

BUSINESS ETHICS AND SUSTAINABILITY OF ECONOMIC DEVELOPMENT

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ABSTRACT

This paper begins with a brief analysis of some typical processes which affect in a dramatic way the present and the future resources of world development. Sustainability is one of the key-concepts on which a solution of these negative processes could be based. The abstract idea of sustainability can get a more substantial practical support in connection with the concept of triple bottom line, proposed by J. Elkington. The triple bottom line views the industrial performances of a corporation, considering in a synthetic perspective its environmental, economic, and social effects. But Elkington's model has its flaws, and we suggest a new way to rebuild his triple bottom line. In the end, we argue the relevance of the triple bottom line for business ethics, searching for a better conceptual frame in Archie Carroll's Four-Part Social Responsibility Model.

KEY WORDS: *corporate social responsibility, ecology, sustainability, sustainable development, triple bottom line.*

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INTRODUCTION

The growing intensity of the new challenges of globalization raises a stronger interest in structuring and defining new strategies to approach the impact of business on society. More and more often this impact is deep and has long-term effects. Here it is a short list of such dramatic impacts of present day global development:

- The environment is more and more polluted by the production, transportation and consume of many industrial products, such as automobiles, freezers, newspapers, etc. The emission of toxic gases in the atmosphere aggravated in such a measure that we face new threats – the green house effect and global warming or the thinning of the ozone layer in the stratosphere.
- The non-renewable sources of energy, such as hydrocarbons, or other finite raw materials keep on being intensively exploited.
- The domination of the so-called “*throw-away culture*” in the Western world generates problems which are more and more difficult to control in respect to the storage and recycling of waste, the process being aggravated by the excesses of the packaging industry.
- The whole European continent and especially the former communist countries have been affected, in the last decades, both at the individual and community level, by the closing or resizing of many plants and factories.
- Mass tourism leads to the erosion of the cultural environment in many parts of the world, destroying the harmony and balance of the traditional scenery.

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1. THE CONCEPT OF SUSTAINABILITY

The aggravation of such problems strongly suggested the necessity of rethinking the objectives and the consequences of business activities. Following the Rio Earth Summit of 1992, one concept (although not universally accepted) began to be widely considered as the basic core of a new way to evaluate not only business activities specifically, but industrial and social development more generally. That concept is sustainability.

Sustainability has become an increasingly common term in the rhetoric discourse of business ethics, being adopted by corporations, governments, consulting firms, pressure groups, and academics. One can easily find on the Internet a lot of corporate reports or statements of “mission” of multinational companies which use the term sustainability.

Company	Sustainability statement	Sources
BP	“Everything BP aims to do as a company relies upon the safety of our workforce and the communities around us. We work to avoid, minimize and mitigate environmental impacts wherever we do business. We are committed to respond to the challenges posed by the objective of sustainable development. We seek to have a positive impact on the communities and societies in which we operate.	<i>BP Sustainability Review 2012</i>
Carlsberg	“We strive to make our social and environmental responsibilities a living, vibrant part of our company values and performance. JØRGEN BUHL RASMUSSEN, President & CEO	<i>Carlsberg Group CSR Report 2013</i>
Nokia	“From a sustainability point of view, ... our goal [is]: to make great, sustainable mobile products; devices that incorporate the best environmental and social practices and enable people to improve their lives. Perhaps the greatest resonance, however, can be found in the work we are doing to connect the next billion.	<i>Nokia Sustainability Report 2013</i>
Shell	“Shell companies are committed to contribute to sustainable development.	<i>People, Planets and Profits: The Shell Report, 2000</i>
Volvo	“Volvo’s environmental programs shall be characterized by a holistic view, continuous improvement, technical development and resource efficiency. Volvo shall, by these means, gain competitive advantage and contribute to a sustainable development.	<i>Environmental Report, 2000</i>

Despite its frequent use, the term “sustainability” has more than one clear meaning. We might think that the most common sense of this word is connected with the *sustainable development*, which the World Commission of Environment and Development defines as it follows: “Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” (Crane & Matten, 2004, p. 22) Accordingly, the original notion expressed by the term sustainability is the idea that the living generations are not

morally entitled to compromise or diminish, by seeking limitless welfare and comfort, the chances of the future generations to dispose of the necessary resources for a decent and prosperous life. This original meaning expresses a generous, but not very clear ideal, which is exposed to many factual counterarguments that can be stated, on good grounds, against the evaluation standards of the “chances” of the future generations. More realistically, the concept of sustainability is now associated with the idea of system maintenance, as in ensuring that our actions do not impact upon the earth and the biosphere in such a way that its long-term viability is threatened.

Rooted in the ecologist movement, sustainability has been for a long time synonymous with caring about conservation of the natural environment. But during the last decade, the concept of sustainability enlarged its meaning, embedding both economic and social aspects. This development was inevitable, since it is not only impractical, but quite often also impossible to approach the ecological issues without considering the economic and social problems which confront a community. For example, while the ecologists opposed for a long time to the construction of highways, because they have negative effects on the environment, other pressure groups emphasized the benefits of extending the highway network for local communities of lower congestion in their towns and extra jobs for the citizens.

It is not easy to find a reasonable trade-off between the ecological, economic and social aspects. Not long ago, the two rival UK airlines British Airways and Virgin Atlantic (after being involved with a huge scandal of unfair competition) made peace and launched together a program intended to use in common all of the facilities of the two companies, named *Freedom to Fly*, with the declared purpose of stimulating more people to travel in the UK by air. This project has been strongly opposed by numerous local communities, because expansion in air travel increases the emission of greenhouse gases and noise pollution. The opponents of the project grouped themselves under the slogan *Freedom to Sleep* – claiming the right of the people living in small towns to have a silent sleep. (Crane & Matten, 2004, p. 23)

Romania has been lately troubled by similar disputes – such as those generated by the gold mining at Roșia Montană, the construction works at the Brașov – Oradea highway or the project of building a huge cathedral in Bucharest. The last dispute is focused on the potential shale gas reserves in Romania, and the possible beginning of its extraction through hydraulic fraction. In the Roșia Montană case, the disputable economic benefits are denied by the concern with the polluting threats of a technology based on cyanides and with the relocation of several villages in the area. A very vocal position has been taken by the Romanian Orthodox Church, which did not protest when Ceaușescu demolished or drowned several churches and monasteries, but now fiercely oppose to the destruction of some old graveyards.

The National Cathedral project, aggressively supported by The Romanian Orthodox Church, has also been strongly opposed by the civil society, on different grounds. From an economic point of view, the opportunity of such a costly project has been contested, since so many Christians in our country have such a miserable life of poverty and humiliation. From a legal point of view, the right of property on the land where Carol Park is located cannot be alienated. The architects also pointed that the project will destroy a very popular green area in Bucharest, to replace it by a huge and ugly building that betrays the traditional style of our sanctuaries, which lacks access roads, is not visible, etc. The public pressure was not in vain. Eventually, the location of the cathedral was moved behind another megalomaniac construction of the communist era, the Palace of Parliament.

The Transylvanian highway project raises the most serious ethical problems. The contract has been offered directly to the American company Bechtel. This “gift” irritated the E. U. officials, who were ready to finance the construction (by European companies, of course) of a different route, integrated in the Fourth European Corridor, which is intended to connect the West and North of the continent with Greece and the Middle East. The terms of the Bechtel contract are stained with more than a shadow of doubt. Less than two years before signing the contract with the Romanian government (led at that time by Adrian Năstase), Bechtel made a deal with the Portuguese administration, on quite different terms. Covering practically the same distance (around 480 km), the two projects present several significant differences. The Portuguese highway would have six

lanes, built in rough mountain scenery, requiring 22 tunnels and bridges. The Romanian highway would have only four lanes and lesser art construction works. At a moment when the price of the local work force was six times cheaper in Romania in comparison with Portugal, Bechtel signed the Portuguese contract for 1.2 billion dollars, whereas our contract has been signed for a double price! (The information has been made public in the press by The Romanian Civil Engineering Association.) How this project developed in time is not primarily a matter of ethics, but of fraud that should be sanctioned by the legal system.

Another argument for extending the meaning of sustainability is the logic necessity to consider not only and primarily the equity standards in relation with the future generations, but to have also in view the priorities of the present generations – the most urgent being the eradication of poverty and economic gaps, stimulating the development of the Third World countries.

On these grounds, we think that sustainability can be regarded as comprising three components – environmental, economic, and social – and we subscribe to the definition proposed by Crane and Matten: “Sustainability refers to the long-term maintenance of systems according to environmental, economic, and social considerations.” (Crane & Matten, 2004, p. 24) This definition may be sufficient for determining the essential traits of sustainability at the conceptual level but, as a practical objective, the notion of sustainable development requires to define several concrete targets. The framing of sustainability as a goal for business is better encapsulated in the notion of a “triple bottom line”.

2. THE TRIPLE BOTTOM LINE

The *Triple Bottom Line* is an expression invented and lively supported by John Elkington, founder and prominent leader of the consulting firm SustainAbility and author of several influential books concerned with the corporate ecologic strategies. In his most recognized work, *Cannibals with Forks*, Elkington defines sustainability as “the principle of ensuring that our actions today do not limit the range of economic, social, and environmental options open to future generations.” (Elkington, 1998, p. 20) The concept of the triple bottom line represents the idea that business does not have just one single goal – namely adding economic value – but that it has an extended goal set, including certain social and environmental responsibilities. Consequently, the “accountability” of future corporations will encompass, beside the usual figures measuring the economic efficiency, an evaluation of the impact of business on the environment, as well as an evaluation of the influence of business activities on the social context.

Elkington gives up moralizing discourse and refuses any leftist ideology in his attempt to assert the necessity for the viable corporations in the XXI century to adopt the triple bottom line. He insists first on the idea that business must adapt in order to survive in a context radically changed by globalization and civic activism. He gives an eloquent example of his argument. About one fifth of the financial losses which shattered lately the foundations of Lloyd’s were caused by policies covering risks related to asbestos, soil contamination, and toxic or radioactive wastes. Supporting such hazardous industries, more and more contested and legally sued, proved to be a losing policy for Lloyd’s, as well as for its big competitors on the insurance market.

Recently, something new occurred frequently, with terrible effects on Lloyd’s strictly financial results. When Hurricane Andrew hit Palm Beach, Florida in 1992, the company’s leaders as well as its clients helplessly and horrified watched on the TV how cars and houses went flying. The resulting claims totaled \$16 billion and the losses were so catastrophic that the reinsurance market shrank almost overnight. A frightening possibility was feared at that time: if such terrible hurricane damage might be linked to the global warming, then it could be predicted a more and frequent occurrence of such disasters, implying that future losses would be on an even greater scale.

The fear was substantiated by next events. In 2004, Hurricane Ivan devastated with an unusual violence the Gulf of Mexico, Florida and several states in the South-East of the United States. Beside the serious damage suffered by the people living in the calamity area, the hurricane caused other extremely bad collateral damages. Destroying most of the floating wells in the Gulf of

Mexico, Hurricane Ivan severely reduced the oil supply to the United States. Correlated with the social insecurity in Nigeria, the unstable situation in Iraq, and the constant growth of oil demand from China, the decrease of oil extraction in the Gulf of Mexico heavily unbalanced the offer and demand ratio on the world market, with the natural result of a constant and dramatic raise of the oil price. Shortly after Ivan, another terrible hurricane, Katrina, hit New Orleans, Louisiana, causing huge damages, some of them still in place, waiting to be repaired.

The insurance industry cannot afford to be taken by surprise again. As a result, the insurance corporations began to invest considerable sums of money in global climate modeling. The most forward-looking insurers are now imposing on the financial markets the most serious consideration of the fact that their clients invest enough time, effort, money, and other resources to keep the environmental risks at an acceptable level. (Elkington, *op. cit.*, pp. 27-28)

From this angle, Elkington dedicates one chapter in his book to each one of the 7-D – seven dimensions which frame the strategies of those corporations which has adopted or are about to adopt the sustainable development: markets, values, transparency, life-cycle technology, partnerships, time, and corporate governance. Analyzing each one of these factors of change, Elkington constantly distinguishes the three complementary – even though not always in harmony – aspects of sustainability: environmental, economic, and social.

3. ENVIRONMENTAL PERSPECTIVE

The concept of sustainability has emerged from the environmental perspective and that explains why for many people in business the notion of sustainable development still is apprehended in a narrow sense, as protective attitude toward the natural environment.

The basic principles of sustainability in the environmental perspective concern the matter of an effective management of the physical resources, so that they are conserved for the future. It is scientifically proved that all bio systems possess finite resources and limited capacity to adapt to environmental changes. Hence, the most obvious imperative of sustainable development states that business activities must not threaten the health of those systems. At a deeper level, the environmental approach of sustainability suggests a need to address a number of critical problems, such as the impact of industrialization and extension of urban areas on biodiversity, the continuous use of non-renewable resources such as oil, steel, and coal or the production of damaging pollutants like greenhouse gases and CFCs from industrial plants and consumer products. Ultimately, the most fundamental concerns of the environmental perspective raise the problem of economic growth itself: can we and should we take for granted that perpetual growth is a viable way of making people happy, offering them more and more comfort, less physical effort, and material luxury? And can we really believe that the future generations will benefit from the same living standards as us if we do not reverse the present trend towards ever more production and consumption?

4. ECONOMIC PERSPECTIVE

Originally, the economic perspective on sustainability rose in the pessimistic models and scenarios concerned with the limits of economic growth, considering the finite resources of our planet, beginning with the famous Meadows Report, issued in 1974 by The Rome Club. The acknowledgment of the fact that constant growth of the population, industrial activity, exhausting of natural resources, and pollution could lead soon enough to a decline of life standards consecrated the approach of economic strategies from the standpoint of sustainability. Economists such as Kenneth Arrow, Herman Daly, and David Pearce exerted a growing influence upon the macroeconomic understanding of sustainability.

The implications of this approach upon business ethics could structure at different levels. A narrow concept of sustainability focuses on the economic performance of the corporation: it is management's responsibility to develop, produce, and sell those products capable to guarantee the long-term success of one company. This requires, among other things, to adopt those strategies

leading to a stable growth of the company's stock value, profits, and market share, avoiding the "explosive", but extremely risky and short term strategies – like those which led to disaster Enron or WorldCom. A larger concept of economic sustainability includes the attitude of one company towards the economic background in which it operates and the effects of its activities upon the economic environment. Bribe or cartels, for example, undermine the long term functioning of the free market. One might say of the corporations that practice tax evasion, using accounting tricks and artifices, that they implement an unsustainable strategy: whether these companies refuse to make their contribution to funding the political and institutional background (education, health care, police, justice, etc.), they erode the institutional roots of their future economic success.

5. SOCIAL PERSPECTIVE

Approaching sustainability from a social perspective is still recent and not yet familiar to all the people who use that concept – partly due to a clear reluctance to introduce ideological elements into the debate, through reference to the corporate social responsibility, a highly controversial notion. Up to a certain point, this reluctance is justified, because the key-issue tackled by this last perspective is *social justice*.

Despite the spectacular rise of life standards in the developed countries, the annual reports of the UN declare deeper gaps between the affluence in these countries and the poverty in the rest of the world. These reports state the inefficiency and constant deterioration of the basic services in many states, which lead to a precarious fulfilment of many fundamental human needs. Given its dynamic role in the economic development, business is more and more criticized for the consequences of these gaps between the haves and have-nots. The most pressing issues for the moment are connected with configuring more equitable relations between the rich consumers from the West and the poor labourers in the developing countries, between the wealthy urban population and the deprived rural communities, or between men and women.

6. IMPLICATIONS OF SUSTAINABILITY IN BUSINESS ETHICS

Starting from this enlarged range of expectations towards business, defined by the triple bottom line of sustainability, we can discern clear implications on business ethics. Certain moral issues, such as closing factories, dubious marketing techniques, or industrial pollution require to consider a large variety of aspects. Even though, just like that too often claimed "social corporate responsibility", sustainability became itself lately almost a cliché in all discussions concerning modern management, the idea is not unanimously accepted; it still has very strong opponents. Norman Bowie is one of them. Follower of the Chicago School, Bowie states explicitly that "business has no special obligation to conserve natural resources or to stop polluting over and above its legal obligations". (Bowie, 2009, p. 522) The strongest argument of Bowie's demonstration is the fact that business must be profitable – and, to be profitable, business has to sell its products and services. Unfortunately, says he, the masses of consumers are not very fond of the green products; on the contrary, people choose to buy products that are not "friendly" with the environment. Bowie presents a long list of examples which support his idea.

The restaurant chain Wendy's tried to replace foam plates and cups with paper, but customers in the test markets balked. Procter and Gamble offered Downey fabric softener in concentrated form that requires less packaging than ready-to-use products; however the concentrate version is less convenient because it has to be mixed with water. Sales have been poor. Procter and Gamble manufactures Vizir and Lenor brands of detergents in concentrate form, which the customer mixes at home in reusable bottles. Europeans will take the trouble; Americans will not. Kodak tried to eliminate its yellow film boxes but met customer resistance. MacDonald's has been testing mini-incinerators that convert trash into energy but often meets opposition from community groups that fear that incinerators will pollute the air. A MacDonald's spokesperson points out that the emissions are mostly carbon dioxide and water vapour and are "less offensive than a barbecue." (Ibid, p. 519)

In other words, says Bowie, if environmentalists want business to produce goods that are friendlier to the environment, they must convince Americans to purchase them. Business will respond to the market. It is the consuming public that has the obligation to make trade-off between cost and environmental integrity. The only criticism of Bowie against the non-ethical behaviour of corporations refers to their intense *lobby* activities, which serve to stop or delay more severe legal restrictions of their polluting operations.

A supporter of sustainability, Joseph DesJardins rejects Bowie's view with solid arguments. A good part of the world population live in misery, and the demographic growth will increase the number of people who live in absolute poverty. Satisfying the bare necessities of these destitute men, women, and children requires economic growth, but not under any circumstances and not applying the same patterns of industrial development, because biosphere – which includes economy as one of its subsystems – is on the edge of crashing down and cannot support anymore the assault of industrial activities coupled with a consumerist culture. We have reasons to deny any hypothesis that assumes that economic growth can continue in accordance with classical models without causing irreversible damages to the environment, or that the poor part of the world will accept as a fatality to live in misery forever, giving up the idea and hope to follow the classical path of development. The only realistic and ethically decent hypothesis is, in DesJardins' opinion, a radical change of our way of doing business, according to sustainability. "Unless a model of economic activity can be created that allows significant economic activity without further depletion of the biosphere's ability to support both life and the very economic activity on which it depends, humans are facing a global ecological, economic, political, and ethical tragedy". (DesJardins, 2009, p. 535)

A new way of doing business, guided by the requirements of sustainable growth, is still a working model, but it's not an utopian dream. We already can see the first evidence proving that profitable and sustainable business is possible. Says DesJardins,

Business in the twenty-first century must be practiced in a way that is *economically* vibrant enough to address the real needs of billions of people, yet *ecologically* informed so that the earth's capacity to support life is not diminished by that activity and *ethically* sensitive enough that fundamental human needs are met in the process. Economics, ecology, and ethics form the three pillars of a sustainable society. (Ibid, p. 536)

Among the solutions recommended by the experience of the last decades, we can mention the complete circle of the economic cycle; sustainable business must be designed so that its by-products are themselves the resources for new productivity. Another significant change should be to shift the goal of production from goods and products to services.

Yet, a full sustainability in each of these three areas – economic, ecological, and social – not to say in *all* three of them at the same time is still wishful thinking or a faraway dream. We must admit that one cannot be certain about the existence of completely sustainable products or even whole industries. Nevertheless, since the concept of sustainability is increasingly supported by the governments, corporations, NGOs and academic authorities, it is possible and important to evaluate those business practices that have the *potential* to contribute to a major role of sustainability in modern management. According to Elkington, triple bottom line refers less to certain accounting techniques and quantitative assessment of performances obtained by corporations in these three sectors, and much more to a revolutionary change of thinking and acting in business, considering the long term interests of large categories of stakeholders, from the standpoint of a holistic approach of the economic, natural, and social environment, both in time and space.

7. A DIFFERENT TRIPLE BOTTOM LINE

Even though the concept introduced by Elkington became very influential, from the perspective of business ethics it has its flaws. To begin with, the economic component of Elkington's triple bottom line is redundant. There is no need to demand any competitive business to be profitable in a

sustainable way, considering not only its short-term economic performance, but also its growth and stability over the long run. This objective is quite natural for any business, and the ability to adopt and implement long-term strategies, that go beyond the immediate profit, defines a competitive and skillful management rather than an ethical approach of business.

Obviously, Elkington's conceptual frame does not cover all the ethical aspects of sustainable development. For instance, if we consider Microsoft's performance from the perspective of the triple bottom line, we would be inclined to say that everything is almost perfect. The huge company is highly profitable, using large parts of its profits for the benefit of the economic environment, education, health, scientific research, and so on. It is not a polluting industry, putting no threat on the environment – on the contrary, manufacturing computers and creating software are as “green” as possible. Finally, it is hard to mention all the social benefits of Microsoft's successful activities. And yet, along years, the company founded by Bill Gates has been repeatedly involved with unethical decisions and practices, most of them connected with monopolist attempts to dominate the world computer market, bribe, and other forms of corruption. “On November 5, 1999, Bill Gates, then the richest man in the world, learned that a federal judge, Thomas Jackson, had just issued ‘findings of fact’ declaring that his company, Microsoft, ‘enjoys monopoly power’ and that it had used its monopoly power to ‘harm consumers’ and crush competitors to maintain its Windows monopoly and to establish a new monopoly in Web browsers by bundling its Internet Explorer with Windows.” (Velasquez, 2006, p. 194) The early history of the company is stained with several debatable episodes, legally resolved in Bill Gates' favor – sometimes due to certain questionable lobby activities – but ethically dubious. He bought from one friend an operating system for only \$60,000 and sold it to IBM Corporation as his creation, the famous MS-DOS, ensuring his right to sell the same product to any other computers manufacturers. Microsoft imitated the revolutionary operating system and graphic display invented by Apple. To eliminate Netscape, one serious competitor on the emerging market of Internet browsers, Microsoft introduced in its computers and distributed for free its own browser, Windows Explorer – and this is a very short list of unethical practices. Quite recently, Microsoft is involved in a bribery scandal here, in Romania. All of these aspects can be obscured by Elkington's triple bottom line.

We might suggest a different way to define the triple bottom line, leaving aside the economic component – since it's understood – and listing beside the environmental and the social aspects the ethical record of one company. In other words, we should consider the fact that one company could be perfectly green, bringing forth a lot of positive social benefits, but appealing to certain unethical practices. For this reason, one should also demand a clean ethical record to recognize the value of sustainable development.

But a serious difficulty still remains to be discussed. The very concept of “sustainable development” is defined in close connection with the macroeconomic aspects of market economy. After all, we are talking about global issues, threatening the present and especially the future of mankind: global warming, depletion of non-renewable resources, gap between rich and poor countries, an overcrowded world, and so on. Solving these global issues on long-term is a matter of *political* decision, involving a closer cooperation between governments and stricter legal regulations, meant to enforce more responsible policies. But this is not, strictly speaking, a matter of *business ethics*. No corporation in the world, no matter how large and powerful, could make decisions capable to change radically the course of events at global scale. What the management of one company could and should do is to pursue its fundamental goal – maximizing profits – keeping the law and avoiding unethical practices. At a higher level of corporate social responsibility, one company might take a proactive attitude, doing more than the law requires (or less than the law forbids) at a certain moment, for the benefit of different categories of stakeholders, as well as for its own long-term benefit, as long as a good ethical record and reputation becomes a more and more important asset and a competitive advantage in the contemporary market economy. In short, business ethics is concerned with issues that rise and can be solved at *micro* level of economic activities, since only such issues can be approached in a responsible manner by one single company.

From this point of view, we think that a more adequate conceptual and analytical frame could be found in what its creator, Archie B. Carroll, calls “The Four-Part Social Responsibility Model“, which he summarizes as follows: “The *social responsibility of business* encompasses the economic, legal, ethical, and discretionary expectations placed on organizations by society at a given point in time.“ (Carroll, 1993, p. 34) In a more recent book, written together with Buchholtz, we find a slightly different definition: “Corporate social responsibility encompasses the economic, legal, ethical, and philanthropic expectations placed on an organization by society at any given point in time“. (Carroll & Buchholtz, 2000, p. 35) As a matter of fact, the economic and legal components of CSR are *required* by the stockholders and by the legal system, whereas ethical standards are *expected* by the general public and especially by those categories of stakeholders directly or indirectly affected or influenced by the economic activities of one company. As for the *discretionary* or, in more clear terms, the *philanthropic* component, it represents that proactive involvement, that surprises sometimes (not very often, actually) the media and the general public as proofs of altruism and generosity, not common in business environment. The case of Malden Mills is a perfect example. When a fire completely destroyed his plant, the owner of the company, Aaron Feuerstein, decided to rebuild the factory rather than relocate it somewhere in the Mexico or Asia. During the reconstruction – that took almost one year – Feuerstein decided to pay all his employees full salaries and medical insurance, as he recognized their role and contribution in the previous success of the company. (De George, 2006, pp. 180-182)

At a larger scale, we could hope that, in so far as this type of CSR spreads all over the economic environment, becoming a standard, the desirable aggregated effect will be a more sustainable global development – but the key-point is that all depends on the decisions made by the leadership of one corporation, and this the level where business ethics could be relevant and influential.

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