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Ethics, Corporate Social Responsibility and Sustainability: An Integration

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Abstract

Ethics, be it from individual point of view, business point of view, or social point of view, is the prime component for sustainable development. Unethical practices from individuals, business organizations, or a group of people in the society pose a threat for the sustainability of the planet. Because of the selfish activity or selfish approach of people for their selfish gain many others of the present generation suffer, and also the future generation is also going to suffer. If "Unselfishness is God", the teachings of Swami Vivekananda, is given due attention and respect then the problem of sustainability will be taken care of to a large extent. If the corporate world, carry out business ethically, and fulfil their Corporate Social Responsibility (CSR) properly, then it will be a nice gesture towards sustainability. Similarly, if all the nations pay attention towards Sustainable Development Goals, propagated by the UNO in 2015 and work towards achieving the goals in a timely manner, then the world civilisation will be sustainable for the years to come. Here the author tries to integrate these aspects so that the future of human civilization does not suffer. The author also coined the term Country Social Responsibility (CNSR), which is a must to save the world from future destruction.

Keywords: Ethics, CSR, unselfishness, country social responsibility, sustainability

Introduction

Human civilisation can neither thrive nor survive without ethical code of conduct. Ethics are the backbone of human civilisation. Two facets of ethics of a society are universal ethics and the moral or social code of conduct. Universal ethics are practice across the globe and are eternal. This universal ethics are the base for the development of human civilisation. These are truth, purity, compassion and love, unselfishness, honesty etc. The society which has put these ethics in practice in the highest level, is the most civilised society. Others are in the different stages of development.

Moral practices of the society may be relative to time, space, location etc. There may be some lower level of moral practices which may be upgraded/modified/changed from time to time in some social context. In some society taking food together is perfectly alright, but in some other society the seniors take food first, and thereafter the other members take food. Similarly, some practices are considered by some society in respect of some-time and some situation, the same is getting changed along with the passes of time and the situation. For example, in some society it was unethical for the female member to go out for livelihood, but today it was not only ethical but respectful as well. Of course, Highest level of moral values is synonymous with universal ethics. That is why Swami Vivekananda said, '*Unselfishness is God*'. (VS, CW, Vol. I, p-87) ^[13] He further said, '*That which is selfish is immoral, and that which is unselfish is moral*'. (VS, His Call to the Nation, p-85) ^[14].

Ethics always says, 'Not I, but thou.' Its motto is: 'Not self, but non-self'. (VS, CW, II p-62) ^[16]. This is the essence of 'Sustainability' and 'Corporate Social Responsibility'. If any person or society does not consider self-benefit only, but the wellbeing of all, the present and the future generation, then obviously there will be no problem for sustainability. Similarly, if a corporate organisation considers, not only its own profit, but also the wellbeing of all the stake holders then it will be the perfect case of corporate social responsibility (CSR). Of course, in Companies Act 2013, CSR is discussed as a provision of law.

In this discourse, an effort will be made to unfold the integration between ethics, sustainability and corporate social responsibility. It will be our endeavour to unfold the fact that ethics is the base for sustainability as well as of the corporate social responsibility.

Methodology

Methodology adopted for this discourse is explanatory and expressive in nature. The researcher tried to intertwined and assimilate the ethical perspective with corporate social responsibility and sustainable development. Materials for the purpose of the study is collected from secondary sources. The objective of the study is to establish the fact that the basic foundation of sustainable development and corporate social responsibility is ethics and ethical behaviour.

Ethics: Ethics is defined in oxford dictionary as, 'moral principles that govern or influence a person's behaviour'; 'the branch of philosophy that deals with moral principles. *To be*

good and to do good is the practical application of all ethics. Ethical practice and ethical behaviour are the base of the progress of civilisation. Any individual or society must practice some ethical/moral values for its sustainable growth and progress. *'That society is the greatest, where the highest truths become practical. That is my opinion, and if society is not fit for the highest truth, make it so, and the sooner, the better. dare to believe in the Truth, dare to practice the Truth!'* (VS, *Teachings of*, 2009) [11]. Let us now turn our focus towards some of the higher ethical practices, which are also universal ethical practices.

Truth: Practicing truth in all aspects of life, be it beneficial or harmful is a great virtue. *Everything can be sacrificed for truth but truth cannot be sacrificed for anything.* (VS, quote). Swami Vivekananda Said, 'Truth does not pay homage to any society, ancient or modern. Society has to pay homage to Truth or die'. (VS, *His Call to the Nation*, p-62) [17]. SriRamakrishana Deva used to say that in this age 'hold on to truth' all virtues will come. He said, 'God can be realised if hold unto truth', (M, 2008) [4]. In the ancient Upanishada the guiding principles was 'सत्यम् वद धर्मं चर'-*'Sathyam vada; Dharmam chara'* (Speak the Truth, pursue the path of Righteousness). All great personalities whom we respect from the core of our heart, pay homage to truth. Mahatma Gandhi used to say, *'My religion is based on truth and non-violence. Truth is my God. Non-violence is the means of realising Him'*. (M.K. Gandhi). A P J Abdul Kalam also said, 'When you speak, speak the truth.....'. From this it is observed that the virtue of truth is adored by almost everyone. Veda, the most ancient scripture, also said, *'Speak the truth, follow dharma, (Moral Law, Rita) Rita and Satya are godly, their opposites (Anrita, Asatya) are ungodly.* (SM, 2015, p-36) [8].

Purity: Purity is another universal ethics which is given, one of the highest places in every society. It will be appropriate here to quote Swami Vivekananda, "The world can be good and pure, only if our lives are good and pure. It is an effect, and we are the means. Therefore, let us purify ourselves. Let us make ourselves perfect. (VS, *His Call to the Nation*, p-51) [15]. Practice of purity in every sphere of life is very important for the survival and the sustainability of human civilisation. To attain the highest level of self realisation, तन-मन-बचन की पवित्रता is a must. If we decode the Tan-Man-Bachan, we shall find that one must practice full purity in physical (Tan) activities. Man-refers to thinking-both conscious and sub-conscious mind. And the Bachan is the speaking, words of mouth, that is while we speak, we must speak the truth. Through prayer and longing to get the grace of the All Mighty, along with renunciation one can attain the purity one desires. No society, no country, no individual can prosper over a longer period of time without practicing purity.

Unselfishness: Unselfishness is another universal moral value, which is the root of just, fair and corruption-free society. Selfish says I am the first, selfless says not I hut thou. I shall get the benefit at the last, I will get benefit along with everyone, I do not want benefit before others, this is unselfishness. Swami Vivekananda very strongly said, 'The only definition that can be given of morality is this: *That which is selfish is immoral, and that which is unselfish is moral'*. (VS, Vol., I, P-110) [12]. In the opinion of Sister Nivedita, *'internalise national ideals as a part of universal ideals, but it must not be done for selfish personal gain. Service to the universe is indeed a real service to the nation'*. (NS, *Jugasanska*, 15.10.2022) [6]. If corruption and illegal activities around our surroundings are observed minutely, then it will be found that behind all these, petty selfish interest

is active, self-gain at the cost of others loss is there in most of the cases. Selfishness along with ego is working behind in majority of the social chaos. Selfishness is destroying many other qualities of an individual. Even if the person is sincere, punctual etc. but these are not counted, people used to say, O! this person is a selfish person. That is why, Swami Vivekananda said, *'Unselfishness is God'*. He, in another occasion said, *'Selfishness is the chief sin, thinking of ourselves first. He who thinks, 'I will eat first, I will have more money than others, and I will possess everything,' he who thinks, 'I will get to heaven before others, I will get mukti before others', is the selfish man. The unselfish man says, 'I will be last, I do not care to go to heaven, I will even go to hell if by doing so I can help my brothers.' This unselfishness is the test of religion. He who has more of this unselfishness is more spiritual and nearer to Siva'*. (*The supreme Lord*) (VS, Vol., III, P-143) [18].

If the essence of this message is put into practical demonstration in letter and spirit, then there will be much more social harmony across the globe. There will be no problem for environment, sustainability will also be taken care of. The entire world civilisation is in a state of severe crisis because of the selfish attitude of some people, some group of people, some country, to get more benefit than others, to live in a better and comfortable way than others, to get more benefit/money than others. But for doing so they never keep Dharma (righteousness) in mind. To achieve their selfish benefit, they adopt any means, they try to attain the same by hook or by crook. This is one of the most important causes of concern for sustainable development today.

Let us now observe the views of different other great personalities on selfless service/unselfishness. In the opinion of Sai Baba, *'Selfless service alone gives the needed strength and courage to awaken the sleeping humanity in one's heart'*. It is not that the persons living a spiritual life alone are giving stress on unselfish approach of life, but Albert Einstein like scientist are also giving importance to the selfless services to others. He said, *'Only a life lived in the service to others is worth living'*. This service is selfless service, that is the service to others, not for any personal gain or desire to get some praise etc. It will be appropriate here to mention that Christofer Drew said, *'Desire is the root of selfishness; clear your heart of desire and be selfless. Selflessness is the key to inner peace'*. (Awakenthegreatnesswithin, 2022) [1].

Renunciation and Service is the national ideals of India. *They alone live who live for others, the rest are more dead than alive*, (VS, *Teachings*, p-259) [3]. Service, most importantly the selfless service, is given due regards in every religion, every country and every society. In India, service is regarded as worship. Here the philosophy of life is to serve man as God. Service to man is service to God. *He who wants to serve the father must serve the children first. He who wants to serve shiva must serve His children-must serve all creatures in the world first.* (Ibid, p-258-259) [3]. If all the creatures of God are served in a suitable way, then how there will be a problem for sustainable development? It was already mentioned above that, *'Selfless service alone gives the needed strength and courage to awaken the sleeping humanity in one's heart'*, (Baba Sai, n.d.). Through selfless service, the heart awakened, when heart awakens, sustainable development, corporate social responsibility, and the ethical living of life comes in a natural way.

Similarly, there are other code of ethics and moral values which are practice across the world from time to time. Some of them are-love and compassion, commercial honesty,

sincerity etc. Let us now observe the cohesiveness among ethics and other two aspects, that is, corporate social responsibility and sustainable development.

Corporate Social Responsibility

Corporate social responsibility is the responsibility of business for the society at large including the wellbeing of all its stakeholders. Corporate social responsibility indicates the responsibility and duty of the business houses/incorporated business houses towards the society. When a business houses is using a portion of its profits for the wellbeing of the society, or for the stake holders of the business, then the same will come under corporate social responsibility.

Corporate social responsibility is described in the online course-Sustainable Business Strategy as, 'Corporate social responsibility (CSR) is the idea that a business has a responsibility to the society that exists around it', (Stobierski, 2021). For sustainable development, social wellbeing must be taken care of, and for this the corporate houses must utilise a portion of its profit for the development of the society around which it is working. The same may be a specific area or it may be Sum total of its stakeholders. For sustainability of any business, sustainable development of the society is a must. Here lies the importance of the corporate social responsibility. Triple bottom line, i.e., people, planet and profit, meaning thereby-the wellbeing of the society, protection of the environment is taken care of by using a part of the profit of the corporate houses voluntarily. Though CSR is expected to be a voluntary exercise from the part of the business houses, yet in the Companies Act 2013, mandate of minimum 2% of profit (immediate past 3 years average profit. If 3 years is not completed since inception, then the average profit) was mandated for the corporate houses. Let us now discuss the CSR provisions under the Companies Act 2013.

Corporate Social Responsibility (CSR) implies a concept, whereby companies decide voluntarily to contribute to a better society and a cleaner environment-a concept, whereby the companies integrate social and other useful concerns in their business operations for the betterment of their stakeholders and society in general in a voluntary way. (MCA, 2022) [5].

CSR activities are to be undertaken by every company-domestic or foreign, its holding and subsidiary company/companies with net worth of ₹ 500 crores or more, turnover of ₹ 1000 crores or more, and net profit of ₹ 5 crores or more. This is mandated under the Act. All other organisations/business houses are free to take up CSR activities voluntarily. Organisations can also spend more than the prescribed minimum 2% of profit for CSR activities voluntarily.

Activities laid down under the Companies Act 2013, to perform corporate social responsibility are:

- To promote education including research and higher education.
- Activities for environmental protection.
- Activities to eradicate poverty.
- Working for improving gender equality.
- Working for the protection of national heritage.
- Activities to improve rural and other national sports.
- Contributing for slum area improvement
- Contributing for digester management.
- Contributing to different funds setup by the central government for the improvement for society and other national relief.

- Making contribution to different educational institutions etc.
- Other activities decided by the CSR committee of that company/organisation in the line with the guidelines of the Companies Act 2013 and the guidelines of the Govt./s.

An organisation may undertake any one or more or all of the activities laid down under the Act. There are also panel provisions for the non-compliance of the CSR activities under the Act.

It is clear from the above discussion that every business houses must be concerned for the development of the society and the environment and must use some portion of its profit for the development of the people and protection of the environment, this is nothing but the pre-condition of sustainable development. This may also be termed as Triple Bottom Line of sustainable development, where people, planet and profit are clubbed together. It will be unethical on the part of the capable business houses not to go for CSR activities. It will also not be ethical from the part of the business organisations to do business which is harmful for the people, for example, adulterated food, medicine etc.; doing business which is harmful for the environment, for example, polluting environment etc.; and at the same time contributing for the CSR, to give cover to these harmful activities.

Sustainable Development Goal

Let us now take a look on the Sustainable Development Goal, as pointed out by the United Nationals on 2015, and observe its relationship with Corporate Social Responsibility and ethical practices. In September 2015, 193 nations came to the United Nations to take some adoptive measures for the future world's challenges of sustainable development. The nations pondered upon and have adopted 17 development goals, which is known as 17 Sustainable Development Goals. (UNDP, n.d.) The focal point of these goals is to bring social, economic and environmental sustainability across the people of the globe. The outcome of each one of the development goals will affect the others and will bring a balance between social, economic and environmental development for all, the present, and future generation covering all sections of the people. This development must be just and righteous. Its aim is to ensure peaceful living for all the inhabitants. Along with peaceful living, all must enjoy prosperity, and the same must pass on to the future generation, which is nothing but sustainability.

17 Sustainable Development Goals are:

1. No Poverty
2. Zero Hunger
3. Good Health and Well-being
4. Quality Education
5. Gender Equality
6. Clean Water and Sanitation
7. Affordable and Clean Energy
8. Decent Work and Economic Growth
9. Industry, Innovation and Infrastructure
10. Reduced Inequality
11. Sustainable Cities and Communities
12. Responsible Consumption and Production
13. Climate Action
14. Life Below Water
15. Life on Land
16. Peace and Justice Strong Institutions
17. Partnerships to achieve the Goal

Each and every country has to take action independently so that the goals can be attained. If any country does not show right approach and does not act ethically on any goal or goals, or show improper implementation, then the sustainability of the world will suffer, ultimately the target of the goals will not be achieved. It can be observed here that the sustainable goals pointed out above are mostly in the CSR activities laid down under the Companies Act 2013.

Intertwining Ethical Practice, Corporate Social Responsibility and Sustainable Development

Ethics must be the basis of all activities. If ethics is the basis to look into the social wellbeing of all the stakeholders of business, then there will be no problem for or avoidance of corporate social responsibility by the business. If all the leaders of all the countries act unselfishly for removing poverty, eliminating hunger, protecting environment, imparting quality education to all the citizens and in the similar manner, if act ethically on all other goals, then there will be no problem in the count of sustainability. But the real problem starts when some countries, including the powerful countries, unethically say something and do something else. They advise the other countries to reduce carbon emission, but carbon emission is the highest in their own countries. They agree and sign in the 17 SDGs charter, where reduction of hunger, reduction of poverty etc. across the globe is the mandate, but they give excessive loan to the countries and charge interest, as a result of which poverty and hunger increases in that country. Taking the advantage of this helpless condition of the country, they try to control the country at the beginning and ultimately plan to capture the country. Countries resolve to ensure peaceful living for all, but under cover, promote/support inhuman activities, terrorism etc. This means, poverty, hunger, environment pollution etc., hardly matters them, their selfish-interest is the most important aspect for them. Because of these unethical practices world's peace is getting disturbed, the peaceful living for all is seems to be unachievable.

Another trend of unethical and selfish practice is observed from the part of some of the leaders of some countries. The leader knows fully well that giving free to the people or to give at a lower price, will be highly detrimental for the country over a long period of time, yet to remain at the helm, and to come to the power to enjoy all the benefits, they offer free or subsidised thing, as a result of which the country suffers badly. The very recent example is the condition of Sri Lanka. The country is suffering from both the counts-international politics of cheap loan, and domestic politics of free to the people of the country.

Unselfishness says let us all survive together; selfishness says 'I-my' and not all. Let I and my kith and kin survive, even at the cost of others. When a business houses or a business man/woman think about using the profit only for its own benefit, then it is the instance of selfishness, if they use a portion of profit for the benefit of the society and other stakeholders of the business then it is an instance of unselfishness, which is nothing but corporate social responsibility. Corporate houses, across the globe are carrying out philanthropic work voluntarily, impact of their work is felt on different counts, on eradication of poverty, spreading of quality education and research, reducing hunger, environment protection etc. is felt everywhere. Of course, many others are hoarding their resources selfishly only for their self/own benefit. If, under CSR activity all the business houses join

hands and show a little unselfish behaviour, then it will be quicker to achieve the Sustainable Development Goals adopted by the United Nations. Similar is the case for countries, the UNO and the world leaders must start thinking about the 'Countries Social Responsibility' (CNSR). Countries, instead of hoarding wealth, may voluntarily think to use the wealth unselfishly for making the lives better for the people of the disadvantaged countries. This is the high time to think in this line for the sustainable development of the world. Ashtang Yog (Eight yogic practices), propagated by Maharshi Patanjali pointed out that no one must accumulate things or wealth unnecessarily which are not required. Patanjali suggested Aparigraha, (Abstinence from possessing unwanted things), (Ramdev, n.d., p-12) which indicates and restrains one to gather/accumulate more things than one requires. If we can control our greed to accumulate things, then many of the problem of sustainable development will be over.

Conclusion

Let us all start promoting ethical behaviour, ethical practice, ethical living; first of course for our own-self, and gradually for all. Without ethical living, sustainability will never come. As a part of ethical living and unselfish behaviour, along with CSR, Country Social responsibility (CNSR) is also to be promoted across the globe. Sooner is the better, let the realisation comes to all the leaders, to all the decision makers, and above all to all of us. May God bless us.

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