

## **Corporate Social Responsibility and Corporate Moral Responsibility: the difference there is and the difference that makes in global settings.**

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In the last decade we have seen an explosion of literature on “Corporate Social Responsibility (CSR) CSR has become an umbrella term in academia, in public policy, and in corporate practice, to include corporate governance, ethics and compliance, employment, diversity, environmental and legal and regulatory concerns, public/private interrelationships, social and societal interactions, triple-bottom line thinking, corporate citizenship, philanthropy, and globalization. Interestingly in Western Europe the term CSR is sometimes used to include business-government relations, union input, and NGO relationships. Thus CSR has turned into a term covering almost every possible relationship, obligation, concern, effect, or responsibility that a company may encounter, even externalities. (See for example, Cheney, et. al., 2007)

Some of what companies and consultants call today their corporate social responsibilities, CSR, tends to merge sociological and normative points of view, the foci is both internal (with ethics and compliance codes, programs, corporate ethics officers, etc.) and external (thinking about the company in a global context and in a fragile ecosystem), along with thinking about corporate citizenship. Alternately, there is still some leftover “baggage”--that of suggesting that companies have merely discretionary philanthropic responsibilities to society, e.g., to give to community projects such as poverty, education, or the opera, rather than focusing on what are its nondiscretionary obligations, both internally and externally.

The distinction between what is obligatory (at least morally so) and discretionary needs to be clarified. For example, if a company is employing sweatshop labor paying under what is minimum wage in the country where the factory is located, that is both unethical and part of its social responsibility to repair. Similarly it is both a company’s moral and social responsibility to reduce pollution and emissions that come from its operations. But whether a company creates a rain forest in Costa Rica where it has no operations or connections there while creating polluting emissions in its coal-fired energy plants (AEG, for example, has done this) or gives to the local opera (United Airlines donates to the Lyric Opera in Chicago) unless it is in that business, is surely only discretionary. But the term CSR is often used, confusingly I would suggest, to refer to all of these sorts of activities.

At the same time, those of us “brought up” on business ethics may have to relinquish that nomenclature. Business ethics has often been misinterpreted as finger-pointing about questionable behaviors, and business ethicists are sometimes seen as merely making virulent critiques from a harshly liberal perspective without positive input. And all the while companies engaged in creating values-based based mission statements, codes of conduct and corporate governance practices tend to refer to all of this as “CSR.”

Therefore, I will argue, one should shorten the term CSR to “Corporate Responsibility” [deleting the word “social”]. CR is a term that covers all the bases and avoids the implication that corporate responsibility is, or is merely, discretionary. I predict that this is where corporate and consultant thinking is taking us, and using that term may avoid some of the unwanted implications of both CSR and “business ethics.”

I will conclude with some speculation about how framing issues in terms of Corporate Responsibility makes a difference, a critical difference, in global settings.