Chapter 83

The Breath of Life:
From Philanthropy to Global Corporate Citizenship

Gönül Kaya Özbağ
Kocaeli University, Turkey

ABSTRACT

This chapter aims to contribute to the debate about corporate social responsibility (CSR), sustainable development (SD) and global corporate citizenship (GCC) that is becoming increasingly an important issue for the human well being as well as that of ecological systems. It contains three sections. The first section looks at the concept of CSR with a historical perspective. The dimensions of CSR and its relationship with ethical theories is investigated in the second section since CSR is an ethical concept. Throughout this chapter three main groups of ethical theories classified by Garriga and Mele (2004) will be presented such as normative stakeholder theory, universal rights, the common good approach. Based on the relationship between common good approach and sustainable development, the author will discuss a requirement for global corporate citizenship approach in the third section.

INTRODUCTION

Breath is used in the Bible as a powerful symbol of the life-giving presence of God. The breath is often equated with life itself and also physical, mental and spiritual wellbeing of an individual in almost every society. Like life-giving presence of God, by contributing to social and natural environment, responsible corporations give a breath of life, in order not to wake up in the middle of sleep, gasping for air. The United Nations Environment Program (UNEP) report saying that, *there was a growing gap between the efforts to reduce the impact of business and industry on nature and the worsening state of the planet* is a strong indicator that people are in a deep sleep. The need for a positive relationship between business and society is putting increasing emphasis on firms' social responsibility. In fact, at present much of the discourse in strategic management is dedicated to understanding non-economic motives and socially co-operative behaviour towards sustainable development (Ahen & Zettining, 2015). Accordingly, this chapter aims to contribute to the debate about corporate social responsibility (CSR) and global corporate

citizenship (GCC) that is becoming increasingly an important issue for the human well being as well as that of ecological systems. It is written as a descriptive document to enhance the understanding of CSR and GCC within the context of strategic management.

This chapter contains three sections. The first section looks at the concept of CSR with a historical perspective. It is seen that in the eighteenth century, some enterprises internalised responsibilities for their employees that were habitually motivated by both the religious and ethical beliefs of the owners and fear of labour dissatisfaction and radical action (Bredgaard, 2003). This section goes back into the literature in order to understand how the concept of CSR has evolved over time and what alternative interpretations and approaches have emerged in discussions on CSR. As the expectations of the society and stakeholders have become so varied today, the historical journey of CSR will clarify how the meaning and thus the responsibilities of the corporations are altered by increasing awareness through time. Since the formal writing on social responsibility, is largely a product of the 20th century, especially the past 60 years ending with the era of global sustainability is emphasized here.

The dimensions of CSR and its relationship with ethical theories is investigated in the second section since CSR is an ethical concept. Throughout this paper three main groups of ethical theories classified by Garriga and Mele (2004) will be presented such as normative stakeholder theory, universal rights, the common good approach. Although Garriga and Mele's (2004) classification is the basis of this theoretical view, it is discussed if the common good of the society may better serves to sustainable development since it gives priority to the needs of the human being rather than the interests of other groups. In common, ethical theories are based on principles that express the right thing to do or the necessity to achieve a good society. However, the essential question here is how conflicting stakeholder interests will serve to the common good of society. It's explicit that these seem to require a more sophisticated understanding of the ''common good'' and the responsibilities of enterprises to society.

Based on the relationship between common good approach and sustainable development, the paper will discuss a requirement for global corporate citizenship approach in the third section. Old ethical rules are timeless principles and they can be expanded to global corporate citizenship. Corporate citizenship that is simply defined as sense of belonging to a community should be expanded to a global perspective for solving challenging global problems. Relatedly, Hart (2005) argues in his book there are *unlimited business opportunities in solving the world's most difficult problems*. Muhammad Yunus (2008) is an impressive example of a social entrepreneur who was awarded the Nobel Peace Prize for founding the Grameen Bank and pioneering the concepts of microcredit and microfinance. These loans are given to entrepreneurs who are too poor to qualify for traditional bank loans. Prahalad (2004) developed a different approach and argued that selling to the poor can also be profitable. Although Prahalad's argument will lead to poverty alleviation, viewing the poor as producers is more effective approach than viewing them as consumers. Instead of giving charity to the needy, the worthwile answer can be traced in the famous words of the old Chinese proverb, *Give a man a fish and you feed him for a day. Teach a man to fish, and you feed him for a lifetime*. The paper will conclude with some brief reflections on how this model of global corporate citizenship can appropriately be understood to serve the sustainable business.

FROM PHILANTHROPY TO CORPATE SOCIAL RESPONSIBILITY

Although the concept of CSR is introduced by Bowen in 1953, the history of social interest about business appears with a journey from being a philanthropic view to a strategic view trying to balance economic,

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