

CORPORATE SOCIAL RESPONSIBILITY AS BUSINESS ETHICS

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Abstract:

Conventionally the basic motive of the corporate sector is to earn and maximise profit. According to the environmental experts the maximisation of profit cannot take place at the cost of environmental degradation as it can jeopardize the existence of mankind. There are many laws and rules on this matter. It is the social responsibility of the corporate sectors to maintain these laws and rules. This paper examines the meaning and relevance of such social responsibility and it also examines the activities of some corporate sectors in practice. The paper also provides an attempt to introduce the term 'ethics' in the business world which is usually used in the philosophical sense.

Introduction

The fundamental mechanism behind the growth of any corporate sector is based on the interaction between demand and supply forces. Alternatively in the classical economics it is also said that – supply creates its own demand. But there should have the sense of social responsibility as one of the determinant factors behind supply side. In the absence of such sense the long run sustainability of any corporate sector also can be jeopardized. For instance cigarette manufacturer cannot deny the harmful effects on the health and at the same time with the rising number of cancer patients the average revenue of that manufacturer may be reduced as people will be more aware about the consumption of cigarette in the long run. So here, the social responsibility of the manufacturer is not to stop the production, rather it should be not to induce the people to smoke and if possible to reduce the harmful effects of smoking gradually through innovations. Thus for any company social responsibility becomes to maintain balance between its own interest and the interest of the society.

Statement of the Problem:

There are many paradoxical dimensions of the activities of the corporate sector in any society. The industrial organisations have given us many products which have made our lives so easy and full of happiness. At the same time these organisations have brought

different types of pollution. These are also responsible for the loss of moral values in human life under the guidance of consumerism. If we stop the industrial activities then there will be severe crisis in the society in every respect. Besides there will be negative growth of income and employment in the economy through multiplier effect. Thus, the question of corporate social responsibility arises from the conflict between the eternal forces of human existence and the realistic forces of human needs. According to the environmental experts production is the transformation of energy from one form to another form. So, according to them growth cannot take place in the real sense for two reasons. Firstly total energy in the universe is fixed. Secondly energy cannot be created. Now the corporate sectors have responsibility to provide a positive direction to the process of this transformation of this energy. To maintain a standard rate of profit forever the corporate sectors require the growth and development of the economy which is sustainable in the long run.

Objective of the Paper

The main objective of this paper is to analyse various dimensions of corporate social responsibility and to discuss the performances of some of the leading corporate sectors on this ground. Such analysis is very much