***Addressing Social Equity: the Theory of Change for Corporate Social Responsibility Mainstreaming in Africa***

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In the 18th Century, Adam Smith expressed doubt about the relationship between business and society, specifically questions about whether and how business serves the needs of society. Smith proposed that there should be a careful consideration of laws as a means to preserve the interests of the public and ensure that the interests of corporations do not prevail at the expense of society. Three centuries later, the debate over the relationship between business and society and the role of regulation in preserving the public interest still continues.

African countries are some of the most unequal in the world and the blame for this is often directed towards powerful corporations seen as exploiting Africa and her people. Corporate Social Responsibility (CSR) has been the response of corporations as a way of addressing these social tensions. CSR operates from a voluntary perspective, unregulated and driven by the goodwill of corporations. The concept of CSR, while endorsed by various global governance structures and supported by corporations globally, does not hold a particular meaning and is therefore used and restructured in various ways by corporations seeking to secure social legitimacy. It is used to connote broadly corporate behaviour that is mindful of the social impact of corporate operations or designed to benefit society.

African governments can no longer be perceived as holding the monopoly on social change that they claimed at the time of independence. Companies have taken on a larger role in this regard by actively participating in social and community projects, such as social sustainability initiatives. Sustainable development challenges in Africa are enormous, and the role of the private sector in this regard is crucial. It is high time that a coordinated partnership between the State and the private sector were established in an effort to expand the reach of CSR actions for greater efficiency, impact and sustainability.

A regulated and coordinated CSR strategy established by a public-private partnership is necessary because CSR can no longer be a corporate sector ad-hoc activity. It should not be limited to philanthropy or charitable activities. It should be about ensuring that corporate social investments are properly mainstreamed at all levels of a company including at both the executive and the board levels to enable proper innovative and strategic integration of these issues as part of the core business strategy of a company.

Mainstreaming a CSR perspective should be a process of assessing the implications for society of any planned action, including the business operations of a company at all levels. It is a strategy for making concerns and experiences those affected by a company’s business an integral part of the design, implementation, monitoring and evaluation of policies and programmes in all spheres of a company’s business strategy. The ultimate goal of CSR mainstreaming is to achieve social equity. Mainstreaming is not about increasing philanthropic or charity activities and donations, it is about addressing direct and indirect consequences of a company’s operations. This requires bringing the experience, knowledge and interests of those affected – the potential beneficiaries from a company’s business – to bear on the business strategy of a company and may require changes in its goals, strategies and actions. As a result, there should be accountability mechanisms to monitor progress, identification of issues with the help of communities to adequately diagnose problems, and allocation of adequate resources for mainstreaming. For this to happen, coordinated regulation is required; the goodwill of corporations will not achieve this alone.

The UN Guiding Principles on Business and Human Rights prescribe a ‘protect, respect and remedy’ framework that encourages corporations to ensure that human rights are respected within the scope of their impacts, through a due diligence approach. As a result, CSR should be approached from a human rights-based approach and not only from a risk or reputation protection perspective. A common approach for businesses is to look at CSR from a risk perspective, in terms of what damage it could do to the financial bottom line. However, it is important that the essence of a corporation’s policies, procedures and practices are mainstreamed in such a way that these come in line with promoting and respecting human rights. CSR should therefore be about responsiveness to the needs of communities through a true and informed understanding of what these needs are. A way of achieving this in certain instances is for CSR projects to mirror government and community priorities, hence the need for a public-private partnership and a regulated way to ensure the outcomes of CSR are harnessed for the greatest benefit for the highest number of people.

As a result, CSR goes hand in glove with transparency. The openness of the financial investment of a company into a CSR initiative is necessary and community participation in these initiatives is also vital. A company’s CSR policy, the intended theory of change and the potential beneficiaries need to be disclosed to internal and external partners; effective corporate responsibility cannot be achieved purely through reliance on the goodwill of corporations.

Companies should as a starting point begin to consider the development of action plans including (1) a policy statement on CSR mainstreaming, (2) steps to mainstream CSR in the structure of a company’s operations, (3) capacity-building for staff and stakeholders, and (4) CSR mainstreaming in both its business strategy and in its human resources and staff policies and practices.

Few would argue against the idea that CSR is in the self-interest of businesses. However, it is also in the interest of national development because the implementation of national development priorities must be undertaken in conjunction with the private sector. Inter-sectoral knowledge sharing and collaboration is therefore necessary to ensure the substantive objectives of CSR are realised. There is a need for collective action and engagement in looking at how through regulated public-private partnerships based on principled, inclusive and participatory CSR, national development imperatives can be addressed, the foremost of which are still the deep inequalities in our societies.

1. This comment is written in Mr. Adeleke’s personal capacity. [↑](#footnote-ref-1)