The company social responsibility  
in the neo-republicanism approaching  

ZORZI Enrico¹  

Abstract: In the 21st century firms don't operate under free market conditions. Enterprises are not dominated by shareholders and stakeholders, though there are some interference. Responsibility rested on the Liberty's constitution for firms.

The Board takes direct responsibility for determining policy and strategic direction of CSR matters, which is disseminated through the Corporate Social Responsibility Committee and progress against predetermined targets and objectives is regulated to ethics in CSR Management Committee.

We analyse the enterprise's liberty in neorepublican business ethics. Libertarians often speak in terms of the liberty dimension, disregarding the responsibility dimension. The point is familiar with respect to the ethics welfare issue. The neorepublicanism of Philips Pettit (1996) gives new perspective on the liberty concept. The board is free in economic decisions, but has negative liberty in the social decision?

The paper argues that both interference and domination play an important role in reducing freedom and that neither concept can be reduced to the other.

Keyword: CSR, responsibility incorporated, interference,

¹ Zorzi Enrico  
PhD Student  
Centre d’Economie et d’Ethique pour l’Environnement et le Développement  
C3ED UMR n° 063 (IRD-UVSQ)  
Université de Versailles St Quentin  
47 Boulevard Vauban 78047 Guyancourt  
Tel: 33(0) 1 39 25 57 06  
Fax : 33(0) 1 39 25 53 00  
Mail : enricozorzi@yahoo.com
Introduction

Companies embrace the CSR in the market for simplify and facilitate the complex process of social and environmental governance. Companies retreat from inflexible contractual arrangements and not the domination achieve improved interaction with each other. The current study reveals that parties to principles agreement are better able to maximise their joint gains by creating a framework for negotiation.

Conceived of as non-domination, self-determination entails a presumption of non-interference (Pettit 1997). However, outside agents who believe that the actions of an autonomous agent affect them adversely can legitimately make a claim on the affecting agent to have a right to negotiate with them about the terms of their relations. Interference entities need to join a decision-making body to work out procedures for adjudicating such claims and potential conflicts. To the extent that interference units dwell together in a common environment, moreover, they are liable to face some common problems. What it means to face such problems autonomously, then, is that they have institutions through which they are able to discuss those shared problems and decide on joint actions to address them.

The CSR agreements are one of the parties' knowledge about to interact and, hence, become “knowledge repositories” (Mayer and Argyres, 2004). Our study indicates that companies need to draft their responsibility in such a way that their expectations are manifested with certainty and predictability and that they include mechanisms for re-negotiation. One route for determining the appropriate terms of a responsibility agreement is to apply a form of backward recursion (Schwartz, 1992). Companies need to hypothesize a re-negotiation stage and then ask how the initial terms will impact on re-negotiation.

In supply chain management there is increasing emphasis being placed on responsibility issues, however, insufficient attention has been paid to the various (Carter, 2000, Mellahi & Wood, 2003).

In the present stage of the discussion on the problem of social choice, it should be common knowledge that the General Impossibility Theorem holds because only the ordinal preferences is or can be taken into account. If the intensity of preference or cardinal utility4 can be known or is reflected in social choice, the paradox of social choice can be solved (Coleman 1990). The problem of social choice is to formulate a social preference or choice function from those of the preferences of various individuals. Thus, if there is no way to compare the preference intensities among the individuals, the knowledge of these intensities alone gives little help.5 However, it is difficult to know and compare the preference
intensities of different individuals. Liberalism may be regarded as a partial solution to the problem of social choice in view of these difficulties.

In the literature we utilise two type of governance: the libertarian governance, which utilise the normative principle of ethics (Kant), and the institutional governance, which utilise the positive principle of ethics (Habermass). In the last years we observe the apparition of the tree ways the neo-republicanism of Philips Pettit (1997). Pettit analyse the decision how the problem of the deliberation and aggregation (Pettit 2001 and 2003).

The republican pursuit of rectification in the aftermath of a crime does not come at the expense of the notion of equality before the law. One of the aims of republicanism in the criminal justice context is to ensure that `those who are equally culpable for equal wrongs (are equal in desert) should be equally punished. Republican theorists have termed this goal `justice as equality.' The pursuit of justice as equality does not seem very different from the retributivist notion of equality before the law. The difference lies in the interpretation of equality. In the context of corporate crime, desert theorists seek equal punishment for equal wrongs, while republican theorists regard `justice as equality' as comprising equality of treatment of those who are equally responsible for corporate crime. These are very different goals.

Corporate responsibility

The responsibility is the first classical perspective of business; it is to provide goods and services that lead to the maximization of profit within the framework of legal requirements (de la Cruz D.and Cabrera Suarez K., 2005). The focus here is on the economic and legal responsibilities of business.

The broader view of responsibility associated with the second camp translates into attempts at meeting a wider spectrum of expectations, as in protecting the environment, developing the community, conserving resources, and philanthropic giving (Quazi and O’Brien, 2000).

From this perspective, business like ordinary persons or citizens is expected to assume responsibility and conform to the principles of morality, accountability, and integrity with a much wider scope for potential contributions and interventions. That the corporate should be held responsible has been nicely argued by Pettit (2005). In his words, “by incorporating with one another, human beings can have effects such that it is difficult to find them individually responsible...and so there will be a serious deficit in the allocation of
responsibility, unless we are willing to assign responsibility to the corporate(s) that such agents constitute.’’

The decision in the firms is regulated by the CSR. Providing gifts, meals and entertainment is widespread and is one of the most widely cited ethical issues in purchasing (Cooper et al., 1997, Fritzsche, 2005).

The corporate, unlike a congregate, is structured to perform like an agent, being constructed so as to have a unified system of goals and representations, and a means of acting on what they recommend. But that still leaves it open to two possibilities, each inimical to its being an emergently responsible agent.

All of this is to say that the corporate can satisfy the three requirements for responsibility that we identified at the beginning: agent-choice, control, and believer-access. In order to illustrate this upshot, imagine a corporate entity that involves a commercial company: for simplicity, a participatory company that is owned and effectively run by its employees. And now consider the way in which it may reach a decision on a certain issue, and the sort of responsibility that it may thereby incur (Pettit 2001).

This possibility is quite a robust one, because there are many ways in which individuals may have only diminished responsibility for a part they play in an instance of wrong-doing or right-doing for which a corporate can be held responsible. Each individual acting may rightly judge that he or she is not indispensable and that the corporate effect will be realized even if they don’t act: this, like the individual soldier in the invading army (Parfit 1984).

Such possibilities arise with congregate as well as corporate entities and in that case they are particularly troubling: they imply that no one can be held fully responsible for the bad that is done. They are not so troubling here, since they do not leave the same responsibility deficit. Despite the fact that individual agents are not responsible in a personal way, it remains possible that the corporate is responsible in the emergent sense and that individuals are responsible as members of the corporate, if not in their individual right.

**Self-determination**

The first trajectory of the liberal-republican debate centre on the question whether it is possible to reconcile between the liberal respect for individual rights and the company pursuit of collective good; as well as between the liberal maintenance of the moral impartiality of the state and the CSR endorsement of specific normative vision of society. For
instance, Dagger advocated the construction of the republican-liberal “hybrid” as a combination of the republican principle of self-determination of a given political community and the principle of individual autonomy within that community.

In other words, he envisioned a potential positive correlation (or at least lack of mutual incompatibility) between the external collective sovereignty and the individual autonomy of its members. In contrast, for Sandel such positive correlation could only be articulated at a high level of generality and abstraction (Sandel(1996)). He argued that the conflict between individual autonomy and the republican ethos of collective self-determination and civic duties was inevitable (as well as politically consequential) because of the inbuilt dynamic of the liberal polity to insist on individual self-sufficiency to the degree of individual separation. The implication is the unavoidable “corrosion” of civic-republican values.

This paper finds it interesting that both authors employed the concept of “individual autonomy” as central for their argumentations, but it also suggests that their understandings of autonomy differed substantially. While Sandel understood autonomy in individualistic terms as an act of political self-governance and self-determination,

Dagger endorsed the Kantian notion of autonomy as a moral act performed in accordance with superior ethical norms. Dagger aimed hence to de-construct the allegedly antagonistic notions of individual autonomy and of the communal purpose and civic virtue through argumentation that the desire for individual autonomy, traditionally regarded as an exclusive liberal conception, had de facto remained at the heart of the republican notion of civic virtue. In this perspective, the social responsibility endorsement of the concept of personal autonomy was articulated out of “the fear of dependence” and in accordance with the conviction that “the virtuous citizen must be free, but not simply free to go his or her own way, [...] instead, the citizen is free when she or he participates in the government of his or her community.”

First problem for the CSR is different bodies of judgment are to be aggregated into a single body of judgment: one that the group can act on when it acts as a whole — if it ever does this — and one that those authorized to speak or act in its name can be required to follow, we must utilise the positive approaching of Rawls (1993) justice.

The discursive dilemma of Pettit (Pettit 2001, 2003) is to be able to perform as a decision-making centre, then it must be able to ensure consistency in its judgments; it must be sensitive to the recognition of inconsistencies, even if it occasionally slips on this front. This is a reasonable assumption since the group that is insensitive to the inconsistency of its
judgments on issues related to action will be unable to make a rational decision on what to do.

The problem that arises with the majority aggregation of judgments on a range of issues, in particular a range of issues that are logically connected with one another is that individuals with perfectly consistent sets of judgments on those issues can vote for a set of group judgments that is quite inconsistent. The enterprise is responsible of action. Such entities can be held responsible in a manner that parallels but does not reduce to the practice of holding individuals responsible.

To hold an individual more or less fully responsible for an action, by criteria inscribed in common practice, is to assume three things: first, that the person was an agent proper and faced a significant choice, involving the possibility of doing something good or bad, right or wrong; second, that the choice was up to the person: it was, intuitively, within the agent’s control; and third, that the person was a normal believer with evidence available supporting beliefs that that is how things were. We refer to the three requirements of full, personal responsibility as: the agent-choice requirement, the control requirement, and the believer-access requirement.

In this paper we put aside the difficult issues of what it is exactly for someone to be in control of a choice (Pettit and Smith 1996; Pettit 2001) and what it is for someone to enjoy believer-access. The only point I would make is that there is a difference between holding someone responsible in the attitudinal sense and intentionally imposing a sanction. Applying our three conditions, for Pettit (2002), a corporate entity can be held fully responsible for doing something, so far as it satisfies these requirements:

- **Agent-choice.** This corporate entity was a proper agent, facing a significant choice between doing something good or bad, right or wrong.
- **Control.** The choice was within the control of the corporate.
- **Believer-access.** The corporate was a normal believer, with evidence available on those and related matters.

To the extent that it is their corporate may deserve a degree of praise or blame — they may rightly feel righteous or guilty in some small measure — so far as they identified with what was happening or at least did not dissociate themselves or protest: they were complicit in the corporate performance (Kutz 2001).
To assert the possibility of emergent corporate responsibility, with this associated member-responsibility, is consistent with allowing that there is also a further sense in which individuals may be responsible for a piece of corporate right-doing or wrongdoing.

Individuals will have member-responsibility for something in virtue of their corporation being emergently responsible for it; individuals will have enactor responsibility so far as it was by their hands that the right or wrong in question was done.

We can admit corporate into our ontology and still remain normative individualists (Pettit 1993). The question, then, is whether corporate has to be denied emergent responsibility, on the grounds that they are not emergent agents, not agents in their own right. shall argue that they can be emergent agents. How individuals act and adjust in certain circumstances, corporates can emerge as agents with an identity of their own — agents distinct from the individuals who construct them (List and Pettit 2006).

In these very basic respects, a corporate entity will have to simulate the performance of an individual. It will have to exemplify the profile of an entity worthy of being interpreted from within the intentional stance, in the manner of certain humans, animals and perhaps instances of artificial intelligence (Dennett 1987). It might conceivably do so in the manner of a simple animal, without any normative beliefs bearing on the goals to adopt, the means to take in pursuit of them, the sorts of beliefs that are evidentially persuasive, and so on. Or it might do so, more plausibly, in the manner that we human beings exemplify. We human beings do not just adopt goals, select means and form beliefs, after all; we are also capable of taking normative claims into account, whether in performing well or in apologizing for not having performed well.

This observation need not be a reason for scepticism about corporate responsibility, however, because it turns out that no corporate entity can realistically expect to form its required judgments on the basis of majority vote, or anything like majority vote. On this matter the tradition is demonstrably wrong. The ‘discursive dilemma’, as we shall see in a moment, shows that majority voting among perfectly consistent voters is liable to generate an inconsistent set of group judgments (Pettit 2001). And an associated impossibility theorem shows that the problem is general.

The interference

We shall be taking the interference (Pettit 1997) approach to mindedness as our starting-point in this paper. We do so in a way that abstracts away from detailed
commitments, however, and we hope not to beg very many questions. Thus, we do not
commit ourselves on how the cognitive architecture of a system’s internal states must be
causally organized in order to account for its performance as an intentional system (Jackson,
1993). Nor on whether it may be sufficient that beliefs are identified by their action-guiding
role, and have their represented contents fixed by the causally distinctive way in which they
covary with relevant states of affairs (Fodor, 1990). Nor, finally, do we assume anything
about what are the feasible limits beyond which we cannot expect constraint-conformity
(Cheniak, 1986), and what are the favourable circumstances under which a lack of
conformity would tend to suggest an absence of mindedness (Pettit, 1999).

The upshot of the argument in the last section is that people’s ability to use sentences
explains how they can discriminate contents or propositions as objects of attention. But
nothing is ever going to be the object of attention tout court; it is always going to present itself
as the bearer of certain properties. So what features are human beings going to identify as
proper to the contents that they discriminate? And how are they going to be able to identify
those properties?

The property most widely ascribed to contents or propositions is truth or falsity. And
there is a straightforward explanation of how human beings might come to attribute this
property to a given proposition. People will be in a position to attribute truth to a
proposition just so far as they find themselves disposed to assent to it. They will be in a
position to attribute falsity to a proposition just so far as they find themselves disposed to
dissent from it. And they will be in a position to attribute neither—they will have to reserve
judgment—just so far as they find themselves lacking such dispositions (Wright, 1992).

The fact that people can discern truth and truth-related, they can identify constraints
on what beliefs they should form and act on, as well-behaved intentional systems. For when
people form beliefs about which propositions are true or false, which propositions are
consistent with one another, which propositions are inductively or deductively supported,
and so on, they thereby identify constraints that the well-behaved system must generally be
disposed to satisfy. Special explanations aside, the intentionally well-behaved system must
tend to believe the true; must tend to believe only consistent contents; must tend to believe
contents that are inductively or deductively supported; and so on. In having the ability to
attend to contents or propositions, therefore, human beings will also have the ability to
identify constraints on how they should perform, if they are to be well-behaved intentional
systems.
Some will think it possible that certain creatures might identify such constraints, in the sense of having the corresponding beliefs, without identifying them as constraints. They might fail to see that the constraints are specifications that they must fulfill on pain of losing or diminishing their title to be regarded as intentional subjects (Dennett, 1987).

There are other cases, however, where there is room for a more dramatic form of intentional monitoring and regulation. While reasoning leads me to a certain conclusion in these cases, that conclusion does not automatically come to reign in my responses; I do not spontaneously come to act as if it were true. On the contrary, I find myself stuck with a pattern of action that evinces the continuing presence in the architecture of my representations of a different, inconsistent belief. In these cases, people can adopt intentional initiatives to counteract such a resistance to reason and to promote in quite a vivid fashion their satisfaction of relevant constraints.

Consider the principle that identifies the mistake in the so-called gambler's fallacy: the myth of thinking that with independent events such as a coin's coming up heads or tails, a string of heads increases the likelihood that it will next come up tails, and vice versa. It may be that I sustain that belief, in good part, only because I take the principle to be true and make intentional efforts to stay faithful to it: to stop backsliding, for example, into the sort of belief that may mesmerise me at the gambling table, to the effect that tails is bound to come up next, given the run of heads.

A stakeholder's interference

A number of studies have been conducted in an attempt to verify if stakeholders' interferences are in fact a variable which influence behaviour. The results of the studies are clearly mixed. Several studies have found that codes are effective (McCabe et al., 1996; Pierce and Henry, 1996). Other studies have found that the relationship is weak (Weeks & Nantel, 1992), while numerous other studies have found that there is no significant relationship between the two variables (Clark, 1998).

In other words, codes of ethics by their very definition imply that they contain normative guidelines for behaviour. Are corporate codes of ethics necessarily ethical? To challenge this notion, an initial set of universal moral standards is proposed by which all corporate codes of ethics can be ethically evaluated. The set of universal moral standards includes:
1. **Trustworthiness** (including notions of honesty, integrity, reliability, and loyalty);
2. **Respect** (including notions of respect for human rights);
3. **Responsibility** (including notions of accountability);
4. **Fairness** (including notions of process, impartiality, and equity);
5. **Caring** (including notion of avoiding unnecessary harm);
6. **Citizenship** (including notions of obeying laws and protecting the environment).

Are there moral obligations with respect to what must be included in a code? Do companies have the right to include any set of standards or guidelines they desire? What specific substantive content are companies obligated to include in their codes? Consideration of the six moral standards generates a number of moral minimums in terms of code content:

(i) inclusion of six universal moral standards;
(ii) obligations to stakeholders;
(iii) consistency with moral standards;
(iv) prioritization of standards;
(v) sufficient rationale;
(vi) inclusion of procedural provisions;
(vii) comprehensible; and achievable.

This requirement implies that it would not be sufficient for a company to merely restate the law in its code, as the law would not sufficiently express the moral standards (other than possibly citizenship). Finally, unless the six moral standards are explicitly mentioned in their codes, companies may run a greater risk that the moral standards may be violated by their employees. The workers suggest that there is a practical benefit as well to include the standards in the code. How the standards should be included (either as values, principles, or specific behaviour provisions) is discussed below. In reality the company has one ethics code for all country, which transforms this type of “law” in international, in opposition to national behaviours or morality, but the stakeholders

**The shareholders interference**

Shareholders interference is prompts attempts to resolve opposing obligations, where people perceive that their duties toward one group are inconsistent with their duties and responsibilities toward some other group (including one's own self). For example,
The conflict experienced by investment bankers, in Glover et all (1997), examined who had friends employed in a firm about to be purchased by a company having little management expertise. Others have addressed external stakeholder issues, the role of significant others' influence on ethical decision making (Chonko and all, 1996)self interests versus the interests of the company (Glover et al, 1997) managing customer relationships, relationships with significant others managing work relationships, and the influence of peers. Furthermore, Singhapakdi et all (1996) examined ethical scenarios involving product defects (company versus customer), value exaggerations (company versus customer, personal versus customer).

Most ethics research employing scenarios implicitly focuses on conflicts of interest. Individual decision makers can be viewed as actors in a web of relationships (Niebuhr, 1963). Individuals tend to "fit" actions in response to others who are involved in this web, which Fritzche (1991) describes as the individual's role set. Chonko et all (1996) call for scenario work concerning conflicts of interest in which stakeholders and relevant sales and marketing information are manipulated sequentially to understand how changes in stakeholders impacts ethical decision-making.

That marketing managers do not believe that unethical behaviors in general lead to success. Only 8% agreed that "Successful marketing managers in the company are generally more unethical than unsuccessful managers." Likewise, only 26% agreed that "In order to succeed in my company, it is often necessary to compromise one's ethics." However, many believe that successful marketing managers do engage in certain specific unethical behaviors. Significant numbers of managers believe that successful managers in their company (1) withhold information that is detrimental to their self interests (43%); (2) make rivals look bad in the eyes of important people in their company (29%); (3) look for a "scapegoat" when they feel they may be associated with failure (32%); and (4) take credit for the ideas and accomplishments of others (48%).

We called for further research on success and its relationship to ethical/unethical behavior. While some studies have examined this relationship, there is clearly much more work to be done. As with opportunities for unethical behavior, it would be interesting to track the changes in perceptions of ethical/unethical behavior and success over time.
Further, it would also be interesting to examine how these perceptions relate to such organizational outcomes as growth and profitability.

Perhaps the top management reprimand unethical behavior, the ethical problems perceived by marketing managers seem to be reduced. Indeed, "top management actions" was the single best predictor of the extent to which managers perceive ethical problems. This finding has been corroborated many times.

Vitell and Davis (1990) find that when top management actions support ethical behavior, professionals are more satisfied with promotion opportunities, coworkers, supervisors, pay, and the job itself. Bellizzi and Hite (1989) find that the kinds of actions managers take differ depending on circumstances. For example, when an unethical behavior occurred, termination was high on the list of remedies if the violators were poor performers, but such drastic action was not taken if the violators were good performers. Bellizzi and Hite (1989) also report that gender made a difference in how management reacted to ethical violations: women generally were treated somewhat less harshly. Subsequently, Bellizzi (1995) corroborated this finding, again reporting that females are treated less harshly than males in ethical situations. More recently, McDonald (2000) has observed that a commitment by senior management to ethics becoming a part of the strategic vision of a company is essential for promoting ethical behavior.

**Conclusion**

In the XXI century the liberty of company is limited by the national and international law, but this reduction of liberty is not negative. The industry research in the norms interferences theirs self-determination. The CSR is not a negative constitution for the industry but one new type of marketing.

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