

SC578-01 - Corporate Social Responsibility

Ritchie Lowry – Spring 2008

Wednesdays Noon to 2:30 p.m. – McGuinn 415

Format & Content of Seminar

* This is a small, working and sharing seminar that will consider the recent evolution of three interrelated social movements: **socially responsible investing (SRI)**, **socially responsible consuming (SRC)**, and **corporate social responsibility (CSR)**. They all share one thing in common --- the belief that in order to survive a capitalist economy must operate on the basis of what has been called the “**double bottom line.**” Traditional economists argue that the only business of business is to maximize return to shareholders. The problem with this view is that it overlooks the fact that companies are social institutions that have other constituencies in addition to shareholders and owners (employees, suppliers, customers, residents of communities in which the company operates), and if they do not meet the many needs of these other constituencies, needs that go far beyond profit alone, the consequences for the company and the larger economy and society can be serious, if not fatal. Recent abuses in the corporate world only accentuate this conclusion. In addition, an economic order without a social and moral base can threaten the very survival of a society. However, combining social with economic judgments raises a number of important questions (see Examples of Possible Topics for Papers on page 2). We will be considering these issues in detail.

* We will begin the semester by reading and responding to the shared readings below. During the first week, everyone should select a topic for research and analysis during the semester. Rather than asking seminar participants to write a 30-page term paper by the end of the course, you will be asked to write **three** shorter, sequential papers during the semester. About a third of the way through the course, the first 10-page, double-spaced paper will be due which discusses the significance and nature of the selected topic. This will be followed by a second paper that examines and analyzes the selected topic. At the end of the semester, a final paper will draw conclusions from each of the first two papers. When you hand in papers 2 and 3, **please include copies of the previous papers**. You will be asked to share each of these papers in class with one another in order to get the widest possible input. Your term project should also **use the concepts and theories developed in the class**. Since this is a small class that depends upon the widest possible involvement of all, please let me know if you have to miss a meeting for health or other reasons.

Shared Readings

Derber, *Corporation Nation* (St. Martins Press)

Chatterjee, *Iraq Inc.: A Profitable War* (Seven Stories)

Harvard Business School, **Harvard Business Review on Corporate Responsibility**

Office Hours

Monday, 1:00 p.m. to 2:00 pm. and Wednesday, 9:30 a.m. to 10:30 a.m., or by arrangement in 422 McGuinn (x23346)

Examples of Possible Topics for Papers

Automation & Technology - The Human Impact
Can a Corporate Conscience Pay Off in the Bottom Line?
Case Studies of Corporate Responsibility
Codes of Corporate Conduct - Types & Implementation
Community-Based Banking & Revolving Loan Funds
Contract, Part-Time & Temporary Labor
Does SRI and CSR Enhance Return to Investors and Shareholders?
Does SRI and SRC Make a Difference in Corporate Behavior?
Ecotourism & Environmental Tourism: Pros & Cons (see my wife's web page at the GOOD MONEY web site (<http://www.goodmoney.com/ecotravl.htm>)
Employee Stock Ownership Plans (ESOPs) and Stock Options
Family-Friendly Companies
Holding Corporations Accountable
Land Trusts
Outsourcing
Shareholder Action
Social Audits for Corporations
Special Problem Areas in SRI & SRC: for example **Animal Rights, Energy & the Environment, Defense Contractors & War Work** (Reconversion), **Minority Issues**
What Makes a Corporation Socially Responsible?

Take a look at my **GOOD MONEY Page** on the Web (listed below) for these and other ideas. Be sure to check out the many links to other web pages.

Grading of Term Projects

The term projects will be graded on **three things**:

- (1) The way in which concepts and theories from the class and shared readings can be used to analyze the problem/issue you have selected to study.
- (2) The quality and originality of your paper(s).
- (3) The relevance of the issues discussed to the larger field of corporate social responsibility.

Important Dates

January 16 – Introduction to Course. Begin reading Derber.

January 23 – Discuss possible Term Projects. Tentative title & description due.

February 6 – Discuss Derber. Begin reading Chatterjee.

February 20 – First paper due. Discuss Chatterjee. Begin reading Harvard Business School.

March 5 – Spring Vacation.- No Class

March 12 – Discuss first papers.

April 2 – Second paper(s) due. Discuss Harvard Business School.

April 9 – Discuss second papers.

April 20 – Last Class.

May 9 – Final paper(s) due.

Other Ways to Contact Me

– The best e-mail address to use is GOODMONEY1@aol.com. You can send a copy to lowry@bc.edu.

– Also, visit my **GOOD MONEY Pages for Socially & Environmentally Concerned Investors, Consumers and Businesspeople** on the World Wide Web @ <http://www.goodmoney.com>

Major Topics to Be Considered

The Concept of Incorporation

State/Corporation Social/Cultural Contract

Origins of the Modern Corporation

Late 1700s/Early 1800s – Local Corporations/Social Contract

Civil War – Lincoln’s Fears

1886 Santa Clara Co. vs. Southern Pacific

Robber Barons and Noblesse Oblige

Early 1930s – Berle and Means/Regional and National Corporations

Change from Ownership to Management

New Deal – Economic Regulation

WWII – Military/Industrial Complex

Post WWII – Multi- and Transnational Corporations

Late 1900s – Privatization and Corporate Excess

Special Problems and Responses

Privatization, Corporatization and the Corporate Mystique

History & Nature of Socially Responsible Investing and Consuming

World Trade Organization (IMF & World Bank)

“Free Trade” Zones and Agreements

Micro-Sociological Theories of Corporate Deviance

Means-Ends

Unanticipated Consequences of Managerial & Social Policy

Faulty Decision-Making

Macro-Sociological Theories of Corporate Deviance

Historical Changes in the Nature of Work & Labor

Bureaucracy and the Irrationality of Rationality

Craft Work to Scientific Management

From Taylorism Through Fordism to McDonaldization

The Myth of Efficiency

Accumulation of Corporate Power: Military-Industrial Complex