### Learning booklet 1

# What is Corporate Social Responsibility

### Prevailing Connotations on CSR

1. Corporate Social Responsibility (CSR) is a concept that has had many connotations and definitions.

Over the years, CSR has been perceived as:

* an act of kindness, or a philanthropic act of a corporation;
* donations given to poor communities, orphanages, and to other vulnerable sectors of society; and . . .
* . . . even corporate and/or government pro-people policies such as *“the inclusion of people with disabilities in the labour market”.*

### Principles of Sustainable Development and the International Community

2. However, a more clear definition has been articulated in the recent years through the formulation of definitions and guidelines on “sustainable development” by the international community.

**Sustainable development**

3. One of the most broadly accepted definition of sustainable development is in the 1987 World Commission on Environment and Development (the Brundtland Commission), which says that:

***“Sustainable Development is development that meetsthe needs of the present***

***without compromising the ability of future generations to meet their own needs”***

4. Developments have also taken place within the United Nations (UN), the European Union (EU), and the Organisation of Economic Cooperation and Development (OECD) in their articulations on “sustainable development”.

5. From a “voluntary approach” which the international community has adopted earlier, today we witness a more demanding pronouncements on sustainable development from international bodies like the EU ( should have…) and OECD (should….)

#### European Union (EU)

6. "The responsibility of enterprises for their impacts on society should have in place a process to integrate social, environmental, ethical human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders".

#### Organisation of Economic Co-operation and Development (OECD)

7. “Enterprises should contribute to economic, environmental and social progress with a view to achieving sustainable development”.

CSR From A Sustainable Development Perspective

8. Thus, from a “sustainable development” perspective, and based on a more common international perception on the responsibilities of enterprises towards sustainable development, Corporate Social Responsibility (CSR) is:

***“. . . How corporations take***

***responsibility for contributing while***

***not becoming a barrier to***

***sustainable social, environmental***

***and economic development.”***

### Points of Departures for an Advocacy towards a Principles-Based CSR

More importantly, from a “sustainable development” perspective, the above CSR definition, a few fundamental concepts can be derived as points of departures for advocacy efforts towards a principles – based approach to Corporate Social Responsibility (CSR), as follows:

* That there should be continuing commitment by corporations to behave responsibly
* That business should contribute to sustainable economic development
* That business needs to improve the quality of life of the workforce and their families
* That business takes responsibility in the improvement of the quality of life of the community and of the society at large