare of others. Thus, citizenship requires social responsibility, especially within a democracy in which the members of a polity rule themselves.\textsuperscript{49} This feeling of oneness or togetherness is what CSR fosters all through its history, be it, whatever name it occupied from time to time.

Traditionally in the United States, CSR has been defined much more in terms of a philanthropic model. Companies make profits, unhindered except by fulfilling their duty to pay taxes. Then they donate a certain share of the profits to charitable causes. It is seen as tainting the act for the company to receive any benefit from the giving.\textsuperscript{50}

According to the Corporate Social Responsibility Newswire Service the CSR is “the integration of business operations and values whereby the interests of all stakeholders
including customers, employees, investors and the environment are reflected in the company’s policies and actions.”

Similarly, the UNI (Ente NazionaleItaliano di Unificazione) in Italy enumerates the principles on which the CSR is based which can be summarized as:

- first, its voluntary nature, in fact, there are no constraints forcing companies to adopt policies and strategies of social responsibility other than the awareness that being socially responsible creates a competitive advantage;
- second, CSR involves the stakeholders and is viewed as a set of policies, practices and programs which are integrated into all economic operations and decision-making processes. This means that all the individuals involved in the company’s activities — in other words the stakeholders — become the beneficiaries of the company’s activities as well as its reference points.

The following definition in July 2001, by the European Commission with the Green Paper — “Promoting a European framework for Corporate Social Responsibility” better defines the concept of CSR as:

A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. Being socially responsible means not only fulfilling legal expectations, but also going beyond compliance and investing ‘more’ into human capital, the environment and the relations with stakeholders.

The word ‘more’ is highlighted also in the original version of the document: In this way the European Commission wants to emphasize the lack of consideration for the different cooperating actors highlighting, for the future, the urgency of a severe increase of the sensibility and the cures and, at the same time, encouraging the enterprises to the investment in social responsibility as a vehicle for the best competitiveness and enlargement.

The Green Paper also provides the guidelines on how the European Union could promote the involvement process: a voluntary adhesion to a set of management practices to make

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the most of existing experiences, to encourage the development of the society in general, and of the internal dimension of the company itself. It suggests that all the citizens that are implied or related in some ways with the enterprise’s affairs are defined as stakeholders.

The European model is much more focused on operating the core business in a socially responsible way, complemented by investment in communities for solid business case reasons. This model is more appealing and sustainable both at individual and corporate levels because:

1. Social responsibility becomes an integral part of the wealth creation process — which if managed properly should enhance the competitiveness of business and maximize the value of wealth creation to society.
2. When times get hard, there is the incentive to practice CSR more and better — if it is a philanthropic exercise which is peripheral to the main business, it will always be the first thing to go when push comes to shove.

But as with any process based on the collective activities of communities of human beings (as companies are) there is no "one size fits all." In different countries, there will be different priorities, and values that will shape how business act. And even the observations above are changing over time.

For instance, the CSR definition used by Business for Social Responsibility is: "Operating a business in a manner that meets or exceeds the ethical, legal, commercial and public expectations that society has of business." 54

On the other hand, the European Commission hedges its bets with two definitions wrapped into one:

A concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment. A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. 55

When reviewed each of these, they broadly agree that the definition now focuses on the impact of how to manage the core business. Some go further than others in prescribing

54 “Business Library, CSR” <http://findarticles.com/p/articles/mi_m4422/is_6_18/ai_80227334/>; Retrieved on 04-03-2011.
how far companies go beyond managing their own impact into the terrain of acting specifically outside of that focus to make a contribution to the achievement of broader societal goals. It is a key difference, when many business leaders feel that their companies are ill equipped to pursue broader societal goals, and activists such as Friedman argues that companies have no democratic legitimacy to take such roles. Such debates will continue.

Amongst other things, this definition helps to emphasize that:

— CSR covers social and environmental issues, in spite of the limitation in the English term corporate social responsibility;
— CSR is not or should not be separate from business strategy and operations: it is about integrating social and environmental concerns into business strategy and operations;
— CSR is a voluntary concept;
— An important aspect of CSR is how enterprises interact with their internal and external stakeholders (employees, customers, neighbors, non-governmental organizations, public authorities, etc.).

1.3.1 Global Compact — A UN Global CSR Initiative

In 2000, the United Nations (UN) launched the Global Compact international initiative which everyone (Governments, Organizations, and Companies) can join to. The Global Compact is formed by ten principles in the areas of human rights, labor, the environment and anticorruption. The Global Compact is a voluntary international corporate citizenship network initiated to support the participation of both the private sector and other social actors to advance responsible corporate citizenship and universal social and environmental principles to meet the challenges of globalization. UN Secretary-General Ban Ki-Moon describes the relation between markets and societies as "markets can flourish only in societies that are healthy. And societies need healthy markets to flourish." The Global Compact asks individuals and corporate to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labor

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58 Ibid., 2.
standards, the environment, and anti-corruption.\textsuperscript{59} Considering the important of Global Compact initiated by UN, it is worth having a close look at each of the ten principles to bring more light into the CSR awareness and historical relevance. The UN Universal Declaration of Human Rights (UDHR) urged that

\begin{quote}
...every individual and every organ of society ...shall strive by teaching and education to promote respect for these rights and freedom and by progressive measures...to secure their universal and effective recognition and observance.\textsuperscript{60}
\end{quote}

### 1.3.1.1 Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.\textsuperscript{61}

Human Rights has a much longer and more formal history than CSR. For one thing, it has a global framework that is universally agreed upon. The Universal Declaration of Human Rights, which was adopted by the U.N. General Assembly in 1948 after the Nazi genocide drove the international community to articulate a set of inalienable rights and freedoms.\textsuperscript{62}

Human rights violations are an area for caution for many companies all over the world. Every worker should have at his disposal a method by which compensation and justice can be demanded if human rights violation takes place. This is something that corporations can definitely facilitate for better CSR and labor practices.\textsuperscript{63}

### 1.3.1.2 Labor Standards

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

\textsuperscript{59} Ibid., xxxi.


\textsuperscript{61} Andreas Rasche, Georg Kell, \textit{The United Nations Global Compact}, xxxi.


\textsuperscript{63} Ibid.
Principle 4: the elimination of all forms of forced and compulsory labor; Principle 5: the effective abolition of child labor; and Principle 6: the elimination of discrimination in respect of employment and occupation. Today CSR brings an important dimension to the global economy. The term “labor rights or labor standards”, however, is more precise. Since 1948, when the Universal Declaration of Human Rights was promulgated, core labor rights and standards have been recognized by international lawyers as not mere articulations of economic interests but as full-fledged human rights. Workers have the right to “…form and join trade unions…”, and to “…just and favorable conditions of work [and] remuneration…” precisely because establishing such rights pertaining to employment is essential to maintaining an “…existence worthy of human dignity…” It was also understood in 1949 that these substantive human rights entailed, necessarily, concomitant rights to “…an effective remedy…for acts violating…” such fundamental rights. And Global Compact reinforced it later in the beginning of 21st century.

1.3.1.3 Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.

In order to maintain the equilibrium of the nature individuals and corporate have a stake in future generations and the ability of the environment to support life. Collective action is often required to solve environmental problems, and responsible individuals and corporate remain the key venue for most collective action to protect the environment. The term 'sustainable development' began popping up prominently in public policy, and

64 Andreas Rasche, Georg Kell, The United Nations Global Compact, xxxi.
especially environmental debates, beginning with the publication in 1987 of the report ‘Our Common Future,’ by the World Commission on Environment and Development.67

1.3.1.4 Anti-Corruption

Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.68

In the field of CSR anti-corruption standards have received considerably less attention than the issues of labor rights, the environment or human rights. This is understandable, but unfortunate. It is understandable, because at first sight, the negative consequences of corruption on the living conditions of individuals or society are not self-evident. Corruption is still seen by many as a problem pertaining exclusively to government officials and white-collar workers. On the contrary, mainly due to the direct impact that labor rights, the environment and human rights have on our everyday lives, CSR advocates have generally given priority to the advancement of such rights. However, transparent business transactions and ethical dealings guarantee a certain degree of fairness and permit the participation of different interested parties. In turn, these parties, such as civil society, the media, and labor unions, will each strive for their own interests, which will consequently result in better CSR conditions on the whole.69

During the August 2003, the UN Sub-Commission on the Promotion and Protection of Human Rights launched the “Norms on the responsibilities of trans-national corporations and other business enterprises with regard to human rights.”70

In this document, for the first time, the CSR is defined with regards to Human Rights, proclamation rules and monitoring policies.

However, after all the previous definitions about the CSR, the following five topics emerged as priority areas:

70 Ibid., 177.
a. Enterprise’s ethics  
b. Social environment  
c. Loyalty  
d. Corporate citizenship  
e. Sustainable development

In other words, all the above definitions of the CSR are focused on the Triple Bottom Line (TBL) Approach\(^71\) which underscores the fact that companies and other organizations create value in multiple dimensions. This concept captures an expanded spectrum of values and criteria for measuring organizational (and societal) success — economic, environmental and social. The term TBL was introduced in 1994 by John Elkington.\(^72\) The TBL approach was discussed in detail by Elkington in *Cannibals with Forks of the 21st Century Business*\(^73\) and has been elaborated in thousands of company reports and in growing number of books. A linked phrase, 'People, Planet, and Profit' (alternatively People, Planet, and Prosperity), is based on the same concept.\(^74\)

CSR often seem to integrate elements of both values based and cost benefit analysis indicators. This mixed approach often asserts that the most important assessment of a corporation’s performance is not only economic and share value enhancement, but also environmental and social performance indicators. The so called triple bottom line approach to CSR adopts such an approach. The indicators include:

- Enhancement of corporate reputation and brand equity  
- Maintaining the license to operate  
- Enhancing shareholder, investor and community relations  
- Enhancing customer relations and market share  
- Enhancing employee loyalty and productivity\(^75\)

CSR definitions differ from company to company and many use other terms such as sustainable growth, corporate responsibility, social responsibility or corporate citizenship. No matter how it is described, CSR considers the human being as the centre of the economic system. Neither, money nor profit can measure human happiness and well-


\(^{72}\) Ibid.


\(^{74}\) Ramón Mullerat, *International Corporate Social Responsibility*, 150.

The universal values of the individuals and their needs are seen as fundamental and unrepeatable resources. And not just paying attention to what has monetary value; economic analysis misses much of what is happening in the society. Hence, CSR is the business contribution to sustainable development, meaning the way a company balances its economic, environmental and social objectives while addressing stakeholder expectations and enhancing shareholder value.

It is almost impossible to give CSR a universal definition. CSR frequently involves creating innovative and proactive solutions to societal and environmental challenges, as well as collaborating with both internal and external stakeholders to improve CSR performance. CSR basically is an attitude and not a rule, it is a way of life, a multidimensional philosophy of global governance which one can voluntarily subscribe to.

CSR in a general context, the following considerations can be drawn:

1. There is an action of recovery inside the CSR concept, i.e. the will and the hope to give back to the society and to the profit-category (from the Latin word *proficere* = to progress) a positive meaning. Because basically, the CSR acknowledges the debt that the corporate owe to the community within which they operate.

2. The welfare idea has to be considered. There is an intimate relationship between economic welfare and happiness of both the individuals and the communities. This relationship not merely depends on fetching a salary, but also from the functions, motivations, conditions and circumstances of the organizational culture. Thus, man's individual rights to self-respect, dignity, self-determination, and equal opportunities are connected with his social responsibilities toward himself, his family and his society. This promotes a give-and-take relationship between society and human beings which ensures opportunities for growth and for human happiness.

3. The last consideration aims to show how the Triple Bottom Line approach is considered only as a marginal phase of a process started several years ago and still progressing. The CSR concept explains what is seen as a company’s obligation to be sensitive to the needs of all of its stakeholders in its business operations, taking account not only of the financial/economic dimension in decision making but also

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76 David Crowther, Nicholas Capaldi (Eds.), *The Ashgate Research Companion to Corporate Social Responsibility*, (Ashgate Publishing Ltd., England, 2008), 104.

77 Ibid.


of the social and environmental consequences of the Sustainable Development.\textsuperscript{81}

Therefore, CSR could be configured as a new model of economic democracy (with regards to States, local agencies, enterprises, organizations, citizens), joining together with freedom and responsibility to bring about welfare and happiness which ensures the Triple Bottom Line approach.

As we have fair idea of what CSR is about I would like to conclude with one more definition from the Wikipedia, the most used online and free encyclopedia which defines CSR as follows:

Corporate Social Responsibility is a form of corporate self regulation integrated into a business model. CSR policy functions as a built-in, self-regulating mechanism whereby business monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms. The goal is to embrace responsibility, encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere. Furthermore, CSR-focused businesses would proactively promote the public interest by encouraging community growth and development, and voluntarily eliminating practices that harm the public sphere, regardless of legality. CSR is the deliberate inclusion of public interest into corporate decision-making, and the honoring of a triple bottom line: people, planet, profit.\textsuperscript{82}

1.4 Advent of the Term — CSR

The term 'corporate social responsibility' was originally coined in the 1930s by Harvard professors A.A. Berle and C.G. Means.\textsuperscript{83} Although this historical fact is a clue to its meaning, the term has undergone a number of shifts in usage since then. The term corporate social responsibility expresses three key ideas: the idea of ethical responsibility, the idea that corporations as well as individuals can be held responsible, and the idea of obligations towards society at large.

\textsuperscript{81} David Crowther, Nicholas Capaldi (Eds.), The Ashgate Research Companion to Corporate Social Responsibility, 110-111.


\textsuperscript{83} “Philosophy of CSR by Geoffrey Klemperer” <http://www.isfp.co.uk/businesspathways/issue27.html>, Retrieved on 06-03-2011.
Although most of the formal writings on CSR emerged in the twentieth century, the modern discussion of CSR is said to have started in the 1950s with the work of the Howard R. Bowen, the ‘Father of Corporate Social Responsibility.’\(^{84}\) Bowen stated that “by virtue of their strategic position and their considerable decision-making power’ the social responsibility of businessmen is to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society.”\(^{85}\)

The term ‘corporate social responsibility’ came in to common use in the early 1970s, after many multinational corporations were formed.\(^{86}\) During the 1980s and 1990s corporations and academia came into the scene with interest in business ethics. And today the ever growing interest has contributed much relevance for the corporations and society.

The term stakeholder is very broad in terms of CSR.\(^{87}\) A stake holder is “any group or individual who can affect or is affected by the achievement of the organization's objectives.”\(^{88}\) The term stakeholder, meaning those on whom an organization's activities have an impact, was used to describe corporate owners beyond shareholders as a result of an influential book by R. Edward Freeman, *Strategic management: a stakeholder approach* in 1984. Proponents argue that corporations make more long term profits by operating with a perspective, while critics argue that CSR distracts from the economic role of businesses. Others argue CSR is merely window-dressing, or an attempt to pre-empt the role of governments as a watchdog over powerful multinational corporations.\(^{89}\) CSR is titled to aid an organization's mission as well as a guide to what the company stands for and will uphold to its consumers.\(^{90}\) Development business ethics is one of the


\(^{85}\) Ibid.


forms of applied ethics that examines ethical principles and moral or ethical problems that can rise in a business environment. ISO 26000 is the recognized international standard for CSR (currently a Draft International Standard).\textsuperscript{91} Public sector organizations (the United Nations for example) adhere to the triple bottom line (TBL). It is widely accepted that with no formal act of legislation CSR adheres to similar principles. The UN has also formulated the Principles for Responsible Investment as guidelines for investing entities.

1.4.1 CSR: A Multipurpose Concept

Social Responsibility as a concept has been described in a number of ways by different writers. Most of these descriptions are inescapably guided by educational background, exposure, interest, as well as values embodied in the writer’s frame of reference. The concept of social responsibility proposes that business organizations have responsibilities to society that extend beyond profit maximization.\textsuperscript{92} There are as many definitions of CSR as there are writers, leaving the concept fuzzy and open to conflicting interpretations. Some writers have equated CSR to morality, environmental responsibility, stakeholders’ engagement, corporate citizenship, social responsible investment, sustainability etc. All these render CSR a multipurpose concept.

1.4.2 CSR: A Catalyst for the Emergence of Corporate Conscience

Despite this surge in definition, Luttans and Hodget (1976) noted that a classic discussion of social responsibility is the obligation of the businessmen to pursue these policies, to make decisions or to follow those lines of actions, which are desirable in terms of objectives and values of the society. In the words of Jones and George (2003) the term social responsibility refers to a manager’s duty or obligation to make decision that nurture, protect, enhance, and promote the welfare and well-being of stakeholders and

\textsuperscript{91} Andreas Rasche, Georg Kell, \textit{The United Nations Global Compact}, 304.
society as a whole. The European Union (EU) defines CSR as “a concept whereby a company integrates social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” as they are increasingly aware that responsible behavior leads to sustainable business success. At the heart of this definition are McWilliams and Siegel’s (2001) explanation of CSR as “… actions that appear to further some social good, beyond the interests of the firm…” George A. Steiner defines CSR as "the recognition and understanding of the aspirations of the society and determination to contribute to its achievement." Thus the concept of CSR has caused the emergence of Corporate Conscience.

As straightforward as these definitions seem, social responsibility can be a difficult concept to understand and practice. This is because different people have different organization to undertake its social responsibility can lead to regulation by government and an opposition by the society. The ability of an organization to make meaningful positive impact and reduce deliberately, its negative influence on the society is an integral part of its social responsibility. However, an action must be voluntary to qualify as a socially responsible action.

1.5 Turning Point in the Evolution of CSR

The idea of social responsibility appeared in the United States around the start of the 20th century. According to Carroll (1989), there have been three critical turning points in the evolution of the social responsibility.

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93 Greth R. Jones, Mary Mathew, Organizational Theory, Design, And Change, 5/E, (Dorling Kindersley, Noida, 2009), 203.
95 Banerjee Bobby Subhabrata, Corporate social responsibility: the good, the bad and the ugly, (Edward Elgar Publishing, Massachusetts, 2011), 16.
96 Ortiz Martinez E & Crowther D, Corporate Social Responsibility creates an environment for business success; in D Crowther& R Jatana (eds), Representations of Social Responsibility Vol I; (Hyderabad; ICFAI University Press, 2005), 125.
97 DaftL. Richard, Marcic Dorothy, Understanding Management, (Cengage Learning, Mason, Ohio, 2008), 130.
99 Anne T. Lawrence, James Weber, Business and Society: Stakeholders, Ethics, Public Policy, (Tata McGraw-Hill, New Delhi, 2010), 60.
1. *Entrepreneurial Era*

The first one he called Entrepreneurial era. This was the time in which American business magnates like John Rockefeller, Cornelius Vanderbilt, J.P. Morgan, and Andrew Carnegie were amazing wealth and building industrial empires.

Unfortunately, some of them abused their power and were found guilty of antisocial and anticompetitive practices such as labor lockouts, discriminatory pricing policies, kickbacks, blackmail, and tax evasion. There were public outcries against them and government was forced to outlaw some business practices and restrict others. The laws also defined the relationship among business, the government, and society and specified that business had a role to play in society beyond profit maximization.

2. *Depression Era*

The next turning point occurred during Depression era of 1929 through the 1930s. And this time, the economy of the United States was dominated by large organizations, and many people criticized them for sharp financial practices. This made government to pass more laws to protect investors and smaller businesses. And by extension, the social responsibility of the organization was more clearly defined.

3. *Social Era*

The third landmark in the social responsibility came during the Social era of 1960s. This period was characterized by social unrest in the United States. This made government to take a close look at organizational practices. At this time it was clearly defined whom the business is responsible to and who in an organization is responsible for the organizational practices.

The last turning point in the evolution of CSR, according to Goddard (2005) came in 1953 with the publication of Bowen’s book: *Social Responsibilities of Businessmen*. At that time, the emphasis was placed on people’s conscience rather than on the company itself. A number of factors such as managerial revolution, a growing hostility of people who experience social problems demanding changes in business led to the shift in focus. Thus, the term ‘CSR’ is used to connect business activities to broader social

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accountability and successful benefits for the welfare and happiness of the society as a whole.

“Are you a good corporate citizen?” That rhetorical question was asked by Ben W. Heineman Jr., senior vice president for law and public affairs at General Electric Corporation, writing in the *Wall Street Journal* (6/28/2005). His question helps to set the tone for the topic of corporate social responsibility as a vital part of the Essential Knowledge Project which trigger a spell of responsibility to every corporate and individuals.

### 1.6 Corporate Involvement in CSR and their Benefits

Today, more and more companies are realizing that in order to stay productive, competitive, and relevant amidst modernization and globalization, they have to become socially responsible. The corporate conscience of being a responsible citizen is triggering the realization. Perhaps, Adam Smith, the father of Economics, would say it bit differently:

> It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages.

In the last decade, globalization has blurred national borders, and technology has accelerated time and masked distance. Given this sea change in the corporate environment, companies want to increase their ability to manage their profits and risks, and to protect the reputation of their brands. Because of globalization, there is also fierce competition for skilled employees, investors, and consumer loyalty. CSR helps in building a reputation as a responsible business and a good corporate citizen. How a company relates with its workers, its host communities, and the marketplace can greatly contribute to the sustainability of its business success. Similarly, corporations with good CSR attract skilled and highly professional hands as compared to their peers. Investors

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also prefer to part their stake in companies with social sensibility and concern for environment.

High performance and high integrity are good for the bottom line — for successful companies and, indeed, for 21st-century capitalism. It blends strict adherence to capital performance with integrity to never allow that commitment to corrode those principles.\textsuperscript{104}

On the whole, corporate involvement in the socially sensible activities mutually benefit society and the company thereby promoting growth and progress.

1.7 Role of CSR in Local and Global Development

Scholar Heike Fabig and consultant Richard Boele observe that, the majority of today's debates regarding the practices of CSR "are conducted at the intersections of development, environment and human rights, and are more global in outlook than in the last part of twentieth century or even in the 1960s."\textsuperscript{105} Today CSR has penetrated even into the psyche of the local community as the corporate began speaking their language. Increasing vernacularization of CSR rhetoric in the public sphere. Terms germane to CSR — such as 'community stakeholders,' 'socially responsible investing,' 'fair trade,' 'green design,' 'sustainable development,' 'compassionate capitalism,' and 'long-range social return' are not strange anymore. The wave of CSR's vernacularization has taken place just in the past several years, as corporations have adopted the language of citizenship to express their commitment to social responsibility.\textsuperscript{106}

The business community can make tremendous contributions in promoting good health and well-being, especially if innovative CSR initiatives are undertaken in partnership with government and civil society. In all but the most remote areas or closed societies, business has massive reach and influence. For decades, business has been engaged in charity, philanthropy, and civic activities including social investments in health.\textsuperscript{107}


\textsuperscript{105} D. Robert De Chaine, \textit{Ethos in a Bottle}, in Rebecca Dingo, J. Blake Scott (Eds.), \textit{The Megarhetorics of Global Development}, (University of Pittsburgh Press, Pittsburgh, 2012), 82.

\textsuperscript{106} Ibid.

\textsuperscript{107} In the 1870s steel baron Andrew Carnegie earned a reputation as an “enlightened industrialist” by building model communities for his workers and prescribing eight-hour workdays before such became law. In the 1930s the Rockefeller Foundation, before the establishment of the UN and WHO, functioned
However, oftentimes these investments were less than strategic, and were not directed to real social change. Today, business understands that viewed through lenses of ‘doing well by doing good,’ CSR can be a revolutionary way of contributing to systemic social changes in which investments can produce lasting social benefits in the food, shelter and cloth arena and beyond.

Since the advent of the 21st century, governments from all over the world, the UN and IFIs(International Financial Institutions), have increasingly begun to speak with one voice on the question of how to balance the economic and social objectives of development.

To some extent this convergence reflect the renewed ascendancy of the UN in development think and policy, and the fact that its concerns with the application of neo-liberal ideas and economism in developing countries were being taken seriously after nearly two decades of having been side-lined both discursively and in policy arenas by the World band and the IMF. Key in this process were the global UN Summits of the 1990s, the work of commissions such as the World Commission on the Social Dimensions of Globalization, the renewed attention to human rights and right-based development, led in particular by Mary Robinson, and the Millennium Declaration, which re-asserted poverty reduction as a top development priority.108

Convergence is also evident in widespread agreement on contemporary development and institutional priority and objectives, notably poverty reduction. In this field there is an implicitly compromise that involves a commitment to selected poverty reduction targets whilst keeping largely off-limits questions of structural change related to the power relations, distribution, and inequalities that perpetuate poverty.109

CSR is thought to play a key role in this new development and governance approach both locally and globally. This was stated explicitly by the former UN Secretary-General, Kofi-Annan, in an address at the World Economic Forum in 1999 when he proposed a new 'global compact':

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109 Ibid.
There is enormous pressure... to load the trade regime and investment agreement with restrictions aimed at reaching adequate standards in human rights, labor and the environment. These are legitimate concerns. But restrictions on the trade and impediments to investment flow are not the best means to use when tackling them. Instead, we should find a way to achieve our proclaimed standards by other means. And this is precisely what the compact I am proposing to you is meant to do... [Y]ou can promote these values... by tackling them directly, by taking action in your own corporate sphere... You can uphold human rights and decent labor and environmental standards directly, by your own conduct of your business... But what, you may be asking yourselves, am I offering in exchange? The United Nations agencies... all stand ready to assist you, if you need help in incorporating these agreed values and principles into your mission statements and corporate practices. And we are ready to facilitate a dialogue between you and other social groups, to help find visible solutions to the genuine concerns that they have raised... More importantly, perhaps, is what we can do in the political arena, to help make the case for maintaining an environment that favors trade and open markets.110

Thus, the key role of CSR in the local and global development in alleviating poverty and bringing about progress in the society is evident.

1.8 Philosophical Impetus

According to the Greek philosopher Heraclitus, "you cannot step twice in the same river."111 Change is the synonym of twenty first century, storming with rapid technological advancement and modernization. Internet has revolutionized the business to a different level of operations and strategy. Globalization of business is gaining massive attention as the strategy for survival, competence, competitiveness and growth. Success of a business firm depends on its ability to cope with the changes in the environment. An organization is a part of a larger continuum which is the society. Everything in the society other than the organization itself, is the environment of the organization.112 Changing conditions in the environment can very much influence the operations and plans of the firm both locally and globally. Globalization has necessitated academic enquiry into Corporate Social Responsibility introducing the triple bottom line principle which calls

110 Ibid., 178.
for integration of the environmental, social and economic responsibilities in order to maintain a sustainable growth and development of a modern corporation in the globalization era.

Most of the philosophical positions and scientific attitudes that we recognize today have their germ in ancient Greece. Like pragmatism, humanism is usually said to spring from the sophist philosopher Protagoras and his dictum: “Man is the measure of all things, of things that they are, and of things that are not that they are not.”\(^{113}\) Thus, we see that CSR has its roots deeply in ‘Humanism.’ In its modern context 'humanism' originates from about 1860, derived, it seems, from Comte's 'religion of humanity.'\(^{114}\)

This research aims to investigate and come up with a philosophical critique on how the socio-economic value of profit making businesses are responsible and successful in considering the Corporate Social Responsibility utilizing *Corporate Conscience* as the yardstick. This approach calls the corporate for a paradigm shift from mere profit making enterprise to a socially responsible participative mechanism to build the society in the global village phenomenon devoid of the basic human nature of greed, self-interest, selfishness, jealousy, ego etc.

Notwithstanding the conspicuous differences between the accounts of the concept and definitions of CSR offered by the literatures, there is wide agreement on the central features of what is commonly called the doctrine of CSR. In sum, CSR addresses some of the following areas:

1. The environmental dimension
2. The human resource dimension
3. The philanthropic dimension
4. The human rights dimension

Thus, the main thrust of the CSR is defined and refined as per the need of the time, relevance, and situations. However, my intention in this research is to probe into the philosophical undertone of the eastern and western philosophies and philosophers whose ideas have given flesh and bone to the concept of CSR to contribute positively to the development of the society at large.


I have found that not many studies and researches have been conducted on this topic, which is why I am prompted and excited to venture into a philosophical study on CSR and its impact on the society. Influence of the eastern and western philosophers and philosophies have contributed to a great extent in shaping up CSR as a driving force to motivate corporations to use part of their profits to the benefit of the less privileged in the society.

Man is a social animal,115 his development depends upon not only on the development of his individual life but it also includes the social life. Now let me take a glance at the early eastern or rather Indian philosophies and philosophers whose philosophies gave remarkable roots to the ideology of CSR practices today. Business practices based on moral principles were advocated by the Indian statesman and philosopher Kautilya in the 4th century B.C116 gives an early account of CSR. *Niskhkama Karma* (selfless service) is the guiding star that makes us realize to do something for the well being of the community. "To action alone thou has a right and never, at all, to its fruits, let not fruits of action be thy motive, neither let there be any attachment to inaction."117 This famous and often quoted verse of Gita lays down the essential basic principle which should govern all our actions in everyday life, meaning work without concern for the result or fruit of action. Just as every drop of rainwater flows ultimately to the ocean, every drop of one’s sweat should finally flow into the reservoir of common good, love, truth, compassion, protection and worldly prosperity to light the path of one’s life or for others. Let me now quickly give a glance to the ancient Indian philosophy which has laid down foundation for CSR in the second millennium B.C. The ancient Indian philosophy has six systems which are known as *sadarshanas*. All the six systems of Indian philosophy aim at individual liberation through cessation of pain and suffering.118 And the Indian philosophers believe that the root cause of all pain and suffering is ignorance (*ajanana*).119 Therefore removing ignorance and finding the right knowledge of reality (*tattvajnana*) is

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117 Bhagavad Gita, Chapter II, Verse. 47.
118 Rajmani Tigunait, *Seven Systems Of Indian Philosophy*, (Himalayan Institute Press, Pennsylvania, 1983), 70.
the right way for liberation of the self and soul. Thus, this could be amplified as the strongest philosophical foundation for the CSR activities as it is seen today. Even one of the aims of this research itself is to bring CSR awareness in the society — *tamaso ma jyotirgamaya* — from darkness to the light. Removing the ignorance through the right awareness of CSR to eradicate pain and suffering and thereby making the happiness quotient of the society stronger.

The yoga scheme for self-realization provides a solid foundation for the corporate to maximize profit and yet at the same time involve themselves — keeping the selfishness and egoism apart for the welfare of the society as a responsible citizen. According to yoga philosophy (*karma yoga* – path of action) the greatest of all austerities is to perform one's duty skillfully and selflessly for the sake of duty and in the service of others without any intention of enjoying the fruits of one's actions oneself.\(^{120}\)

Glimpse of these deeper realities of the society have been caught not only by the seers and saints of different countries, but also by some great philosophers.

When a corporation attains kind of liberation, other than the prime motive of making profit, and profit maximization — the corporation thinks of entering into CSR. Thus, the corporate attains the true knowledge of reality by removing ignorance. Then they realize that the maximized profit should be shared for the well-being of the society.

Thus, the pain and suffering in the society calls the corporations for *vivekajnana* (discernment). Which means knowledge is not merely an intellectual understanding of the truth, but a clear realization of the reality as well. And as the corporations are aware of the reality around and voluntarily be responsible for liberating the society from its pain and suffering through CSR. This may be called as a *jivamukti* (emancipating the society through CSR while maximizing the profit) by the corporate.

Poverty or deprivation is the root-cause of today’s plight not only in the economic sense but also in the emotional, intellectual and spiritual sense. It is the *Gita-Rahasya*\(^{121}\) of Bal Gangadhar Tilak that provides the nourishment in all of these spheres as he was the first one to interpret Gita in the light of practical living. His ideal of *Lokasamgraha* (Public

\(^{120}\) Rajmani Tigunait, *Seven Systems Of Indian Philosophy*, 158.

\(^{121}\) Bal Gangandhar Tilak, *Gita Rahasya*, English translation by B.S. Sukthankar, (Tilak Bros., Poona, 1915), 76.
Good) promotes goodness in all these aspects. This path will uphold the family as well as organizational and the social fabric.\(^{122}\) Thus, it promotes not only individual good but also social good. It encourages and forces each individual to transcend the narrow considerations of me, my family, my state or nation instead think in terms of a global responsible citizen. As a global citizen one works for the happiness, harmony and prosperity of all. The world as we experience it is the real specimen of interconnectivity where no man is an island. Cooperation is, thus, the clarion call of the *Gita* and *Gita-Rahasya*. Where, individuals have become more and more insignificant due to the impacts of technological, political, economic and social forces, *Bhagavad-Gita* and *Gita-Rahasya* reinitiate harmony and happiness in our hearts.

Thus, *Gita-Rahasya* presents us radical reorientation of *Bhagavad-Gita* to suit the contemporary needs of the society at large. There is no doubt that for Tilak, the three main paths to liberation — *karma*, *jnana* and *bhakti* — are harmonized in the Gita.\(^{123}\) Thus, in Gita-Rahasya, Tilak provides global perspective with global consciousness of *Vedantic* spirit — *ahambrhamasmi*, to transcend the barriers between self-interest and public interest. And for Tilak, *nishkama karma* will bridge the gulf of self-interest and public interest culminating in *lokasamgraha*.

Mahatma Gandhi advocates *Sarvodaya* which means service to all and not the services to the maximum number. *Sarvodaya* philosophy is not merely a theory of ethical justice, but it is also the sheet anchor that lays great emphasis on distributive social and economic justice.\(^{124}\) Also this philosophical critique of CSR forces me to look into his ideals of *trusteeship*.

It is worth noting the ever meaningful words of the great Indian Philosopher, Dr. Radhakrishnan:

> We should like our generation to go down in history not as one which split the atom and made hydrogen and nuclear bombs, but as the one, which brought together the peoples of the world and transformed them into world community and we have to develop new methods of human relationships

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\(^{122}\) Prof. (col) P.S. Bajaj, Raj Agrawal, *Business Ethics: An Indian Perspective*, (Dreamtech Press, New Delhi, 2004), 216.


\(^{124}\) Anil DuttMisra, SushmaYadav, *Gandhian Alternative (vol. 3: Socio-Political Thoughts)*, (Concept Publishing Company, New Delhi, 2005), 118.
and build bridges of understanding, goodwill and togetherness for World Federation and enduring peace, progress and prosperity on our planet.\textsuperscript{125}

It is difficult to conduct any philosophical enquiry about the concept of CSR without referring to the Greek philosophers. A robust account of the virtues, such as the one offered by Aristotle, requires clearly identifiable goods connected with the norms and practices of human beings who identify themselves as members of communities that are culturally and historically situated. Aristotle argues that \textit{eudemonia},\textsuperscript{126} a particularly deep form of happiness, is the prime example of the common good—something we can only achieve in collaboration with others. For Aristotle, the goal of life or \textit{telos} of life was \textit{eudemonia} which he refers as \textit{living well, doing well}.\textsuperscript{127} \textit{Koinonia} is a complex, rich and thoroughly fascinating Greek approach to building community or teamwork.\textsuperscript{128} It literally means communion by intimate participation. The concept \textit{Koinonia} simply reminds us that CSR is possible when corporate and individuals intimately associate with the society.

Values play an important role in life as well as in philosophical enquiry. Abraham Maslow declared the five basic needs of human individuals,\textsuperscript{129} implying that individuals would strive for the next need as soon as the former has been fulfilled. His contemporary, Clair Graves, concluded that there are many ways of achieving these needs.\textsuperscript{130} Individual persons, as well as companies and societies, undergo a natural sequence of orientations (Survival, Security, Energy & Power, Order, Success, Community, Synergy and Holistic Life System). These orientations brighten or dim as life conditions (consisting of historical \textit{Times}, geographical \textit{Place}, existential \textit{Problems} and societal \textit{Circumstances}) change. The orientations impact their worldview, their value system, belief structure, organizing principles and mode of adjustment.\textsuperscript{131}

\textsuperscript{125} Anil DuttMisra, SushmaYadav, \textit{Gandhian Alternative (vol. 3: Socio-Political Thoughts)}, (Concept Publishing Company, New Delhi, 2005), 116-7.
\textsuperscript{127} Ibid.
\textsuperscript{129} Paul W. King, \textit{Climbing Maslow's Pyramid}, (Troubador Publishing Ltd, UK, 2009), 3.
Utilitarianism is a moral theory proposed by Jeremy Bentham and John Stuart Mill.\textsuperscript{132} It states that all action should be directed towards achieving the greatest happiness of the greatest number of people. The corporation is to be managed under Kant’s principle of respect for (all) persons as ends in themselves. Levinas’ and Buber’s moral philosophy for one has this positive sense of freedom contributing to a fundamental openness to others, to an understanding of the other’s need for freedom and consequently, to any ethical intention.

Naturalism commonly refers to the viewpoint that laws of nature (as opposed to supernatural ones) operate in the universe, and that nothing exists beyond the natural universe or, if it does, it does not affect the natural universe. Adherents of naturalism (naturalists) assert that natural laws are the rules that govern the structure and behavior of the natural universe, that the universe is a product of these laws.\textsuperscript{133} And finally the Law of Nature, which is the guiding principle and unwritten laws for the sustenance and equilibrium of the universe.

\textbf{Conclusion}

When discussing CSR, some prefer corporate responsibility (CR) to avoid the assumption that it is limited to ‘social’ concerns (strategic philanthropy and community relations). Others use ‘social’ responsibility to avoid the stigma that this topic only relates to businesses driven to place profit over social principle. Those who prefer ‘social’ without the modifier ‘corporate’ recognize that non-profits and governmental organizations are and should be held to responsibility standards. By whatever name, interests of organizations cannot long be at odds with mutual interest and common good.

Consideration of Corporate Social Responsibility is as old as organizations themselves. The central question always has been this: Does each organization, as it strives to achieve its mission and vision, add value to the society which franchises its existence? Long

\textsuperscript{132} Denise Cummins, \textit{Good Thinking: Seven Powerful Ideas That Influence the Way We Think}, (Cambridge University Press, New York, 2012), 70.

before consideration focused on business, especially large corporations, questions about CSR addressed the rationale and acceptability of government and religions.

Religions and philosophies from time immemorial have been propagating the aspect of giving generously or sharing the fortunes with the underprivileged and marginalized in the society. But often the great propaganda of the religions and philosophies remained intact in the rat-race of the profit making in the business world. But today we see more and more people becoming aware of the value of caring for the well-being and welfare of the society. Thus, they come forward voluntarily to support the weaker sections of the society irrespective of any personal gains, considering the well-being and welfare of the society is their concern too.

As we take a leap into the next chapter, it is good to be well informed about the concept and its roots that gave impetus to the modern trend called CSR.