

## DAVID GRAYSON COMMENTS ON *Dunstan Paper No. 1/2007* By Ray Broomhill *Corporate Social Responsibility: Key Issues and Debates*

Over the past two decades, there has been massive growth in the role of business in the economy and, therefore, in society. Since the collapse of the Soviet Union, we have seen a seemingly relentless process of privatisation, liberalisation and consequent globalisation.

Take British Telecom. In the early 1980s, it was a state-owned company operating only in the UK, providing fixed, land-line telephony. Today, it operates in 170 countries around the world as a highly successful private company providing a range of communications solutions for business and domestic subscribers.

China's annual People's Congress recently met in Beijing and passed a controversial law protecting private property. Already, it is reckoned, half China's economy is run by private enterprise.

Globally, the annual sales of the world's 1000 largest businesses easily exceed the GDP of the US, UK and Japan combined.

This is not to suggest that business is now in charge. Governments still retain great power. The power to wage war; to set the framework (or otherwise!) on environmental issues; the power to shape society's thinking and practice.

Nevertheless, how business is run: how it goes about producing goods and services that people want to buy; and, consequently, how it makes its money and the impacts on the environment and society that business has in doing so – is crucially important.

Hence, the increasing interest around the world, in what is variously referred to as Corporate Social Responsibility, Corporate Citizenship, Responsible Business. In essence, how a business seeks to minimise its negative environmental and social impacts; and to maximise its positive impacts.

If you look at the founding values that Don Dunstan articulated before he died, to shape the work of the Foundation created in his name:

- Respect for fundamental human rights

- Celebration of cultural and ethnic diversity
- Freedom of individuals to control their lives
- Just distribution of global wealth
- Respect for Indigenous people and protection of their rights
- Democratic and inclusive forms of governance
- each and every one of these Values is easier or harder to achieve, depending on whether business is run responsibly and sustainably - or not.

Hence, I would argue that it is entirely appropriate for the Don Dunstan Foundation to make a distinctive contribution to the Responsible Business Debate: simultaneously inviting a campaigner / believer in CSR (myself) to lecture; and publishing a literature review: "Corporate Social responsibility: Key issues and debates" by a more sceptical academic: Dr Ray Broomhill.

Ray describes three broad camps: what he terms: "neoliberal," "neo-Keynesian" and "radical political economy approach." Reading his paper, I found myself wondering where to place the many business leaders and companies that we work with in Business in the Community in the UK ([www.bitc.org.uk](http://www.bitc.org.uk)) who are on what most of them would acknowledge to be a journey rather than a destination to run their businesses sustainably and responsibly. Perhaps it is the use of the term "neo-Keynesian" which distracts me!

Certainly, any second edition of the paper could usefully add the burgeoning literature describing **how** businesses can integrate a genuine commitment to CSR so that it is not a **bolt-on** to business operations, but is **built-in** to business purpose and strategy. For example, "Profit with Principles" by Ira Jackson and Jane Nelson; John Elkington's "Cannibals with Forks" and more recently, "Chrysalis Economy; and (immodestly!) Grayson and Hodges: "Corporate Social Opportunity – Seven Steps to make Corporate Social Responsibility work for your business" Also Michael Porter and Mark Kramer's Harvard Business Review article (December 2006): "Strategy and Society: Competitive Advantage and Corporate Social Responsibility." There is a particularly rich vein of recent books on business and the Bottom of the Pyramid. For more books and websites see: [www.davidgrayson.net/sources\\_and\\_resources](http://www.davidgrayson.net/sources_and_resources)

To Ray's analysis, I would also add the emerging discussion about "responsible entrepreneurship" – i.e. how do these ideas of CSR impact on small businesses – where evidence suggests that many owner-managers are motivated by values and ethics – "it's just the way we want to do business."

The European Commission and the European Academy for Business in Society ([www.eabis.org](http://www.eabis.org)) are developing action-learning in this area.

I hope my brief visit to South Australia and Ray Broomhill's paper will stimulate more work by the Don Dunstan Foundation on Business and Society.

Since his visit to Adelaide, David Grayson ([www.davidgrayson.net](http://www.davidgrayson.net)) has become the first chair of Corporate Responsibility and director of the new Doughty Centre for Corporate Responsibility at the Cranfield School of Management in the UK.

Copies of Dunstan Paper No. 1/2007 have been sent out to all subscribers. If you would like to purchase a copy of the Paper for \$10, please contact the Foundation on 8303 3364 or via email to [joise.covino@adelaide.edu.au](mailto:joise.covino@adelaide.edu.au)

**Executive Director George Lewkowicz and David Grayson with a copy of the Dunstan Paper featuring Ray Broomhill's article on Corporate Responsibility.**

