

Against the Wind: The Difficult Implementation of CSR

Recent scandals in US as well as in European companies have forced pundits of all sorts and conditions to rediscover Corporate Social Responsibility (CSR). Unfortunately, the lack of CSR in these companies has been attributed to the unethical behaviour of a few individual directors or executives and was approached primarily from the point of view of value destruction for management and shareholders. The damage done to other stakeholders such as the workforce, trade unions, customers, local communities, suppliers, etc. has hardly been dealt with.

This is still the case, notwithstanding an interesting dynamic that started at the occasion of the 2000 E.U. Lisbon summit. At that occasion Europe's strategic goals concerning its knowledge-based competition position and a better functioning of the labour market were explicitly linked to the concept of sustainable development and the "companies' sense of corporate social responsibility" (CSR-Europe, *Equipping Europe for CSR and Sustainable Development*, 2003:6). Even if this objective seems hard to achieve (the Parmalat case is an illustration), our contribution will try to outline in what way a theoretical and practical conceptualisation of CSR within the context of the European social model is possible and could be of relevance for other socio-cultural settings.

Drawing on classical economic insights (Smith, *The Theory of Moral Sentiments*, 1759) to the recent philosophical literature (Comte-Sponville, *Le capitalisme est-il moral?*, 2004) and using organisation agency theory we will explore the short and long term consequences of failing to embed CSR as a self-evident and indispensable practice within the functioning of a company.

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