

Corporate social
responsibility
environmental
disclosures
philosophy essay



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In many nations debates over current global issues such as climate change and poverty are sites of educational, social and political conflict. This paper explores the academic attempt made by Human Development (HD) model, to address Corporate Social Responsibility (CSR) environmental disclosures in annual reports. Also this essay seeks to examine the impact of the notion of social contract and legitimacy upon corporate responsibility and Environmental Disclosure Policies. Discussion then shifts to an ecocentric critic on Marx and an ecofeminism critic on Frankfurt school on ecological crisis. As a way forward, an ecocentric outlook is introduced. The paper ends with conclusion.

Introduction

There is a growing understanding that the current crisis we face is both ecological and social furthermore the global challenges of poverty, that are foreseen to grow in many ways through Climate Change - demand constructive, innovative and forward looking approaches between development sectors (World Bank, 2003). In recent years, there has been a proliferation of corporate social and environmental disclosures in business practice (Coles and Murphy, 1999). This study goes further than accepting the achievements in voluntary environmental disclosures in (CSR) annual reports, into actual commitment by the industrialized world in tackling environmental degradation. It critically evaluates the impact of mainstream notion of social contract and legitimacy in (HD) literature upon corporate responsibility disclosure policies theoretical arguments a way forward, an ecocentric perspective is introduced, one that draws leading an ecologically informed philosophy of internal relatedness to narrow the gap between (CSR)

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environmental disclosures and actual commitment to environmental protection.

Description of a New Sustainability view

Ever since the Bruntland Commission introduced the concept of Sustainable Development in its seminal report, *Our Common Future*, (UN, 1987).

Governments and their development partners at the national, regional and international level have struggled to operationalize the concept of sustainability in development policies, programs and plans (World Bank, 2003). Part of the reason for this struggle is because sustainability is a highly complex concept that over time has come to mean different things to different people (Pepper, 1996). Sustainability actually describes several different approaches as well these approaches carry with them different visions of society and different political commitments to action (Pepper, 1996).

Although, the sustainability defining roots come largely from environmental-economic fields (Constanza et al, 1992) the concept of Sustainable Development incorporated other aspects questioning justice, poverty, inequality, and people's aspiration for a better life, only to mention a few (Naess, 1990). As a result, cultural, technological, ethical ambits have been most recently introduced in various innovative ways to better picture a multidimensional and integrated perception of the sustainability notion in an attempt to achieve progressively, what has called; a " public relation response" between business sectors and environmental organizations (Coles and Murphy, 1999). Like many critical theorists, we are strengthening

corporate responsibility as fact that must be taken into account when talking
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of people and their environment, not only on the things that affect them but also on things on which they have an effect (Naess, 1999). Under this idea, sustainability has been recently defined in Human Development model with rather different and new terms and further characterizations demonstrating levels of interaction between business sectors and nature originating thoughts from many authors; such as Coles and Murphy, 1999), who has for instance defined it as: “ a proactive environmental management”.

CSR- Corporate Social Responsibility

Corporate Social Responsibility (CSR) in (HD) has emerged largely since the 1950s, but its origins in the UK can be traced back to nineteenth century and early twentieth century philanthropists, many of whom left a lasting legacy; for instance, William Cadbury, who became a leading philanthropist as a result of successful business endeavors at the turn of the twentieth century (the ‘ William Cadbury Trust’). Since then Businesses sectors has been engage in (CSR) for diverse reasons, driven by economic, ethical and other considerations. The conception of (CSR) is closely related to the conception of the social accountability in Human Development (Coles and Murphy, 1999).

It is evident in this post-modern world that the business (CSR) annual reports have moved away from narrow financial disclosures to the disclosure of a number of broader social issues for a larger audience on a voluntary basis ranging from information about employees, political and charitable donations, environment pollution, social audit and other social information (Coles and Murphy, 1999). Perhaps this is one of the attempts to building

what literature now describes as social accountability in Human
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Development (Coles and Murphy, 1999). The (CSR) annual reports are already advancing future concern for peoples' welfare foreseen as a long run problematic issue, but certainly is not yet questioning environmental havoc as one key aspect to analyse within. Most recently though, UNDP's Human Development notion began to question the fact that yet through elaborated definition and examination (CSR) is not really focusing enough on people and environment.

Defining CSR eco-social unsustainability

Defining current patterns of (CSR) and corporations as eco-social unsustainability is one way of making transparent " human-nature connections" (Williams, 1980). One needs to question the reasons for a sudden increase in these broader disclosures. Some may argue that such procedures on the part of the preparers of corporate annual reports may be nothing but a giant public relations campaign. From a more critical perspective the above may be seen as celebrations by environmentalists and researchers in sustainability. As Coles and Marphy, (1999) point out (CSR) Annual report of corporations these days are filled with information that celebrate successful social accountability actions but negative consequences of their actions such as externalities from pollution as costs to the society are never highlighted, thereby silencing injustices.

The difference between voluntary environmental disclosure practices and the actual tackling or commitments to environmental performance of corporations cannot go unaddressed for long. A study by Perlo-Freeman in Nigeria (2002) reports a significant negative relation between sustainable development performance and Shell (CSR) annual reports. The findings <https://assignbuster.com/corporate-social-responsibility-environmental-disclosures-philosophy-essay/>

support the argument that companies with worst environmental performance records (highest levels of toxic releases) provide most extensive environmental disclosure. Given the widespread variation in social and environmental disclosure, it is not surprising that a number of narrow, human-centred overlapping theories of such disclosure have evolved (for example, social contract, legitimacy theory, stakeholder theory and progressive market) (Pepper, 1996). We argue that a (CSR) approach thorough ecocentric theory on environmental issues is capable of providing a more comprehensive theoretical framework to the (HD) current ecological crisis.

A Critique of Social Accountability Mainstream Theoretical Arguments

Mainstream theoretical arguments for environmental in (CSR) comprise the Social Contract Theory approach and Legitimacy Theory. Social Contract Theory approach is the base of managerialist school of thought in addition Social Contract Theory hypothesizes that the foundation stone of morality are uniform social accords that best serve the interests of those who make the agreements. Legitimacy Theory is closely related to the conception of the social contract. The theory posits that businesses are bound by the social contract in which the firms agree to perform various socially desired actions in return for approval of its objectives and other rewards, and this ultimately guarantees its continued existence (Guthrie and Parker, 1989). Legitimacy theory is essentially a systems-oriented theory, i. e. organisations are viewed as components of the larger social environment within which it exists (Dowling and Pfeffer, 1975). As this paper demonstrates these approaches

favour an anthropocentric (CSR) stance and concur with the arguments of the critical school in relation to the limitations of such approaches.

Critique of Social Contract Theory approach

Firstly, it is evident that the traditional (CSR) model, although dependent upon a range of conventions, has restricted itself to a dominant principle: “value of goods and services also non human perception” (Ormerod, 1994). This attitude is in line with the concepts of objectivity and profit that enhance shareholders and creditors welfare. They are seen as the primary users in the managerialist model, their needs are known (wealth maximisation), and are paramount, and the needs of other users are secondary. This observation, from an ecocentric (CSR) environmental perspective, ignores the information of the environment impact furthermore is just an ideological cloak to protect corporations. With this line of argument, (CSR) under the managerialist approach becomes important only if it affects the survival and continuity of an enterprise.

Critique of Legitimacy theoretical arguments

Legitimacy Theory is closely related to the conception of the social contract. The theory posits that businesses are bound by the social contract in which the firms agree to perform various socially desired actions in return for approval of its objectives and other rewards, and this ultimately guarantees its continued existence (Guthrie and Parker, 1989). This theoretical arguments for environmental (CSR) are ineffective according to the eco-socialists school (Pepper, 1996), largely due to the fact that social responsibility and profitability are at odds as a result of the neoclassical economics foundation on which the social accountability model is based. <https://assignbuster.com/corporate-social-responsibility-environmental-disclosures-philosophy-essay/>

In spite of severe criticisms, legitimacy theorists defend their thought by questioning whether progress could be made under the critical approach “by think that is possible to somehow reconcile the destructive tendencies in neoclassical, capitalist economics with radical sustainable development” (Pepper, 1996). They state that while it is acknowledged that present practices (CSR) are far from perfect, one must work within the system and slowly refine it to be reflective of social and environmental issues rather than completely accepting or completely rejecting current systems which have been widely accepted for centuries as a decision useful tool in (HD) paradigm (Pepper 1996).

Ecophilosophical point of view of Social Accountability

From an ecophilosophical (HD) point of view, the most fundamental division in eco-social theory is between those who adopt an anthropocentric perspective and those who adopt a nonanthropocentric (ecocentric) perspective (Pepper, 1996). The distinction could be best understood as representing a spectrum of thought rather than separate and distinct positions. The first approach focuses on human freeing and fulfillment in an ecologically sustainable society, while the second examines the notion of emancipation in a broader context emancipation that also recognises the moral standing of the nonhuman world (Dobson, 1990). We are of the view that an ecocentric philosophical orientation provides the most comprehensive, promising and distinctive framework to study today’s environmental problems. This is not to claim that ecocentrism would solve all our environmental social responsibility problems. Instead, emphasis is on providing sufficient details of an alternative model that could improve the

present practice of (CSR) for the environment and provide a basis for a sustainable future in Human Development.

An Ecocentric Critique of Marxism

In this section we present an ecocentric challenge to Marxism and the critical theory of the Frankfurt School. A complete overview of these works remains beyond the scope of this paper, and only key ideas/issues in ecological context have been considered. Pepper (1996) argues that literature is far from clear about the extent to which Marxian analysis can be said to be compatible with or at conflict with environmentalism. Marx focused on capital, labour, surplus value, class conflicts and so on, and this placed him closer to liberal economics than to environmentalism (Pepper 1996). As for Marx, environmental problems, like social problems are traced directly to the exploitative dynamics of capitalism and solution to such problems require revolutionary transformation of the relations of production (Pepper, 1996).

Marx was only marginally concerned with environmental degradation with no systematic theory of humanity's relationship to nature. The dominant sense in which Marx characterised nature was as a medium for human labour (Mellor, 1992). The above arguments seek to demonstrate that an ecocentric perspective on environment cannot be wrested out of Marxism without seriously distorting Marx's own theoretical concepts.

Social Ecofeminism Critique of Frankfurt School

The critical theory of the Frankfurt School is not a single doctrine or a unified worldview. Sharp differences have existed for long time among critical theorists at the Frankfurt School, as evidenced by the increasingly

heterogeneous nature of their works. The first generation of Frankfurt theorists focused on different levels and dimensions of domination and exploitation through critique of instrumental reason, which also included critical examination of the relationship between humanity and nature (Mellor, 1992). First, early Frankfurt School's critical discourse was pessimistic in outlook towards nature romanticism and was increasingly preoccupied with theory instead of practice. Secondly, a more fundamental explanation lies in the way critical theory developed in the hands of Habermas, who has, by and large, focused on social and political rather than personal aspects, thereby marginalizing green movement (Warren, 1990). Critical scholars in corporate responsibility have drawn upon Marxist and Habermasian themes to think and act about environmental (HD) pathways. Yet to date, critical theory has not had a major direct bearing in shaping the theory and practice of the green movement, except in indirect ways (Pepper, 1996).

An Ecocentrism Critique of Frankfurt School

There are two other problematic aspects of Frankfurt School's theses that deserve attention. One is that it separates and privileges good life for humans concerning the emancipation of nonhuman world. And the other is the claim that we know nature, through science and technology "ignore the reality of biological and ecological" (Mellor, 1992) only insofar as we can control it, thus legitimising continued exploitation of the nonhuman world. In this way Frankfurt School's endorses rather than challenges dominant anthropocentric prejudices towards the nonhuman world. As Eckersley (1992) argued that 'according to Habermas' schema, a norm is considered right if it is achieved via a consensus reached between truthful and rational

human agents. Thus the principal objection to Habermas' social and political theory has been that it is human-centred, insisting that the emancipation of human relations need not depend upon the emancipation of nature.

Alternative Ecocentric Arguments for (CSR) Environment

There is no intention on our part to offer a detailed proposal on what an ' ecocentric corporate responsibility might look like as this will amount to putting the cart before the horse. Instead, we argue in support of a broad, thoroughgoing framework, sensitive to both human and nonhuman world, and one that seeks emancipation which will provide a better and more meaningful theoretical basis for environmental (CSR) and related environmental disclosures.

Anthropocentrism and ecocentrism represent two opposing poles on a continuum, with different orientations towards nature, and major streams of modern environmentalism fall between these poles. It is argued that this classification enables an evaluation with regard to the kind and degree of anthropocentrism or ecocentrism that is manifest in green political discourses. Eckersley (1992) discusses at least four positions (resource conservation, human welfare ecology, preservationism, animal liberation and ecocentrism) on the continuum, moving from ' an economistic and instrumental environmental ethic towards a comprehensive and holistic environmental ethic' (Pepper, 1996). The latter conforms to key ecocentric beliefs that recognise human and non-human interests, present and future within a more encompassing framework for human development.

Ecocentrism draws upon an ecologically informed philosophy of internal relatedness that advocates that all organisms are not only interrelated with their environment, but also constituted by those environmental interrelationships. Ontologically, under this perspective, 'the world is an intrinsically dynamic, interconnected web of relations in which there is no absolutely discrete entities and no absolute dividing lines between the living and the nonliving, the animate and the inanimate or the human and the nonhuman' (Eckersley, 1992).

Ecocentric theorists emphasise on the absence of any rigid and absolute dividing line between humans and nonhumans to point out the logical inconsistency in anthropocentric models that justify exclusive moral considerations of humans and their superiority (for example, language skills, reasoning skills and technological skills). Some may argue that there are countless things that nonhumans do better (see for example, Fox, 1990) and to single out special attributes of human simply tantamount to human prejudice. To criticise ecocentric orientations as anti-science, ecocentric theorists have pointed out how new scientific discoveries have served to challenge long standing anthropocentric prejudices' (Eckersley, 1992), and further argue that the philosophical premises of ecocentrism are actually more consistent with modern science than the premises of anthropocentrism.

The concept of internal relatedness upon which ecocentrism stands, equally applies to relations among humans, in a biological, psychological, and social sense. In other words, we are all constituted by our interrelationships

between other humans, and our economic, political and cultural affiliations
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(Eckersley, 1992). Since birth, humans are constituted by, and co evolves within the context of such relations and cannot be separated from them. Based on this social interactionist model, which is not new in social sciences, humans are neither completely passive and determined nor completely autonomous and self-determining, rather, are relatively autonomous beings, who by their knowledge, thought and action help constitute the very relations that determine who they are (Anderson, 1996).

Further, it needs to be pointed out that ecocentric theorists are not against the central value of autonomy as depicted in Western (CSR) political thought; they are concerned with the revision of the notion to incorporate into it, a broader ecological framework – a framework that incorporates individuals and social aspects in a more encompassing way. Eckersley (1992) argues that while the liberal idea of autonomy as independence from others can be seen as philosophically misguided, socialists tend to adopt a more relational model of self, but both are deeply embedded in anthropocentrism. The ecocentric reformulation of autonomy at no stage implies that the boundary between the self and others is removed, it rather seeks to emphasise the soft and flexible nature of line between them. Ecocentric foundation requires ‘ psychological maturity and involves a sensitive mediation between one’s individual self and the larger whole’ with a view to having ‘ a sense of competent agency in the world’ (Eckersley, 1992). On the contrary, the quest of radical independence from others or power over others leads to an objectification of others, and a denial of their own modes of relative autonomy or subjectivity. What is new and adds strength to an ecocentric perspective is that it extends the notion of autonomy to a broader and more

encompassing pattern of layered interrelationships that extend beyond personal and societal relations to include relations with the rest of the biotic community (Pepper, 1996). In this way the nonhuman world is not posited in the background but recognised as having their relative autonomy and their own modes of being. Zimmerman (1988) made this comment: ' the paradigm of internal relations lets us view ourselves as manifestations of a complex universe; we are not apart but are moments in the open-ended, novelty-producing process of cosmic evolution'. Some critiques are cynical of ecocentrism, as it interprets nature selectively, something that is essentially harmonious, kindly and benign, providing an all too convenient framework for human relations (Eckersley, 1992). But there is no need to depict the nature as such, and to judge the nonhuman world by human standards, we will invariably find it wanting, for nonhuman nature knows no human ethics, it simply is (Livingston, 1981, Eckersley, 1992).

Conclusion

While voluntary environmental disclosures in corporate annual reports throughout the world are on rise, we have argued that these disclosures do not provide sufficient grounds for celebrations. One needs to go deeper and examine the silences in those successful stories in order to understand better the motives for such disclosures and more so, the extent to which corporations are actually tackling the environmental problems. It is the actual commitment to environmental performance that matters the most, for (HD) and (CSR) disclosure of such information will fall into its appropriate place when the former is taken care of. In seeking emancipation an ' existential attitude of mutuality needs to be adopted simply because one's

personal fulfillment is inextricably tied up with that of others. The gap between voluntary environmental disclosures in corporate annual reports and lack of firm decisive actions to protect environmental by the industrialised world will continue, as long as environmental philosophical enquiry favours human interests over the interests of the nonhuman world.

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