

Business Ethics
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Lecture – 47
Civil society, business and sustainability

Now we will be considering the role of civil society, business and sustainability, mean in the forefront of the development of sustainability theory and practice. So, it is very expected like when we are talking of sustainability, the definitely the role of civil society is going to come up and we will be discussing the three elements of sustainability; that is the economic perspective, the social perspective and the environmental perspective. So, and these have been in the typical focus of different types of civil society organizations. We have been observing humanitarian civil societies who were focused towards the social causes. We have seen the development oriented agencies who are focused towards the economic and social causes and the environmental activities who are focused towards the causes of the environment.

So, and in sometimes the each now, each of the particular CSOs are also trying to focus itself on the sustainability issues like; how to address the environmental cause and in that also incorporate the economic and the social causes. So, these type of practices are there. So, like how to challenge the present module may be of economic and corporate globalization and find out something that will help to create environmentally sustainable and socially just a society. So, there intermixing of issues also taking up and where, one organization is trying to think about the sustainability. So, it is the representative stake of the nature of the stake held by the CSOs like the issues that they are speaking about make them so integral to the discussions of sustainability and business.

So, corporates actually can like claim to represent only the economic part, but for the progress towards sustainability it requires wider attention to the interest represented by the civil societies because it is talking of interest of the society and the environment and also getting them incorporated as a part of the business processes and in business decisions.

So, if the business has to be sustainable in nature, it has to incorporate the views represented by the civil societies in its business decisions. So however; government is

the only actor who can do this, but given the present situation, where the government is not able to do it may be to its full level then the influence of the civil societies becomes very prominent. So, CSOs are also increasingly trying to fulfill this role and for social environmental and economic interest and we see like in various business projects taken up the all these roles for the diverse, social, environmental, economic interest can be brought together in a single project in order to develop solutions that are more balanced on the sustainability score card.

So, again it is like is a matter of question like whether business need to work with a civil society or it is like to achieve sustainable solutions, but we can tell like though it is not a sort of mandatory type of thing, but yes of course, working with the civil society helps to like at the very least to understand the role to play for the organization to understand, the role that they need to play for further to take care of the social and the environmental perspective also to encourage organizations firms to take of these dimensions of sustainability.


But; however, the problems will lie in the facts like that each of the CSOs, have their own interest and their advancing particular interest of their own. So, and they cannot be necessarily expected to agree on, what the actions are likely to be most sustainable appropriate for their corporative take. Because it may so happen like the aspects that the CSOs, different CSOs are acting on could of competing interest of each other.

So, how to take care of the sustainability? Like what practices are the organization is going to take? Organization to organization and it is very difficult like they come to a common platform to conclude. These are the practice that needs to be followed by the organization. And so and one of the challenges which then comes for the firm is to understand how best to balance this competing interest of the different CSOs, which may be coming together and telling like all of them are very important and like they have to be listened to first and their interest place could be competing in nature and then it becomes challenging for the organization to decide about this competing interest.

So, next level of it is even if the competing interests are taken care of the it again; however, it is left with the problem of deciding the extent of NGO and (Refer Time: 08:11) an NGO participation in corporate decision making, will they be allowed? To what extent they will be allowed to participate in corporate decision making? These

things we are going to visit now in this concept when you are talking of civil society, business and sustainability.

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The slide is titled "Balancing competing interests" and contains a bulleted list of points. The text is as follows:

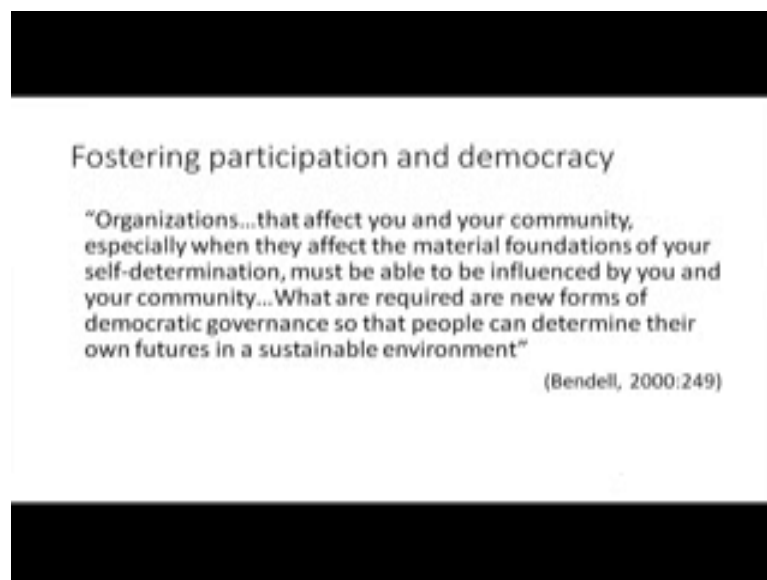
- Civil society: wide variety of disparate actors promoting different issues
- Business must take account of these different issues simultaneously
- e.g. energy industry – wind power
 - Groups supporting wind power as clean source of renewable energy that supports local areas financially
 - Groups against wind power because they 'despoil' the countryside
 - This is a battle of green vs. green (Lynas, 2008)

So, while talking of balancing competing interest. So, we understand like civil society has a wide variety of desperate actors promoting different issues and it may so happen it is expected like, that it is required business must take account of this different issues, simultaneously. Like for example, like the energy industry, like the wind power. So, groups supporting wind power as a clean source of renewable energy that supports local areas financially; however, there could be groups, which is against the wind power because they will despoil our country side. So, it is like a battle of green versus green. So, the energy industry, the wind power industry is trying to promote like for many government and national and international environmental NGOs are speaking for and [man/many] many organizations are interested to invest in wind power technologies because of the clean renewable energy.

Similarly, local governments and then the, may be the community groups and this have been, farmers have been supportive of the wind power, wind from development because of financial rewards, job involvement and investments that they bring; however, some of the like community groups tourists, promoters have like they have protested against the development of or the erection of wind turbines that they despoil the countryside soon.

But, how to solve this controversy? So, is like how do we take care of this aspect of like when it is been, we understand like this turbines are required so, but how to take care also of the despoiling issue. So, do we develop it by model step by step approach? And then how do we take care? Do we go for some plantations and other things? How to take care of these despoiling issues also, needs to be considered in order to balance the competing needs of the two different stakeholders and like where should be the geographical locations of these wind turbines? Where it is placed? How much it is despoiling it is doing? All these type of considerations need to be done, when we are trying to answer to these competitive issues.

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Next, when we are talking of the issue of like fostering participation and democracy like towards the participation and empowerment of the NGOs and how much they will be involved in the decision making of the firms. So, and that is also very crucial issue which needs to be decided on. So, what it needs to be focused on like, though the key issue for sustainability in business civil society relations is not so much that the civil groups agree, but they are to certain things, but also it is also important like to the extent that they are able to actively participate in decisions that affect them. And that brings to the discussion of like the democracy in the corporation.

So, democracy in the corporation through community participation; so it is not enough like the civil society organizations, sometimes competing in nature also are speaking

about their the interest of their bodies that they are representing and trying to represent it to the corporate, but it is also very important like they can actively participate in the decision making process of the corporate. So, that they can influence the decisions that the corporate is taking of, how act in a socially or environmentally responsible way? How to balance between the like may be the issues competing issues? And what is the pathway that needs to be checked out?

So, this is very important which demands a sort of corporate democracy to democracy incorporation through community participation. So, as Bendell's comment; organizations that affect you and your community, especially when they affect the material foundations of your self determination, must be able to be influenced by you and your community. What are required are new forms of democratic governance so that people can determine their own futures in a sustainable environment.

So, these means like, when we understand like the organizations are affecting us and the community and when it affects the foundation of like when you are talking of sustainability. So, it is very important. So, that they also get like influenced by us and the community and democratic form of governance, where the people can determine like what they understand by a sustainable environment? And what is the expectation like that they have from the organizations? Like if they are doing people should be able to participate in the decision making and like speaking about their expectations and telling about the facts like if the organizations are doing these type of things then their expectations are met about a sustainable environment.

So, CSOs have a crucial role to play in enabling individuals to participate may be in some way at least in some way in the corporate decisions that affect them. Also it may so happen like the corporates tends to limit the degree of participation, that the civil groups and other stakeholders can exercise often concentrating more simply consulting or placating them.

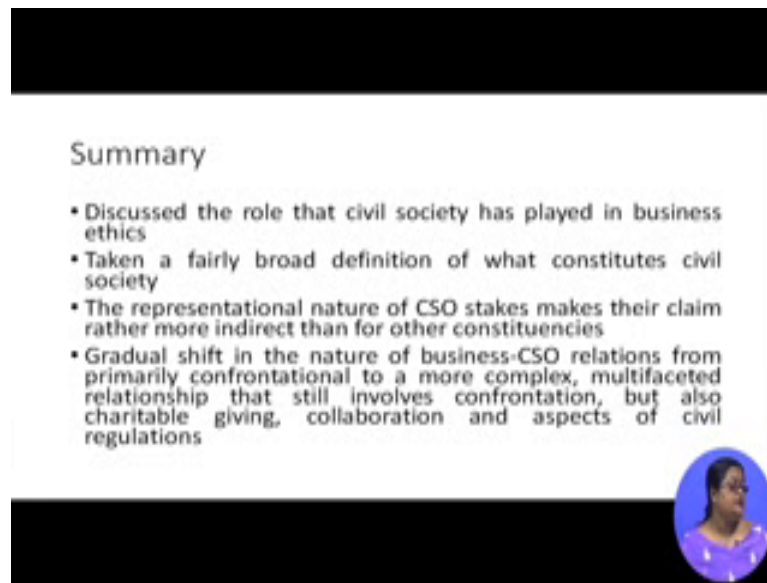
However these provide at least some mechanism for participation. So however, we may understand like though the, it is a like a debate about CSOs, accountability and the representativeness of the CSOs in the company decision making are going to processed. So, but their role in bringing the plurality of interests to be around the corporations would appear to make them important actors in the evolving sustainability agenda. So,

the corporates may set a limit to their participation to the what extent they are going to participate and this participation whether it is limited to mere like speaking about their representative, beneficiaries interest or having a proper role in the decision making process. This has to, that this will show gradual evolution this will see a gradual evolution may be with the changing time and may be the more of the businesses, acceptance of the democratic model, where it wants to incorporate the societies voice also into how it the it is running the business, but it definitely has opened the dialogue of communicating of the society and the business where they feel like their participation has started, their communication, their dialogue has started and they are able to communicate their views to the firms.

Only the what needs to be focused on now more is the extent which they get involved in the decision making process and what importance the organizations give to their views and to when they are making their decisions can like are they taken only as a suggestions and they are listened to, but also they actively participate in checking out the programs. So, that what the organizations are doing are the actual reflections of, how the society wants to see the organization as? And that is how it adds more towards the agenda of sustainability.

So, the journey has begun, the dialogue has started, the interaction has begun where the three parties like the CSO, the government and the market have started communicating with each other in order to move towards the more sustainable agenda of the sustainability agenda of the triple bottom line. How to take care of the economic concerns, social concerns and the environmental concerns? So, that the need of the present and future generations are equally like focused into and taken care of the journey has begun and it has to make its incremental progress, in finding out the degree of participation each will have in the way to find out, they can find out what, how each can participate in? How the other is functioning and holistically together function for a greater objective.

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Summary

- Discussed the role that civil society has played in business ethics
- Taken a fairly broad definition of what constitutes civil society
- The representational nature of CSO stakes makes their claim rather more indirect than for other constituencies
- Gradual shift in the nature of business-CSO relations from primarily confrontational to a more complex, multifaceted relationship that still involves confrontation, but also charitable giving, collaboration and aspects of civil regulations

So, in the summary we can mention like today we have discussed about the role of civil society as played in the business ethics. So, we have taken a broad definition of what constitutes civil society? So, the representational nature of the CSOs stakes makes their claim rather more indirect than other constituencies. Gradual shift in the nature of the business CSO relationship from primarily confrontational to a more complex multifaceted relation, that still involves confrontation, but also charitable giving, collaboration and aspects of civil regulations.

So, like today we have focused into one of the major stakeholder who though not directly related with the economic activities of the organization. We have tried to the focus into the important role of that organization and the nature of interaction that for the citizens for local communities and other groups, who may be generally gets typically excluded from the decision making process. So, CSO is a platform, is an avenue through which these groups can make them their representations expressed and advanced within business.

Although the civil organizations may not agree with each other so, but the contribution that they make for incorporating a pluralistic context, for business decisions and actions appeared to be vital for business ethics. So, with this we will move in our next discussion about like the, another important sector that we have seen today like when you have classified about the, like there are three main sectors in the which are acting together in

the sustainability domain. We have focused into the business sector. Today, we have focused into the third sector which is the CSO sector.

In the next modules we will be focusing on the other one of the important sectors which is the government, its rules and regulations and in the next modules, in the next lectures we are going to focus on also one of the like today when you are talking of sustainability number of times we have talked about the environment as which is the concern for like which, why business should be careful about the environment.

So, in the next three discussions, three or four discussions that we will be following we like after CSOs, we will be focusing on the government as also one of the important stakeholders and we will focus on the role of environment also in a separate module. We will talk of the role of environment as a stakeholder and ethical issues related to IT and the ethical issues related to it. So, in the next module we will take up the role of government as the important stakeholder and business ethics with relevance to government.

Thank you.