SOCIAL RESPONSIBILITY AND BUSINESS ETHICS

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The 100 largest companies in the world invested 12,200 million dollars (more than 8,500 million euros) in social programs during 2013 according to a study by the consulting firm KPMG. That is, they allocated close to 2.5% of their pre-tax profits to corporate social responsibility programs. Most companies direct their social programs to provide access to education, health care, care for the environment and aid after a catastrophe.

However, the initiatives related to the corporate social responsibility of some companies, in In practice, what they do is cover up mere advertising campaigns or even political pressure activities. The companies exploit for their benefit the deficiencies that exist in the weak health, educational or social systems of developing countries to offer their resources (subsidies, sponsorships, scholarships). Thanks to these "responsible" initiatives, they actually try to influence the spheres of power where decisions are made and also convey their messages from a much friendlier and more empathetic position than conventional advertising offers them. Some are actually making them a central aspect of their business strategy.

Lately the Peabody case has come to the fore in the media. Several public health experts have been outraged over the past few months at the latest marketing campaign from the world's largest private coal company, Peabody Energy. This campaign promotes its product in the fight against Ebola in Africa and presents its fossil fuel as a solution to world poverty.

These health experts have condemned this campaign as an opportunistic attempt to exploit Ebola for the sole purpose of corporate profit. The American company defines its coal as "fuel of the 21st century" and affirms that it can play a very important role in the eradication of world poverty and Ebola, establishing itself as an ideal response to the dramatic situation of African public health.

This controversy began to simmer last year at the latest coal industry conference (held in September), where Peabody CEO Greg Boyce highly praised its efforts to eradicate Ebola and suggested that more use of coal energy could have stimulated the distribution of a hypothetical Ebola vaccine (citing a study by an infectious disease expert at the University of Pennsylvania). It was surprising to see that Ebola became a priority for the coal company, when until then it had never been so mentioned in any presentation. In contrast, public health experts who were involved in fighting the spread of Ebola were not only surprised but outraged by the Peabody company's suggestion. According to them, it is inconceivable to say that expanding access to energy (through coal) could have prevented the spread of Ebola and helped with the distribution of a vaccine against the disease (especially since there is no approved vaccine against the disease).

Coincidentally, these statements by Peabody, showing interest in eradicating Ebola, came amid enormous pressure on the company due to the coal crisis and a strong global campaign to divest from fossil fuels.

"There is no clear evidence to support this thesis," said Irwin Redlener, director of Columbia University's National Center for Disaster Preparedness and a White House policy adviser on Ebola. "Peabody has very specific and explicit corporate goals. I think this is an intolerable attempt to whitewash their company at the expense of such a damaging disease, for the sole purpose of making corporate profit." It should be noted that coal is the dirtiest fossil fuel and that it contributes greatly to climate change and causes a large number of deaths due to the pollution produced when it is burned.

This case brings up the contradictions of an obsolete corporate social responsibility practice model and, as we can see, sometimes obscene. According to some experts, the landscape is changing and this type of case is becoming the exception thanks to two profoundly transforming factors. One is the global financial crisis, which is starkly exposing the contradictions of the old Corporate Social Responsibility when formulated to “give back” to society what companies extract from it because the first question that is asked is what exactly do those companies extract from it? the society to which they dedicate such an act of return. The other reason for the triumph of a new approach is the technological and social media revolution that is forcing companies to be more transparent and comply with all their basic obligations on pain of facing disaffection from their customers. This social pressure can also expose unhealthy practices like the one we mentioned at Peabody.

Both issues are guiding CSR in a much more organic, comprehensive and strategic direction, turning it into an expanded form of "corporate responsibility" (CR), to dry. Compliance with the regulatory and ethical obligations that the ordinary activity of companies entails. "This CR approach is both basic and innovative, by including the ethical dimension, and it will be better for companies, for their communities of interest and for society", as pointed out by experts such as **Andrea Bonime-Blanc,** founding director of GEC Risk Advisory and < strong>José A. Herce, Economics professor at UCM.

This new approach to CSR does not eliminate the sincere commitment practices of companies with their community and with society in general, but rather goes beyond them, introducing greater self-demand in the organic practice of the companies themselves: commitment to green production , commitment to the quality of employment, the dignity of wages, the participation of people in the company's decision-making, the opening of processes to suppliers and customers, the culture of innovation and many other cross-cutting issues.

There are no comments yet.