

# Corporate Social Responsibility to Respect Human Rights

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**Abstract:** Earlier, human rights and corporate houses seemed to be worlds apart, like oil and water, an impossible mix. Preventing human rights abuses were mostly thought to occupy the field of States, and never the field of corporate houses. The main agenda of corporate houses was to earn profit. But nowadays we can see the paradigm shift in the relation of corporate houses and human rights. Operations carried out by the corporate houses bring visible evidences of how closely human rights and corporate houses are linked, the key perspective being corporate social responsibility. Corporate social responsibility (CSR) refers to strategies that corporate houses adopt to conduct their business in a way that is society friendly, ethical and beneficial to community in terms of development. Keeping in mind the changing scenario of global market, corporate houses have to change their work culture as per the demands of the society. New global expectations are emerging in which respect for minimum human rights standards has become an inextricably linked issue with the process of building a responsible company. The researchers through this paper tried to view the corporate social responsibility of the business houses from the perspective of human rights. The paper begins with a review of the elaborate existing literature and debate on the subject. Then, a conceptual vision is synthesized that coherently integrates human rights and corporate social responsibility frameworks. After setting the conceptual criteria, empirical cases where effective corporate social responsibility considerations have resulted to respect for human rights, are analyzed and explained. The findings of the study provide insights into an area of growing concern of corporate houses towards society. The paper ends with a sketch of possible paths of merging the business goals with social responsibility practices to foster corporate respect for human rights.

**Keywords:** Corporate social responsibility, Human rights, Corporate houses.

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## 1. INTRODUCTION

In the era of globalization, there is cut-throat competition among the corporate houses to be the leader in the global market. The corporate houses are losing their ethics to survive in the global arena. Their narrow self-seeking interest of profit maximization often leads to significant harm to the society as well as the environment. The corporate houses should not forget that their every activity will have an impact on future generation. Whatever they will do today will affect the society tomorrow. Many conscious efforts are required to make the world a better place to live in. And all those conscious efforts of the corporate houses are named as corporate social responsibility.

Corporate Social Responsibility (CSR) ensures the success of a business by the inclusion of social and environmental considerations into a company's operations to produce an overall positive impact on society. As per Dahlsrud (2008), CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. Business dictionary (2009) defines CSR as 'a company's sense of responsibility towards the community and environment (both ecological and social) in which it operates'. It is a commitment to improve community well-being through discretionary business practices and contribution of corporate resources (Kotler & Lee, 2005). The World Business Council for Sustainable Development (2002) defines CSR as 'the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large' (p. 3).

Though different people and organisations have different definitions for CSR, the prime focus is on strategies and mechanisms whereby a company monitors and ensures fulfilment of ethical standards, including human rights norms in order to produce a positive sustainable impact for both, the society and the company as well. The success of a company can be made possible only when the interests of all involved stakeholders are met. One of the most important stakeholders in this system is the society in which the company operates. Over the past few decades, society has been changing continuously in a complex way and the corporate houses have to cope up with the new rules of the game. New global expectations are emerging in which respect for minimum human rights standards has become an issue inextricably linked with the process of building a responsible company.

Human rights are the universally agreed minimum standards that aimed at securing dignity and equality for all. They are inherent to all human beings, irrespective of their nationality, place of residence, sex, ethnic origin, colour, religion, language, or any other status. Every individual is equally entitled to enjoy human rights without discrimination. These rights are the foundation of freedom, justice and peace in the society.

Human rights are mentioned in many international documents. The most well-known is the Universal Declaration of Human Rights (UDHR), formally adopted in the year 1948. They are then codified in international law through the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, both adopted in 1966. Collectively all three documents are known as the International Bill of Human Rights (Ruggie, 2012).

The UDHR consists of 30 articles on human rights, which are listed below (Universal Declaration of Human Rights, Abbreviated Version, 1948):

**Table 1: Human rights as declared by the UDHR**

Article 1: Right to equality
Article 2: Freedom from discrimination
Article 3: Right to life, liberty and personal security
Article 4: Freedom from slavery
Article 5: Freedom from torture and degrading treatment
Article 6: Right to recognition as a person before the law
Article 7: Right to equality before the law
Article 8: Right to remedy by competent tribunal
Article 9: Freedom from arbitrary arrest and exile
Article 10: Right to a fair public hearing
Article 11: Right to be considered innocent until proven guilty
Article 12: Freedom from interference with privacy, family, home and correspondence
Article 13: Right to free movement in and out of the country
Article 14: Right to asylum from persecution in other countries
Article 15: Right to a nationality and freedom to change it
Article 16: Right to marriage and family
Article 17: Right to own property
Article 18: Freedom of belief and religion
Article 19: Freedom of opinion and information
Article 20: Right to peaceful assembly and freedom of association
Article 21: Right to participate in government and in free elections
Article 22: Right to social security
Article 23: Right to favourable work and to join trade unions
Article 24: Right to rest and leisure
Article 25: Right to an adequate standard of living
Article 26: Right to education
Article 27: Right to participate in the cultural life of the community
Article 28: Right to a social and international order in which human rights can be realized
Article 29: Community duties essential to free and full development
Article 30: Freedom from State and personal interference in the above rights

These rights are (i) Universal i.e. applicable to all human beings; (ii) Indivisible i.e. all rights are equally important; and (iii) Inalienable i.e. the human rights of a person can generally not be taken away (Business & Human Rights Initiative, 2010).

As per the UDHR, States have the obligation to respect, protect and fulfil these human rights. To respect means not to interfere with the enjoyment of human rights. To protect means to ensure others do not interfere with the human rights of the individuals or groups. And, to fulfil means States must take positive action to facilitate access to human rights.

Today, the traditional notion that only the states and individuals are responsible to respect, protect and fulfil the human rights, is changing rapidly. The UDHR (1948) states in its Preamble that 'every individual and every organ of society shall strive by teaching and education to promote respect for these rights and freedoms'. Corporate houses or business enterprises are important 'organs of society', and are required to clarify their role in relation to these human rights.

In many ways, corporate houses are implicitly or explicitly addressing human rights. Many substantial evidences can be seen in which corporate houses through their day-to-day operations respect and value human rights, the key perspective being corporate social responsibility. Human rights are embedded in many CSR activities of the companies. The following table reflects the empirical cases where effective CSR activities have resulted to respect for human rights:

**Table 2: Human rights embedded in CSR activities of 10 major Indian companies**

Company	CSR Activities*	Human Rights Valued**
<b>Indian Oil Corporation Ltd.</b>	<ul style="list-style-type: none"> <li>• Mobile Healthcare Services for the village people</li> <li>• Swarna Jayanti Samudaik Hospital, Mathura</li> <li>• Assam Oil School of Nursing, Digboi offers professional nursing courses to unemployed girls</li> <li>• IndianOil Education Scholarship Scheme for the poor and deserving SC/ST students</li> <li>• Indian Oil Foundation to protect, preserve and promote national heritage</li> </ul>	<ul style="list-style-type: none"> <li>• Right to life, liberty and personal security (3)</li> <li>• Right to an adequate standard of living (25)</li> <li>• Right to favourable work (23)</li> <li>• Right to education (26)</li> <li>• Right to participate in the cultural life of the community (27)</li> </ul>
<b>Reliance Industries Ltd.</b>	<ul style="list-style-type: none"> <li>• Symbiotic relationship with the local communities</li> <li>• Skill development of local youths</li> <li>• Initiatives to Combat HIV / AIDS and TB</li> <li>• Thalassaemia detection camp and Parental counselling in tribal areas of Surat</li> <li>• Quality education to the children of all employees</li> <li>• Community Development activities focussed on improving village infrastructure, supply of drinking water, education support etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Right to equality (1)</li> <li>• Right to favourable work (23)</li> <li>• Right to an adequate standard of living (25)</li> <li>• Right to education (26)</li> <li>• Community duties essential to free and full development (29)</li> </ul>
<b>Mahindra &amp; Mahindra Ltd.</b>	<ul style="list-style-type: none"> <li>• Lifeline Express: medical facility</li> <li>• Free surgeries</li> <li>• College establishment Nanhi Kali (for underprivileged girl child)</li> <li>• Free education for girls</li> </ul>	<ul style="list-style-type: none"> <li>• Right to life, liberty and personal security (3)</li> <li>• Right to an adequate standard of living (25)</li> <li>• Right to education (26)</li> </ul>

Company	CSR Activities*	Human Rights Valued**
<b>Bharat Petroleum Corporation Ltd.</b>	<ul style="list-style-type: none"> <li>• 86% implementation of safety audit recommendations at Mumbai and Kochi refineries</li> <li>• Energy efficiency initiatives</li> <li>• Use of bio diesel, solar power and wind power to substitute fossil fuel use</li> <li>• Rain water harvesting</li> <li>• Leadership development workshop</li> <li>• Reached out to 15,000 children through education initiatives</li> <li>• Infrastructure development</li> </ul>	<ul style="list-style-type: none"> <li>• Right to life, liberty and personal security (3)</li> <li>• Right to an adequate standard of living (25)</li> <li>• Right to favourable work (23)</li> <li>• Right to education (26)</li> <li>• Community duties essential to free and full development (29)</li> </ul>
<b>Tata Steel Ltd.</b>	<ul style="list-style-type: none"> <li>• Running mobile medical vans and ambulances</li> <li>• Organizing health camps</li> <li>• Setting up and running skill development centres, industrial training centres, diploma and polytechnic institutes, community colleges, etc.</li> <li>• Undertaking plantations and afforestation activity</li> <li>• Setting up and running educational institutions and hostels</li> <li>• Rural development projects of building and maintaining community-based rural infrastructure like roads, bridges, culverts, drains, rural electrification, water infrastructure, community centres, youth clubs, etc.</li> <li>• Preserving and promoting fine arts and performing arts</li> </ul>	<ul style="list-style-type: none"> <li>• Right to life, liberty and personal security (3)</li> <li>• Right to favourable work (23)</li> <li>• Right to an adequate standard of living (25)</li> <li>• Right to education (26)</li> <li>• Right to participate in the cultural life of the community (27)</li> <li>• Community duties essential to free and full development (29)</li> </ul>

Company	CSR Activities*	Human Rights Valued**
<b>Larsen &amp; Toubro Ltd.</b>	<ul style="list-style-type: none"> <li>• Create awareness on HIV/AIDS</li> <li>• Organizes diagnostic and clinical health camps that support maternal and child health care</li> <li>• Provides formal vocational training in construction for the unorganized workforce through Construction Skills Training Institute</li> <li>• Provides solutions for desalination, wastewater re-cycling and re-use</li> <li>• Provides primary education</li> <li>• Mobile teaching unit - 'Science on Wheels' visits schools and provides pupils with a 'hands on' opportunity to perform science experiments</li> <li>• Provides technologies for zero discharge of wastewater</li> </ul>	<ul style="list-style-type: none"> <li>• Right to life, liberty and personal security (3)</li> <li>• Right to favourable work (23)</li> <li>• Right to an adequate standard of living (25)</li> <li>• Right to education (26)</li> <li>• Community duties essential to free and full development (29)</li> </ul>
<b>Wipro Ltd.</b>	<ul style="list-style-type: none"> <li>• Provides rehabilitation to survivors of natural calamities</li> <li>• Enhances learning abilities of children from underprivileged sections</li> </ul>	<ul style="list-style-type: none"> <li>• Right to life, liberty and personal security (3)</li> <li>• Right to education (26)</li> </ul>
<b>Infosys</b>	<ul style="list-style-type: none"> <li>• Organizes novel pension schemes and aiding orphans and street children</li> <li>• Provides medical facilities to remote rural areas</li> <li>• Organizes rural education programme titled 'A library for every school'</li> </ul>	<ul style="list-style-type: none"> <li>• Right to social security (22)</li> <li>• Right to an adequate standard of living (25)</li> <li>• Right to education (26)</li> </ul>

Company	CSR Activities*	Human Rights Valued**
<b>ITC Ltd.</b>	<ul style="list-style-type: none"> <li>• Integrated watershed development projects in water stressed areas</li> <li>• Through 'e-choupal' organizing farmers into water user groups that plan and build water-harvesting structures</li> <li>• Livestock development</li> <li>• Managing water soil level and forest resources to maintain the balance and ecological security</li> <li>• Greening Wastelands and Irrigating dry lands</li> <li>• Primary education in rural areas</li> <li>• ITC Sangeet Research Academy</li> </ul>	<ul style="list-style-type: none"> <li>• Right to life, liberty and personal security (3)</li> <li>• Right to favourable work (23)</li> <li>• Right to an adequate standard of living (25)</li> <li>• Right to education (26)</li> <li>• Right to participate in the cultural life of the community (27)</li> <li>• Community duties essential to free and full development (29)</li> </ul>
<b>State Bank of India</b>	<ul style="list-style-type: none"> <li>• The Bank has 2,610 persons with disabilities, 42,744 Schedule Caste and 17,243 Schedule Tribe employees.</li> <li>• Bank has donated 313 ambulances and medical vans</li> <li>• National donation to Prime Minister's and Chief Minister's Relief Funds for natural and other calamities</li> <li>• The Bank has a well-defined and documented Grievance Redressal Cell</li> <li>• The Bank has two recognized Employee Associations</li> <li>• The Bank runs schemes for its employees such as provident fund, gratuity, pension etc.</li> <li>• Distribution of fans and water purifiers to neighbourhood schools</li> </ul>	<ul style="list-style-type: none"> <li>• Right to equality (1)</li> <li>• Freedom from discrimination (2)</li> <li>• Right to life, liberty and personal security (3)</li> <li>• Right to remedy by competent tribunal (8)</li> <li>• Right to peaceful assembly and freedom of association (20)</li> <li>• Right to social security (22)</li> <li>• Right to favourable work (23)</li> <li>• Right to an adequate standard of living (25)</li> <li>• Right to education (26)</li> <li>• Community duties essential to free and full development (29)</li> </ul>

\*Information about CSR activities are collected from the company's websites.

\*\*Numbers in the brackets represent relevant articles of the UDHR as shown in table 1.

The above table shows that company's through their CSR activities paying attention to various human rights such as Right to equality, Freedom from discrimination, Right to life, liberty and personal security, Right to remedy by competent tribunal, Right to peaceful assembly and freedom of association, Right to social security, Right to favourable work, Right to an adequate standard of living, Right to education, Community duties essential to free and full development etc. but still much more is needed to do. Mere statement of intend, that business has a responsibility to respect human rights, is not sufficient. Rights such as Right to a fair public hearing or other rights, which are clearly directed to States, should also be respected by the companies.

Corporate houses should pay attention to the human rights because of the three reasons: (i) Protecting company values, (ii) Protecting the Triple Bottom Line i.e. profit, people and planet, and (iii) Raising the Triple Bottom Line i.e. creating business opportunities (Business & Human Rights Initiative, 2010). Focus on human rights issues may always not bring financial gain because what is good for society may not be beneficial for the company, but it improves company's reputation, customer relations and enhances employees' job satisfaction, with a positive impact on productivity and efficiency.

## 2. CONCLUSION

Respect for human rights is an integral part of responsible businesses. Corporate houses are realizing their stake in the society and engaging themselves in various social and environmental activities. The need of the hour is to formulate effective strategic policies and adopt various instruments so that CSR can be best implemented towards respecting human rights.

There are several companies in India performing CSR activities in various issues such as healthcare, education, rural development, sanitation, micro credit, skill development etc. It is needed to increase the understanding and active participation of business to address the human rights issues.

Some recommendations through which business goals of the corporate houses can be merged with social responsibility practices to foster respect for human rights are as follows:

1. Companies should extend their CSR activities in less privileged and remote areas rather than concentrate in resource rich areas.
2. Companies should develop an effective value chain system of their products through their CSR activities and ensure that their suppliers embed human rights principles in their business activities.
3. CSR activities should be based on practical & participatory approach and touch the grass root levels.
4. Voluntarism among employees should be encouraged through recognition and incentives.
5. There is also need for public-private partnership with well-defined controls and process for the best use of resources for equitable social development.
6. Special training needs to be given to business managers looking after the CSR activities of the companies.

The corporate houses should be aware of the fact that moving towards achieving company's economic goals should be without endangering the social goals i.e. valuing and respecting the human rights.

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