
Corporate Social Responsibility: The implementation of Social Democratic values in Capitalism

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Abstract

CSR has become increasingly common in business practices with large international corporations having embedded their CSR programs into the firms' strategies and day to day operations. The great attention to this topic has led Forbes to introduce "The 10 Companies with the Best CSR Reputations in 2017". Even if CSR seems to be a managerial subject of firms in order to improve their reputation, it also has social and political impacts on society. Through CSR, businesses are not only economic actors but have also undertaken political and social responsibilities and therefore have intervened in the governments' role in society. As the boundaries between the welfare state and business operation are vague, this paper aims to bridge the literature of CSR development with that of Social Policy. Considering the view of Freeman and Porter on how and why businesses should implement CSR in comparison with the main principles of capitalism and social democracy, the author argues that the current CSR form has more similarities with the social-democratic system than the existing capitalistic system. Such a suggestion rises many concerns about the success of capitalism, the consequences of CSR on social policy and societal development, and the future implications of CSR on the government's role. By reviewing the CSR programs of companies that have been presented as shining examples of CSR implementation by Forbes, the author evaluates how the firms' values reflect the social- democratic ideas. This paper provides a basis for further thinking on the potential consequences of CSR on society and draws the attention of policy-makers to the broader role of modern businesses.

Keywords: Corporate Social Responsibility (CSR), welfare state, social democracy, capitalism

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