
The Two Views Regarding Corporate Social Responsibility.

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- The Traditionalists
- The Advocates of Corporate Personhood



The Differences between the Traditionalist and the Advocates of Corporate Personhood

■ The Traditionalists

Suggest that the corporation is nothing but a group of individuals who have come together to form the corporation. The corporation is thus nothing more than the sum of its parts

In the case of a corporate misdemeanour, the individuals responsible for the misdemeanour must be punished.

CSR is construed in terms of a contract between group of individuals has made with the society.

■ The Advocates of Corporate Personhood

Suggest that corporation is person over and above the individuals who constitute it. The corporate internal decision making structure (CID) transforms individual decisions into corporate decisions.

The individuals responsible for the misdemeanour must be punished. But in addition the CID structure may have to reformed if the misdemeanours are the result of certain systemic problems within the corporations and not any particular individuals.

CSR is construed in terms of a contract between the corporation seen as person and society

The Fundamental Similarity between the Traditionalists and the Advocates of Corporate Personhood

- They both rely as we have seen on the notion of a contract to articulate their respective notions of Corporate Social Responsibility
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The Limitations of the current notions of Corporate Social Responsibility

The idea of a social contract portrays corporate-social interaction in too static a manner.

As a result

- It cannot account for the dynamic nature of corporate-social interactions in developing countries
 - It cannot account for the way economic decisions always have political implications in these countries and economics and politics here are never completely insulated from each other
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Two Case Studies

- East India Company
- Farmer Suicides in Contemporary India



Villagers in Bhadumari gathered in the house of Anil Kondba Shende and looked at his body as the local police investigated his suicide.

Source: <http://www.nytimes.com/2006/09/19/world/asia/19india.html>



Kausalya Shende standing in the field where her brother's cotton crop failed three times this year — twice for lack of rain and once from flooding.

Source: <http://www.nytimes.com/2006/09/19/world/asia/19india.html>
