

Listen to a radio podcast on the topic of Corporate Social Responsibility. Answer the questions below:

Emma: Hi, it's Emma Björklund here, I am the founder of "Business and Community" Channel and you're listening to our podcast on Business Ethics and Responsibility. Should businesses participate in community affairs? Should they be concerned about public needs such as maintaining safety, well-being and health of citizens? Should they take into consideration the needs of schools, hospitals and other social-economic amenities?

I am here with Michael Elliot, an assistant professor of Economics at Halmstad University. Hello Mr Elliot! Thank you for being here with us today!

Professor: Hello Emma! Nice to meet you! Thanks for having me here!

Emma: We've got lots to talk about today so let's dive right in with Corporate Social Responsibility. Professor Elliot, could I kindly ask you to explain what CSR actually means?

Professor: Well, the doctrine of CSR, or corporate social responsibility, has been in spotlight since 1950s. American economist Howard Bowen is considered to be the father of CSR as he coined the term in 1953 in his book called Social Responsibilities of the Businessman. He considered the Businessman as a symbol of American culture and a central figure in American society. The concept of social responsibility means that business should be conducted with concern for the effects of business operations on the attainment of valued social goals.

Emma: Yes, as I see it, it's all about a centuries-long conflict between individual and social interests. The idea is to make this self-interest more intelligent and in line with the ideas of society. And what can you say about a further development of CSR? Have there been any critics of this concept?

Professor: Answering your first question, you can see that this doctrine originated in the US but now we can see its implementation in all parts of the world, even in less developed countries in one form or another. But frankly speaking, some scholars and writers have been critical of it. For instance, Theodore Levitt, an American economist, in his work "The Dangers of Social Responsibility" argues that business is intended to be run for sustained high-level profit. He quotes Frank Prior, the then president of Standard Oil Company (Indiana) as calling on his business partners to "stand up and fight" and "to throw all sentiment to the wolves".

Emma: Well, one of the central concepts of American society is the system of private enterprise which is based on political and personal freedom...

Professor: Just that! As Bowen puts it, Americans like the decentralization of decision-making and "government regulation of business reduced to the practicable minimum". However, they also want to avoid irresponsible businesses, unregulated private enterprises whose actions may lead to social insecurity, inequality and injustice.