

Imperatives of Corporate Social Responsibilities and Development

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Abstract:

A stable, friction free and welfare oriented sustainable economic world order is pre-requisite for the preservation & promotion of peace and stability in this anarchic world. The world order that is capable of symbolizing thoughtful aggregation, realistic accommodation and existential servicing of the interests of vital stakeholders spread over across the depth and breadth of the globe. The paper attempts to explore the role of economic order that equipped with the agenda of exploiting the developing world resources and acting as carrier of occidental culture. Therefore, the paper suggests that a jointly formulated code of Corporate Social Responsibility (CSR) is a pressing need to protect and preserve the sovereignty, security, national identity and welfare of the poverty ridden developing countries like Pakistan.

An enlightened, well researched and appropriate Corporate Social Responsibility (CSR) fairly enforced is a recipe for business success and cohesive economy surging forward. It is productive of best results when spelled out by the stakeholders, vetted by authorities and followed with inner commitment and outer facilitatory regulation. A stable, friction free and welfare economy is symbolized by thoughtful aggregation, realistic accommodation and existential servicing of the interests of vital stakeholders. The striving for sustainable, equitable and peoples' friendly development is correlated with freeing the business sector from exploitative, abusive and careless transactions. The operational articulation of the multi-dimensional concept managed by welding business beliefs and convictions with formal supervision and periodic assessment is necessary for positioning domestic firms and TNCs on the

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path of cumulative growth, disciplined actions and cohesive deeds. The supreme ideals, values and norms of society, requirements of democratic polity and needs of physically healthy environment are served by unequivocal acceptance and faithful application of the notion as universally understood and culturally colored. The injection of direct and indirect cost benefit calculations, compassion and due sharing and caring attitudes into business operation is rewarding for the participants as well as collectivity.

The adoption of the code in its tangible and non-material denotations is also instrumental in generating awareness and raising consciousness of the implications of business decisions in observing norms and crossing stipulated limits. Attention is drawn to the macro imbalances witnessed in the forms of excessive borrowing, causation of balance of trade deficit and growing dependency on foreign creditors, investors and services providers. The causation underlying sectoral disequilibrium, water and power shortages and commodities crisis is checked at the relevant forum. Being the most fortunate segment of the economy, the questions of productivity, quality of products and competitiveness come to the fore. The larger issues of how far the entrepreneurs resonate with the genuine expectations and rightful claims of the society are examined. As a result of sensitization to CSR and growing maturation, eminence is no longer measured exclusively by positive balance sheet of assets and liabilities or income and loss statement. Contribution to advancement in social capital formation and creation of reputation for fairness and compassion is included in the indicators of ascendancy and accomplishments.

In view of the additional amplitude, differential lapses and distinct expectations from foreign enterprises thoughtful listing of their

obligations merit special attention. Being powerful entities and carriers of occidental culture the conduct of TNCs is in the lime light. The strong and weak points of their operations are appraised with varying perspectives and vigorous criteria of judgment. Their acts of omission and commission are particularly watched and assessed from both micro and macro angles as well as civilizational connotations and impacts. They provoke searching questions concerning the scale, speed and cost of technological transfer to the host economy. Eye brows are raised about the Westernization agenda and consequent cultural harms. Their activities in the name of art, women emancipation and liberalization of society are deplored.

A jointly formulated code of CSR is pressingly needed to protect the major business motivations of TNCs and respect the deep well / predilections of the anchor state. The preservation of sovereignty, security and national identity is central for Pakistan. It can not be compromised or traded off for growth. The nature, scope and thrust of CSR is better detailed in order to avoid adverse consequences. In case of differences on principles and standards of conduct among the two sides an agreed international blueprint can be referred to or relied upon. As a matter of strategy it would be in the interest of Pakistan to encourage companies that have signed up the UN global compact having ten stipulated principles. Move towards the minimization of subordination and elimination of submission to dictation of unfavorable terms and conditions can be initiated through negotiation and integrative bargaining. It is good part of discretion for the TNCs to gain acceptance of and connectivity with the society. The political authorities do good to the economy by being facilitative of foreign investors who adhere to laws, polices and cultural or civilizational underpinning of the polity.

Domestic Firms

The domestic commercial, finance, banking and industrial companies have by and large hazy notions of CSR and sustainable development. Their concerns, dynamism and ingenuity are in many cases narrow. Initially they were credited with phenomenal growth and contributions to the tempo of growth. The sellers market, voiceless consumers, and cheap availability of raw materials from competitive producers favored them in accelerated investment. The tax holidays, soft loans and varied incentives encouraged plough back of profits. The less assertive trade unions and subdued workers afforded them opportunities of inward looking styles. Notwithstanding, low productivity and non-competitive cost of production booming and shining was made possible by milching the buyers and making quick and easy money. Things have changed now. The stakeholders are awakened. The workers are organized and vocal. The producers and service providers are accused of exploitative, unfair and dissociative behavior. The impression is that as ever excessive greed is at work. Reference is made to multiple lapses and wrong doings. Short cut approaches are followed in dealings with suppliers of inputs and purchasers of output. The faulty micro actions translate into adverse macro economic impacts and causes tensions in the socio-political milieu.

The preoccupation with maximization of profit at every cost, rapid acquisition of wealth and relegation of CSR is critiqued. It is believed to be a source of discord and troublesome worries in the society. The addiction to exceptionally higher returns is objected to. The inadequacy of record in doing justice, observing normativeness or assuring equity is aversive all around. The focus on speedy business advancement delinked from qualitative improvements and rise in

standards of service and with little protection against abuses of market power is a source of grievance. General resentment is expressed by consumers on account of being squeezed. None likes to be taken for a cheap ride and subjected to apathetic treatment. Voices are raised against egoism, self aggrandizement and unbalanced tiltation to myopic vision. The evasion and avoidance of the rights of stakeholders is resisted.

Rectification of irresponsible conduct is asked for. The social wind is blowing in the direction of filling gaps and attending more diligently to people's welfare. The incorporation of CSR in the ordinary course of value added business engagement is pressed for. The heralding of stakeholders friendly development is wanted and worked for by the informed segments of the populace. The obstructions on the way toward CSR are identified and opportunities for bonding with workers, suppliers of raw materials and buyers of goods and services mapped out.

The widespread impression is that the strong tradition and operative heritage of family sponsorship, ownership and running of business enterprises tend to blur CSR, check practice, of good governance and distort modernization or application of SOP of sound management. Although the contemporary entrepreneurial class consists mostly of second or third generation investors and are in many cases highly educated, the cultural constraints of close family bonds impact the modus operandi of lordship and authoritarian management. Kinship loyalties and filial attachments work upon the structural make up of business organization, decision making apparatus and processes of employment. Nepotism goes into the formation of Board of directors, selection of CEOs, and recruitment of position holders at the upper echelon. It is only in the case of subject matter experts, technical or professional personnel that the pool of local talent is tapped. Vision,

ambitions and motivations are restricted to fiefdom expansion and benefiting relatives and friends.

The falsification of documentation, maintenance of double books of accounts and mechanism of closely guarded secrecy in dealings is used to conceal the real state of business. Kickbacks, selective appeasement and political connections are brought to bear on the lubrication of transactions. Very few firms are fully awakened to existentially altered realities of conscious society and rights pressing stakeholders. The urgency of breaking out of socially dysfunctional conduct, shift to consumers serving behavior and faithfully responding to public opinion or expectations is not efficaciously addressed in most cases.

The prospects of flourishing of business undertakings through high tariff wall, fiscal concessions and ready made soft credit have evaporated. The national insensitivities to ethical irresponsibilities are no longer in evidence. The opening of economy, emergence of competitive market milieu and societal consciousness of rights have altered the scene. The business sector is confronted with novel challenges, problem solving genius and task of bringing on board the stakeholders. The option before them is between self capacitation for higher productivity, better quality of products, greater efficiency in controlling the cost of production and adequate regard for CSR on the one hand and loss of ground to competitors, risk of business deceleration and shut down on the other. The reality of paradigm shift from exclusive personal affluence to sharing of gains and inclusion of outward compulsions in operations has cropped up. The activation of will to modernize business governance, update management and harmonize with the concerns of stakeholders, has

assumed great significance. The earnings are to be shared with other participants.

In making profit, corrosive behavior in all forms and manifestations is to be avoided. The incurrence of liabilities must be kept in line with prospective repayment abilities. The points of conflicts with and problems created by the business for the economy, society and polity need to be recognized and collaboratively addressed. The business sector can not remain detached from, indifferent to and neglectful of what is religiously enjoined, morally obligated and socially pressed by civil society. Building the image of fairness, trustworthiness and public confidence is necessary both for business survival and extended peoples interest. Rational beliefs prudent choices and goodwill rooted actions have seized existential significance.

The changing public concerns and stakeholder's social psychology call for an appropriate mesh of business viability and innovations with civil virtuosity and canons of CSR. The tolerance level for flouting micro obligations and overlooking macro repercussions has come down sharply. Adherence to the rules of the game is insisted upon. Any visible error in understanding this mood and procrastination in making suitable response is loaded with disagreeable consequences. The stakeholders spurn being uncounted or discounted. Their inputs to the systemic, environmental and people's welfare matter is deemed valuable. Cooperation is made contingent on public being positively served with transparency and care. The view is gaining ground that the short term financial benefits arising from inward orientation are out weighted by gaining long term advantages from competent high level manpower, public morale, trust and team synergy of the stakeholders. The bottom line is to safeguard against annoyances caused by indifference or

negligence and to respond positively to genuine complaints and orderly claims. Parasitic behavior is counter productive and despised. CSR is counseled and yield dividend.

Performance of TNCs

While the domestic firms are alerted from all sides to the requirements of CSR, the TNCs are credited with the satisfactory discharge of some obligations to the immediate stakeholders. They tend to practice canons of good business governance, adhere to the principles of sound management and apply SOP in operations. The Board of directors consists of knowledgeable persons with considerable vision, expertise and dedication. The CEOs are appointed on merit. The staff is functionally structured to follow the set of business objectives. The officers are selected mostly on the basis of credentials for the job. Performance rooted promotions are in vogue. Wages and fringe benefits are linked to productivity. Bonuses are given out of higher profit. Efficient personnel have security of service. Medical entitlements are fair. Retirement benefits are available for long serving outstanding employees. Share holders get appropriate portion of net earning as dividend. The input suppliers are paid market prices in time. The payment of utility bills is prompt. Taxes are not evaded. Innovations, standardization and creativity are the hall mark of operations. The line of communication with the direct stakeholders is free of tasteless noises and ugly hotspots. The inflow of information and proposals for procedural reforms are processed in systemic perspective and compulsions of market forces. A proactive strategy is followed in anticipating issues and correcting fault lines. The laws, rules and regulations are seldom violated. The image of integrity is flashed.

It is on the score of indirect remote stakeholders and socio-politico and macro economic obligations to the society, polity and economy that serious lapses are observed on the part of TNCs. The focus is on the utilization and capitalization of opportunities arising from the sweep of West grounded and G-7 fueled globalization. Subjective preconceptions of CSR rather than dictates of objective cultural milieu govern their orientation. The imperatives of cohesion and principles of relatedness with the host are off the table. Narrow notions of the implicit superiority of occidental civilization and self serving dogma of market efficiency occupy the mind set. More comprehensive conception of multi-cultural efficacy and equitable distribution of benefits are out of purview.

In a civilizationally conscious world, the challenge presently is to accommodate oriental concerns, assure inclusiveness and reconcile with realities of human nature and rights demanding stakeholders. Failure to or hesitancy in doing so imply misgivings, injurious reactions and cycle of conflictual interactions. It endangers smoothness of relations on enduring basis. Instead of concentrating on assisting the community in poverty alleviation, HRD and control of infectious diseases sermons are delivered on liberalism. While the masses are troubled by the scarcities in the supply of clean drinking water, sanitation, drainage facilities and medicare TNCs advertise, erotic activities. The concept of CSR is diluted and polluted by taking lead in patronage of sexy entertainments and art shows. The funding of film festivals, jazz music and release of blockbuster is actually very disagreeable to the mass of people. The most irresponsible behavior pertains to the funding of publicity machine for fleshy and flashy hedonism, luxurious consumerism and display of sensualism and sexism. The audio-visual

technology is systemically abused to erode and affront the cultural ethos. The noble concept of role model is switched from holy, knowledgeable and public spirited position holders in the society institutions and economy to obscene artists, boorish entertainers and coarse cowboys. The irony is that the projectors of blue romanticism are blind to the sterility of the campaign in a deep rooted Islamic culture. It is the freedom fighters, defenders of the faith and missionary healers, preachers and teachers who are the heroes. The ugly deculturisation drive only hinders the affiliative coming together of the West and East.

The flip aspects of TNCs continues because of the absence of stipulated principles for the entry, penetration and activities of foreign firms. Instead of Govt. chartering the course and priorities of growth, the path and substance of expansion is programmed by foreigners. The economic destiny of the nation is left to external forces and interests. The economy is driven into the whirlpool of deeper dependence. The inflow of investment from abroad into the relatively unnecessary services sectors have translated into additional stresses and strains on the balance of payment. The unsoundness of investment in thermal power plants shows up in WAPDA worsening budgetary position, higher energy prices and rising oil import intensifying trade deficit.

The industrial and energy sectors development is neglected. The tapping of domestic power resources particularly hydel, coal, solar and wind is not as yet taken up. The opportunities for nuclear power generation are under availed. No TNCs has joined hands with local entrepreneur for the generation of in-house power for fueling of plants. The people have yet to see foreign investors boosting the electrification of villages through the development of alternative sources of energy particularly bio-mass, solar and wind. The hilly habitats await,

investment in mini dams promising generation of hydel power for household use, and establishment of small enterprises based on natural endowment and local raw materials.

The bridging of gaps in investment for the production of essential commodities and food stuffs goes unplanned. Long gestation, technologically complex and capital intensive mega projects rarely figure prominently on the agenda of TNCs. They tend to pick up schemes that yield higher returns, increase the repayment liabilities, and hook the host to heavy running cost of production. Investment in the services, finance and ICT sectors is most favored.

In view of the bitter experiences it is essential that along with the positive dimensions, the negative aspects of the penetration, foothold and deeds of TNCs are equally scrutinized. The risks of indiscriminate opening to, grant of national treatment and unprecedented boost up of TNCs in all sectors of the economy are too grave to be overlooked. Some specific conditionalities, safeguards and codal stipulations are called for to ensure TNCs operations within safe limits. The perspective of national interest and socio-economic progress necessitate a selective, cautious and judicious approach.

In the current systemic arrangement TNCs are deficient in the transfer of technology and lag behind in the development of down stream industries. Their engagement in joint ventures, co-production and adoption of proactive measures for deletion in the manufacturing of machinery, equipment and related tools, instruments and processes is nominal. Little is done to capacitate, facilitate and involve local venders in reproduction of accessories of capital intensive and Hi-technology apparatus.

Monopolization, oligopolisation and price leadership characterize TNCs business. Instead of business partnership in the development of productive and strategic infrastructural fields the focus is on exclusion, and fuller control of the installations that are built, purchased or taken hold of in one way or the other. The increased dispossession of the economy extended steering and accelerated repatriation of profit is in evidence as a consequence of their growing presence. The mutuality of benefits, proportionality of reciprocal gains and upholding of common program on the part of TNCs is token in nature.

This predominantly one sided power wielding, wealth expanding and revenue rising bias is evoking reservations among the thoughtful observers. The non-transparency of in-house trading and under and over invoicing of export and imports raises questions regarding invisible extractions. The intrusive behavior with varying degree of subtlety relating to politics media manipulation and employment of preferred class of elites is looked with skepticism. The award of business contracts to favorites and assignment of consultancies to rationalisers of externally dictated restructuring make for misgivings. By virtue of being the active carrier of West engineered faulty globalization and submerging the economy into the planetary system designed for the interests of the advanced states, the TNCs carry the burden of proving their benevolence, credentials and positive cost benefit contributions. The record of performance demonstrated on the ground is prima facie unbalanced and subject to reservations.

No country wants to be left out in the field of sustainable developments, civilizational security and progressive enrichment of the cultural heritage and axiological system. The foremost aim of every state

is to enhance internal productive capacity, avail utilization of potentials for cumulative growth and assure rewarding global inter dependence that foster positive balance sheet of assets and liabilities. The viability, vibrancy and prospects of move towards self propelled progress outweigh momentary benefits, expediencies and contingencies. It is natural to demand and expect effectuation of business progress and march toward self empowerment. The stimulation of activities in all entities in line with national agenda is a top priority. The legitimacy and meaning of what is done by TNCs count.

The concentration of investment by the TNCs in the services sectors such as, IT, Telecommunication, Banking, Stock Exchange, Hotels, travel and aviation etc is not viewed totally wholesome. Attention to matching investment in the commodities sectors is desired to overcome critical shortages of intermediate products and basic consumer goods. The comparative and competitive advantages of the economy on account of rich natural resource base and favorable geographic location deserve to be tapped. Similarly the agglomeration of business activities in the coastal areas, metropolis and big cities is deemed objectionable. It is fostering duality of the economy and rural – urban divide. The hinterland is lagging behind in growth and modernization. The backwardness, uneven dynamism and consequent perpetuation of poverty in rural habitate sow the seeds of and add to discontentment. In the current situation of occidental imperialism, adventurism and decentralization campaign national unity can not be risked. Balanced strategy of investment, sharing of technology and capacitation for self-reliance is preferred.

The advocates of TNCs refer to the remarkable contributions in the development of services sector and exemplary CSR at the micro

level. The troubling matter of relatively low involvement in the manufacturing sector, adverse macro fall out and non connectivity with the deeper interest of the host country crosses their span of attention. The impartial commentators fault the TNCs with gross negligence in integrating growth with development, technological transfer and proper intellectual property right charges. Actually missing from the process is the maxim of movement towards capacitation of the host country. The recipient central interest lies in self propelled snowballing surge forward. The enhancement of domestic organizational learning, advancement in professional competencies and extension of opportunities for extended ownership and control of incremental assets through joint ventures is needed by the host. The national values, larger well being and emancipation from prospective risks of being caged tiger are virtually absent from the TNCs interrelationship with the local stakeholders.

Growth is imported without factoring in some fecundity for domestic emulation, reproduction and catch up. The external stimuli can be taken away, derailed or stopped at will whenever political relation turn soar with the globalizers. The phenomenon of expansion will last as long as the vision, ideal and agenda of West is served. The sponsorer can interrupt, disrupt and turn around whenever desired. The so called tiger projectory is illusionary and delusionary. The pressing of demands for risk management, conflict resolution and attempts to negate adverse elements from the transaction would cause wrath and resistance. The advocacy of the case for responsible redirection and plea for exercise of caution is distasteful to the captive policy makers on the stage. The economy is actually chained to the interest of foreign investors. It is pushed to non-viability, vulnerability and fragility. The real issues are put under the carpet for latter regimes to address. Addiction to

dependency irrespective of cost has turned into chronic need of the rulers. This soars rulers relation with the civil society which is disposed toward the protection of national interest in balanced manner.

The rulers are yielding to temporary temptations and transitory fears in being all embracing of limitless, non-selective and non-regulated foreign investment. They are adrift in the wave of globalization engined growth. The Western script of consumerism, hedonism and liberalism is unthoughtfully followed. Concessions and privileges are granted to foreign investors that are unnecessary and far greater than that given to the East India Company. The Govt. non-sensitivity to the dangers of serfdom that lies ahead is tragic. The elites are hemmed into conformity. The people are alienated because of the short sighted policy.

The timidity, subservience and behavioral chaining is incomprehensible. What is happening and what ought to be done is stressful for the conscientious. Alternative options go unexplored. Better and more reliable coping mechanism are out of sight. The society is puzzled. Polity is polarized. Economy is floating in sea of uncertainties. Development economist with independent frame of mind are kept out of making inputs to policy making. While the authorities indulge in empty talk of speedy rate of rise in GNP, the people experience breakdown of institutions, inability to satisfy basic needs and pained by deflection from the right to be and express or enact their supreme identity. The anguish, anxiety and disorder can explode sooner or latter. The continuation of present policies in current form and content is ruled out.

Although the responsibilities of TNCs as individual entities can not be stretched to macro level obligations, they can not be totally absolved of aggregative harmful repercussions on the economy. The host country can bear the hurting impacts upto a definite limit. Beyond a

certain fault line trust worthy policy makers have to take cognizance of, prevent and remedy the injurious implications. The imperative of amendments and making suitable interventionary measures is urgent. In this task the TNCs themselves can not rationally and ethically remain passive spectators. As a collectivity they can not remain unmindful of the sum total of joint effects produced by them. Logically and morally they are bound to voluntarily avoid actions that are objectionable from the larger perspective of national interest. Rethinking of the matter is essential. The initiation of measures conducive to the orderly, effective and efficient positioning of the economy on the ladder of sustainable development, civilizational care and desired CSR is vital for utilitarian purposes and establishment of reciprocal trust and reliability in serving common ends.

In view of having the sustainability of relations, realizing, common benefits and serving shared interests, it is imperative for the host country, TNCs and master mind globalizers to figure out a comprehensive charter of CSR that is attractive for the participants. Going by the sense of sanity, equity and empathy they can generate feelings of goodwill, acceptability and welcome for the foreign investors. By checking reality, seeking consensus and doing the right things with spirit of benevolence and generosity the risk of disenchantment and simmering hostilities can be turned into sentiments of partnership. The investors themselves experience valued trance and gain influence with being mindful of global civil duties. The charges of exploitation, domination and business indifference are best countered through magnetic deeds. The emotion loaded slogans of imperialism raised against the champions of globalization can get subsided in situations where a unifying paradigm is opted for. The specification of,

negotiations on and formal compact of the rights and responsibilities of the stakeholders furnish a way out of the polarized scene.

However, vague, ambiguous and subjective, the conception of CSR might be, it has assumed the character and momentum of a socio-economic movement. The entry, expansion and foothold of TNCs within the dynamics of selectivity, commonality and agreed code of conduct is justified. Originally the call for systemic justice and equity found expression in the UN New Economic World Order resolution and program of action 1974. It could not be followed through because of stiff opposition from the 1st world states and subsequent loss of leverage due to the collapse of U.S.S.R. During the years the spirit, thrust and tone of the movement is changed. The emerging globalization engineered by G-7 has dampened down the compelling force of the dictums. The advocacy of justice, plea for moral obligation and observance of proportionality in the distribution of incremental gains on the multilateral forums is relegated. Nonetheless, the underlying aspirations, motivations and will for fairness are alive. Questions are raised about the sustainable size, pattern and sectoral spread of TNCs. The uneven and disturbingly risky distribution of investment between the commodities and services sectors is pointed at. Financial institutions, banking and portfolio investment have proliferated as a tool of making easy profit. The stakeholders are allergic to the grave consequences and unbearable load of anticipated repatriation of profit, rent, royalties, interests and intellectual property right payments. The lack of design and due care in the recourse to or indiscriminate opening of doors to TNCs without prior risk/ gain calculations is deemed spring board of potential hotspot issues. The substitution of the exploitative, abusive and risk laden systemic arrangements by sustainable, equitable and socially responsible structural

frame with transparent in built processes is looked up to and pressed for by the civil society.

Since the difficulties, hardships and transitory sacrifices involved in unilateral shift of course in the context of unipolar world are huge, the preference is for recourse to deliberations, negotiations, bargaining and resolution of the issues at the appropriate forums. The UN, WTO, NAM, OIC and UNC TAD are seen suitable for addressing the matter encountered by the developing countries. The imperative of justice and CSR can not be wished away, undermined and denied outlet. Neither the fears, timidities and complacencies of the third world rulers nor the might, intimidation and threat of sanctions on the part of coercive affluent states can suppress the longing for paradigm reforms. The appeal is to enlightened business interest, enduring cooperation, peace and security around. The bonds of humanity, dictums of prudence and normativeness of global relations demand change. The verified body of social knowledge, time honored wisdom and advantages of balanced strategy of interactions speak for being ethical, equitable and fair. The world compact can be best figured out, expressed and chartered in through the good office of the UN. The hyper power, super powers and emerging powers as well as small states can pool their knowledge, skill and good will to assure the solvency, development, security and collective welfare of stakeholders.

Approaches to Conceptualization, Articulation and Negotiation of CSR

CRS is an axiological concept. It varies in substance, format and thrust across history, civilization and geography. The evolutionary, dynamics and constant reconfiguratory nature and differential commitment to and adoption of it is universally recognized. Whatever the existential content, form and prioritization of the notion at a given time, space and culture,

everywhere corporations cognize the worth of it. The claims and expectations of stakeholders are seldom brushed aside. The interests of direct reference strata are particularly taken into account and catered to in so far as feasible and consistent with preconceived norms. They participants believe in and envision the importance of relating themselves with the society, polity as well as economy in ways that are of utility, harmony and common interest. The postulation is that actions that are based on and reflect the widely accepted obligations tend to be durable. Positive impact of corporate operations are generally hoped, wished and preferred. The broader consequences of what is done are ascertained during the course of on going business. The temptation to deny, under rate and turn blind eye to the repercussions of what is done is seldom let loose. As a minimum lip services are paid to the desirability of appropriate social connectivities. Declarations of intent and avowal of extended bondage are frequent. Maximally even informal mechanisms are put in place whereby non-sustainable relationship are noted, addressed and in some honorable cases actually rectified.

The idea of CSR is concurrent with the duty of compliance with constitutional, legal and policy stipulations. The concepts of fiscal responsibilities, prudential foreign debt management and rational monetary policy on the part of macro economic custodians are akin to it. It is a voluntary code of conduct subject to some surveillance. Conformity with and deference to the specified guidelines is on account of varied inner motivations. An enlightened farsighted business interest, earning respectable public reputation and getting satisfaction from laudable contributions underlay the go. Negative or indifferent reactions from the reference groups is regarded as a source of potential external tensions and spring board of worry, anxiety and emotional unease. The

onus is taken seriously in a milieu where the role players in socio-political and cultural walks of life uphold normative practices.

Whatever the existential form and manifestation, the maxim of CSR provides an appropriate perspective for viewing, evaluating and handling transactions with workers, suppliers, clients and society at large. It illuminates choices, actions and reactions that arise during course of business management. The path to harmonization of relations in the market place and winning the sympathy of the impacted populace is discovered via sensitivity to moral obligations and suitable code of interrelationship. The business units who comply with popular standards of CSR are largely trouble free and enjoy good image. It serve them well in times of crisis or conflicts. In view of its intuitive benefits and strong correlation with corporate security, success and stability, the indicators, laid down for steering and auditing social performance are quoted. The advanced countries have progressed in the field of CSR to the extent of requiring reports of what is actually done by the corporations. The public is duly informed of what goes on in the business sector.

Pakistan is in the initial stages of awareness, conceptualization and introduction of CSR. The business firms, financial institutions and commercial services providers are mainly profit engaged. The voluntary applications of moral principles and ethical norms to the investment, production, exchange and distributive relationships is limited in scope, quality and standards. The market place and financial intermediation is largely governed by narrow business interest. Societal, cultural and civilizational values are seldom factored into interactions with stakeholders. The vocality, assertiveness and pursuit of self centered advantages are not matched by corresponding respect for the rights of

and obligations toward the direct dealers and indirect load takers. Inwards looking passions dominate beliefs, attitudes and preferences. Level playing field is asked from the state but seldom provided to others in one's own domain of operation.

The enterprises build up, management of installations and operations of firms are marked by marginal consideration of holistic picture, stakeholder's interests and requirements of fair play. Success is seen in the maximization of financial return, regardless of proportionate public service and integration with cultural dictums and genuine expectations of stakeholders. Little is done to evoke the trust, confidence and backing of the community around. Creditability is risked because of failings and failures in the effective enactment of cardinal virtues and qualities of beneficence. The PR is substance empty. Evidence of accommodating the concerns of relevant classes is far from satisfactory. Selective patronages, nepotism and political appeasement make for demoralization of insiders and wrath of the outsiders.

The inability and weakness of will to create desirable reputation on an extended scale within the country and abroad merit business attention and Govt. intervention. The social irresponsibility cast dark shadows on their fame. The formation of, sensitization to and attachment with the discharge of CSR is, of course, a long drawn process. It requires socialization, internalization and modeling effects with concomitant systemic and environment reinforcement. However, the injection of heat into matter can not be delayed because of mind set hurdles. The business firms have to assume and must be entrusted with definite CSR commanding teeth to bite the offenders. They are better advised to be mindful of red lines and the simmering conflicts and crisis ahead. A

proper turn around is called for. The contextual enumeration of CSR is the joint obligation of the public and private sectors.

Consensual Specification of CSR

The definition, setting out and operationalisation of corporate social responsibility is open to several approaches, having multifaceted positive, negative and mixed consequences. The form and substance of it can be spelled objectively, subjectively and in an inter-subjective mode. It can be expressed in the shape of declaration of intent, statement of voluntary code of conduct and recital of normative guidelines. The legislative stipulation, Governmental policy announcement and official backing of blueprinted program can also be chosen for the purpose. The operationalisation of social responsibility itself is done by the corporate management with due in-built mechanism for consultation, over seeing feed back and exercising subtle control. A mixture of objective, subjective and inter-subjective approach can be adopted for the end in view.

- Objectively it is best spelled out and put in place from the perspective of Islamic injunctions, viability, and stability of enterprise and principles of fair, orderly and just relationship among the stakeholders. The protection and enhancement of public interest, identity of the polity and welfare of the participants is at the central stage. Utilitarian calculations, normative requirements and cultural ethos dominate the substance, sequencing and tempo of chartering it. The efforts for and demonstration of best practices in the production and services delivery top the list of responsibilities in operating business. HRD with particular reference to the recruited labor force quality employment and attention to the

schooling of employee's children is a significant element. The rights of shareholders, depositors and suppliers of inputs are stated in a transparent fashion. An active involvement in community's poverty alleviation and social welfare is stressed through stipulation of regular allocation of 5 to 10% of the net profits.

- Subjectively CSR is figured out from diverse and separate points of views, claims, hopes and expectation of the stakeholders. Good will, benevolence, generosity, compassion and feelings of charity goes into it. Humanism overrides one sided pecuniary consideration and real- politik. Cognition of what human nature is, unfolded by or can bear lead to the adoption of one stance or the other. Lessons learnt with regard to variables involved in the success of business, satisfaction of the beneficiaries and credibility of the management exercise pulling force on acquiring the notion of right and balanced course.
- Inter-subjectively, the concept is clarified in grand dialogue. It is ascertained in a series of discourses to exchange views, convey interests and share perspectives. The conceptualization of issues is checked from different positions. The existing concerns, modalities and coping mechanisms are dissected. The deficiencies, mistakes, and misdeeds of what is done or omitted are highlighted. Questions are raised and answered about the diverse elements of the problem and facts of the matter. New ideas, alternative options and fresh ways of bridging disagreements, mitigating conflicts and navigating in the

stormy water are explored. Attention is focused on discovering common denominators that can bring the parties on shared communicational grid. The dialogue provide outlet for, muddling through the narrow subjective stances to stand points that are deemed reasonable by the other stakeholders.

The creation of insight and formation of consensus on the conception of CSR from the objective angle is relatively less complex than the subjective perspective used in inter subjective dialogue. The terminological differences lend themselves to professional interpretation, knowledgeable dissection of discords and conflict resolutions by reference to objective criteria. The practical wrangles, existential tensions and the scale or intensity of strifes resulting from normative deviation can be dispassionately investigated and existentially resolved with reference to what is injected by Deen and universally taken as right, just and fair or prudential. The substantive matters make space for purposive negotiations, integrative bargaining and meaningful compromises. Peaceful reconciliation, arbitration and settlement of issues along a rational, ethical and lawful road map is a publicly favored choice.

The subjective debating posture on the contrary is open to and run the risk of sharp division of opinions, gaps in stances and practical jitters. It makes for dialectical engagements marked by narrow visions, myopic interests and noisy protestations. The assertions, actions, reactions and interactions land both sides into the whirlpool of agitations, Zero sum game and even negative play emerges. The futility of rancorous talk run the risk of inflaming polarization and going wrong along the way. During the heat of conversation the simple minded participants can lose their better self. Sense of proportion may get

eroded. Irrelevant, crazy and hurtful personal attacks are likely to de-rail deliberations on the topic.

Relying on objective scripts, intellectuals, professional experts and charismatic personalities are in much better position to offer enlightened premises, paradigms and findings on the theme. They are mentally, dispositionally and skillfully equipped for problem specification, reflective thought and meta-thinking. The parties can be awakened to misconceptions, faulty opinions and pathological irrationalities or outright evils involved in discussing the matter. As brain trust and conscience of the nation they can be relied upon to present judicious, balanced and harmonizing proposals on the prototypes and details of CSR. The dispassionately documented suggestions can form fruitful frame of reference for subsequent negotiations, consensus building and integrative bargaining among the stakeholders. The recommendations can serve to assemble backing of the silent majority and induce broad consensus among the negotiators as well as concerned strata of people.

How CSR Get Operative?

Whatever the substance and specification of CSR under the circumstances it goes into the will, impact willingness and gets translated into behavioral pattern through the operation of four overlapping variables. These are:

- Mind set of the business units. Extending vision, understanding new imperatives, securing feel of the importance and firming up disposition to determine role for and expectation from self in the enactment of CSR as a moral obligation and compassionate impulsion.

- Organized voices of the stakeholders seeking change in status quo, complaints made by individuals who are deprived of or denied their entitlements and initiation of stoically stern struggle for reforms rooted in perennial values, Islamic values and welfare principles.
- Compulsion of business competition and fear of being overtaken by rivals presses for rise to the normal standards of CSR in due course. Self interest of staying in business with esteem dictate adaptation. Failure in adjustment and reluctance to be at par with competitors entail relegation to secondary position. Reputation is endangered and distress is caused, on account of negligence in doing what is normally done. Stagnation is risked. Prospects of expansion disappear. Visibility of the misdemeanor generates grievances around. Sense of shame is felt. The unbearable sense of oddity makes for corrective measures in the direction of parity with the rivals.

Notwithstanding the importance of competitive forces in pushing up the laggards, the temptation to escape the short term cost of CSR remains. The attraction of making high and quick return and non sharing inclination is at work. Some sort of official prop is required to fill in the lacuna, control failing and assure positive movement forward in catch up with pioneers. Regulation with a view to inject a defined code of conduct driven by a set of accepted models and fair play is deemed essential. Intervention principles that embody the consensual ideals and moral canons are adopted to hedge the positive business mind set, mirror voices of stakeholders and constrain wrong temptations. The SOP are spelled out and applied with integrity and spirit of facilitation, to steer best

practices and elicit support of stakeholders. Regulators guard against the possible risk of stifling investment or causing scare and contempt on account of suspected arbitrariness, abuse of discretionary authority and witch hunt or harassment of business units. The varied choices and styles are collated to optimize the potentials for and fulfillment of CSR and to serve higher purposes of regulation successfully.

The change of mind set and learning of new ways and readier compliance with CSR is obviously a long drawn process of socialization and character development. The emergence of will to, willingness for and efficacy in following the social ought is evolutionary. The acquisition and assimilation of ideas relating to best practices and imitation of model firms is gradual. Knowledge, know how and motivation for inputs to social good is secured after extended exposure to pioneers and positive reinforcement during the process of engagement. The milieu of dialogue, exemplary leadership and dissemination of relevant information pave the way for inner realization of the need and attachment to the requirements of just and fair play over an extended period of time.

At the moment only a small proportion of the business units heed ethical imperatives. The moral avowals of ideas are high but the inclination to go by the normative axioms is weak. Reliance on voluntary conformity with the standards set does not seem to be very promising. The entrepreneurs tend to be distractionary. The proneness to rationalize deviation on one count or the other is strong. Inaction on social values is common phenomena. Choices and decisions are rarely constrained by what is transcendent, invisible or intangible. The response to collective norms is mostly in the shape of lip service. The transitory costs and inconveniences of holistic pictures are eschewed in so far as possible.

In contrast to the business units nonvisionary, inwards looking and incomplete behavioral make up, the stakeholders are vocal. The voices for CSR are loud, clear and balanced. The consciousness of, sensitivity to and demands for the observance of rights, genuine claims and rational expectations of effectees are widespread. All rounded interests are expressed openly and with convictions and courage. The concerned associations, trade unions, political parties, media as well as human rights groups and civil society activists are at full play. The harmful consequences of failings and failure in the field of CSR are highlighted. The negligent, inconsiderate and myopic sides are warned of the impending risks of tensions, conflicts and confrontations. Although the contemporary noisy scenario is not futile it does little to modify the essence of business actions. The quality, standard and acceptability of what is done fall short of minimum levels. The psyche of dodging and manipulating others is potent. Self illusion, delusion and projection is dominant. The tendency is to do too little, too late and with reluctance. The welfare of stakeholders is left to the trickle down effect.

The business units deserve to be motivated, facilitated, guided and reinforced by the authorities at the helm of national policy making for self feeding and welfare enhancing development. The projection of vision and mission as well as the blueprinting of operational program for CSR lies in the domain of statecraft. Rulers can not remain aloof in the categorization, dialectics and effectuation of what is just. The negation of what is evil, ugly and abnormal necessitate legislative interventions. The issues involved in the binary matters of right and wrong and responsible or irresponsible actions are everywhere addressed at the macro levels of polity, economy and society along with the institutional and micro frontal regulation. Effective solutions emanate from thoughtful

situational analysis, framing of holistic pictures and chartering of navigational course in rational, prudential and generally acceptable manner.

Inner Jubilation and Outer Bonding of Responsible Actors

Regardless of foundational underpinning, corporate social responsibility that arises from within is a sources of personal joy, self actualization and solidarity with fellow beings. Affiliations with the workers, input suppliers and consumers associated with the firms are forged. The socially responsible activities yield a sense of deep satisfaction and evoke, animating response from the target groups. The spirit of inclusiveness is nurtured among the providers and recipients of welfare services. The givers as well as receivers find themselves in a win-win game. The feelings of exclusivity, deprivation, and indifference are replaced by sentiments of cohesion, sharing and caring. A mind set of empathy, sympathy and understanding is evolved on both sides. Such a psyche proves helpful in increasing productivity, raising quality of products and enhancing creativity.

Inner commitment to CSR spring from a variety of variables at work. The role players own and live up to their responsibilities when the cause is deemed good beyond any doubt. Credible personalities have sponsored the course and stick to it. Charismatic leadership is at the helm of affairs and exhorting business to be obliging. The regulatory organizations are firm in enforcing the law, protocols and conventions. The barriers in the way are cognized and measures are instituted to correct misunderstanding, faulty cost/ benefit calculations and persuasively disengage the business entities from habitual abuses of market power, price collusion and drift into malpractices. It is in a milieu of support and institutionalized demands for answerability that the

fulfillment of obligations is taken seriously. The awareness, sensitivities and associations of the weaker and aggrieved groups are vital in pinpointing and publicizing transgressions and pushing the advantageous position holders towards the right tract. A combination of inner conscience and outer censorship move matters in the desired direction. At the heart of commitment lies the conviction that CSR follow through is intrinsically worthwhile and extrinsically rewarding.

In extending the coverage and rising gradually the standards to the minimal possible level across the country two types of mutually reinforcing strategic actions are required. Firstly behavioral diagnosis, attitudinal modifications and formation of will based on rationality, morality and realism on the part of role players involved in business and delivery of services. It entails reviewing of conceptions, correction of perceptions and regulation/ disciplining of conduct. The cognition of what is necessary, stipulated and fair is prior to what is done by the practitioners for one reason or the other. Whether they are indifferent, careless and perfunctory or mindful, concerned and performing is largely a matter of ability, learning and will. When knowledge and information is missing or deficient, then practices are hooked to desire, temptations, leisurely orientation and expediencies. What is actually right, good and socially expected remain out of focus. The formation of balanced perspectives and holistic picture regarding professional obligation and business responsibilities precede the discharge of functions in effective, efficient and just fashion. Thus establishment of HRD arrangement for adequate capacitation and up-dating in know-how, show how and do how of CSR is the sine-que-non of improvements in actions and activities.

Secondly the erection of suitable safeguards, deterrence, monitoring and evaluation of aberrant practices is needed to control apathy, laziness and wrong doing, despite awareness of the trespass. The exposure of management and operational staff to binding regulatory frame, voluntary code of conduct and broad guidelines for interactions is normally a useful supplement and complement for inner prodded orderly behavior.

The initiative for reforms in laws, policies, rules and regulation and corresponding activation of the position holders emanates from the Ministry, and concerned organizations. It is the Government which provide leadership and support, including fiscal inducements, orientation courses and training programmes followed by monitoring and evaluating the end results.

Judicious Regulation

A purposive, risk conscious, anxieties allaying and development facilitating regulation is deemed critical. It is instrumental in the effective discharge of CSR. A rectificatory and growth advancing regulation serves both as an assurance for the unleashing of entrepreneurship and blossoming up of social superstructure. Built on the foundation of living social instincts, spirited conscience and vibrant awareness of the obligation and urgency of fulfilling the moral responsibility it can spur a turn around. A suitable frame that set out the surveillance of what is baneful and encouragement of what is positively needed promises desired outcome. The fear of penalty restrain wrong doing and deficient performance. The inducement towards and magnet of modeled practices dynamise surge forward.

Good regulatory mechanism is designed to rein in the uninhibited, fraudulent and substandard actors and reinforce the thoughtful players aiming at positive processes. The announcement of a

judicious mixture of restrictive, defensive, facilitative and capacitative measures create functionally ideal paradigm. The repugnant and destructive, as well as the permissible, preferable and mandatory practices are duly documented and accordingly promoted. The process is initiated with controlling chaotic conduct, rooting out disorder and repairing the damage done. The irrational visions, exclusively pecuniary motivations and unacceptable deeds are checked and made transparent. The policy of guarding against evils is firmly adopted. The natural psycho-dynamic is operated upon to restore balances, civility and fairness. The victims of wrong are protected against the excesses of local enterprises. Issues of enhancing productivity, improving quality of transactions and gauging the psychology, of and catering to the satisfaction of stakeholders are center staged.

Public debate and dialectical engagement is supported. In the case of TNCs the objectionable dynamics and unsound practices of interferences in the polity, society and economy of Pakistan are subjected to scrutiny. The limits of free enterprise and frontiers of what can be allowed are drawn. The sluggish entry into and the lack of systematic attention to the development of commodity sector, and negligence in the unleashing of backward, diagonal and forward linkages among industries is forefronted. For serving the supreme interest of the country the no-go, free and welcomed fields of investment are demarcated. The prudential ratio of investment between domestic and external capital formation in the strategic sectors / industries/ financial and commercial domains is outlined. The questions of improving the life style, serving the deep Deeni will of being and becoming and fostering peaceful, secure and harmonious society are top listed for collaborative coping. The stipulations for CSR and welfare expectation are bonded with the ability

to pay. The principles of civilizational cohabitation, cultural pluralism and humanism are stressed.

Whether regulation is actually good or can prove fruitful for the stated purposes is an open question and hotly debated by liberals and conservatives. The proponents, contrarians and balancers argue from varied perspectives, values, interests and experiences. Satisfactory answer is linked with the adoption of a holistic view respecting the nature of business entities as well as canons of humanism and morality. The foresightful composition of regulatory variables, non oppressive implementation and search for truth free from ideological or cultural constraints is vital for endorsement and onward march. The periodic review of regulation in the light of feedback, scrapping of obsolete provisions and replacement of dysfunctional clauses with functional articles is decisive for positive outcome.

In framing, updating and reforming the regulatory structure, inter subjective agreement based on objective references deserve particular attention for prospective surge forward. In a market economy, free society and democratic polity the respect of and conformity with laws and codal guidelines is smooth, easier and more or less willing when owned by the business firms. Inner belief in the necessity and desirability of the civil function and living regard for building good will, trust and social reputation propel voluntary compliance with the stipulations. The tendency to evade, avoid and escape from responsibilities is checked from within. The probability of costly litigation is contained. The legal system is not overwhelmed with law suits. The parties prefer to settle their differences in house. The truth finding and reconciliation methods are deemed promising. The stakeholder work together in a milieu of reciprocal trust and credibility. Polarization, tensions, and confrontations

are largely replaced by understanding, peaceful settlement and mutual accommodation. The economy is saved from ugly scenes on massive scale in workshops, factories and offices.

Rolling Towards CSR and Self Feeding Development

The wise, thoughtful and fraternity fond business persons, TNC, policy makers and socio-economic stakeholder are keen to explore the central question of what to do under the circumstances? How to proceed in availing opportunities for material gains and getting related to the economy, polity, society and international market? It is vital for the adoption of rational, right and good action to ascertain the truth of existing beliefs, wisdom of choices and cost / benefit of prospective courses of action. Quarries are made particularly in periods of shock, crisis and instability. Mind is activated by inner reflection, outer criticism, and blaming for static conditions, failings and failures. Natural urge for prosperity, relatedness, sense of belonging and climb up on the ladder of achievement make for inquiries into and deliberations on the need of strategic redirection. The review of opinion formation, option selection and action design come to central stage in situation of conflicting voices, new threats and novel challenges.

The most simple, brief and straight answers to the questions concerning a smarter and right start are:

- Go by evidence and reality check in the perception and estimation of the state of affair. Make judgment of existential matters on the basis of information gathered from multiple sources, references to universal values and adherence to cultural norms. Cross examine the ideas in vogue. Hold discussions with relevant, trustworthy and authentic personalities. Consult knowledgeable, skilled and

experienced figures. Be open minded and show receptivity to different or contrary views. Incorporate valid and reliable feedback into the belief set. Focus on the conceptions, conjectures and presuppositions of the opinion shapers, news makers and decision takers. Attend to the sifting of reports and investigative documents presented by international organizations, specialized agencies and task forces formed from time to time. Doubt ideas, perceptions and recommendations that are not scrutinized and evaluated from varied perspectives. Prefer objective analysis, of issues, synthesis of views and non-partisan suggestions for structural reforms and processes modification offered by independent professionals. Express considered opinion and convictions with due care for terminological, clarity, factual precision and respect for prevalent cultural sensitivities and group thinking. Mobilize and organize association of like minded persons and engage the community, institutions and interest groups for proclamation, and pursuit of what is deemed true, desirable and important for redressing grievances and actualizing systemic aims and objectives with equity.

- Make principled, enlightened and balanced choices incorporating deep will, popular desire and requirements of outer reality including implementational capacity. Rely on impelled, propelled and orderly choices. Explore pathways leading to the realization of sustainable development with built in business social responsibility. Beware of the existential limitations of greatly ambitious notions of being,

becoming and glorification. Distribute the anticipated cost and benefit as well as the risks and uncertainties of the alternative choices across wider strata of people, extended regional space and longer period of time. Avoid choices with minefields in the way particularly those that make for dependency of the actors, involve agency functions and drag down the institutions into increasing need for current expenditure on outside sources. Escape risks of fall into the whirlpool of external patronage luring the rulers, business corporations, elite bodies and media. Prevent the temptations of laws and policy makers in opting for choices that are inconsistent with national interest but prodded by virtue of getting support from outsider for prolongation of positions of authority. See through the logical contradiction, semantic ambiguities and self serving biases contained in what is intended, said and done by the decision takers. Discern the kind of fear, compellance and timidity that goes into futuristic choices. Cognize that symbols of growth are worthless with loss of identity, sovereignty and security.

Weigh strategic choices interim of safeguards against insecurity of the homeland. Protect against crippling crisis of trust and confidence in the rulers and business entities detached from the longing and deep will of the people. Remain mindful of the requirements of good governance, sound management and fair operations. Converse, negotiate and bargain with stakeholders for firming choices that assure conflict minimization and impel or propel desired actions on the part of participants. Exercise care in talks with partners and conduct exchange of thoughts with a view to understanding the interests, feelings and

intentions of other side. Go by well stated principles, operational, guidelines and rules of thumb or conventional wisdom in novel or confusing situations. Correct systemic, structural and behavioral shortcoming and lapses. Adopt development facilitatory and CSR assertive regulation in order to push and pull the business men and women towards accelerated investment, higher production, greater productivity, enhanced benevolence and extended welfare.

Foreign Investment Rationalized in the Interest Of Development

The very conception of foreign investment is premised as a tool of progress. It encompass ideas of sustained development, move towards reductions in cost of production and initiation of growth.. The authorities have not so far deliberated upon or taken stock of TNCs overall rationale, role, scope, performance and impacts. The oligopolisation of market, production and investment by them in many fields is out of focus. The adoption of restrictive and expensive practices in the transfer of technology to domestic enterprise goes unnoticed. The exorbitant charges on account of IPR are not in the open. The cost and conditionalities of granting permission to use and reproduce the technology are reflective of high rent seeking behavior and perpetuation of control over the licensees. The rationing of knowledge and techniques arrest the spread of technology and prevent innovations. The social and human objectionability of the selfish conduct is glaringly evident in the drug industry. The pharmaceutical companies prevent the production and sale of essential medicine at affordable price on account of the costly patent rights and trade marks. The manufacturing of generic drugs are blocked.

The unconditional access to the use of natural resources, penetration into the commodities market and opening to financial sector

enable them to make exorbitant profit. In most cases the pay back period of projects is in the ludicrously low range of three to five years. Privatization has brought them windfall earnings. Gain sharing is uneven. The TNCs harness the power of S&T as well as R&D for maximization of market share, resource grabbing and profit optimalities. They feed on the weak bargaining position of the host country and manipulation of the stakeholders. Their multifications and ramification magnify the imbalances of power, disparities of wealth and vulnerabilities to crisis. They demand submission to their interests and predilections for entry foot hold and surge. The burden of adaptation, adjustment and restructuring arising from their dictation and strategies is placed on the host country. Any national regulation and codal steering is frowned upon. And alarm bells are raised, whenever references are made to the imperatives of reforms.

The law, rules and regulations with respect to the modus operandi of foreign investment are titled in their favor. The charges on account of intellectual property right and transfer of technology are subject to unilateral decisions on their part. The licensees are asked for, forced into and seduced by one sided questionable deals. The fusing of final arbitrary clauses in the MOU, agreements and contract, are their prerogatives.

The TNCs have mastered the art and craft of selective servicing of the power wielders. The special appeasement of the influential groups in employment, fixation of salaries and grant of promotion is used to secure concessions. The principles of equality of opportunity, non-discriminatory treatment and observance of merit are conveniently set aside to protect and pursue business interests. The occasional denial of rights to and deprivation from deserved induction into transactions make

for alienation of some excluded or rejected qualified youth, bidders for outsourcing work and candidates for allotment of sale or purchase agencies. Recommendations of the influentials carry weight in processes of picking.

The interest of the economy and initiation of snowballing development necessitate a selective, well regulated and suitably guarded approach toward foreign investment. Undoubtedly, the advancement in the technology of information, communication and transportation make for global village but the phenomena in no way dictates a feudal planetary habitat owned, controlled and run by chieftons. Mutuality of gains, positive management of interdependence and effective risk control require steering and facilitation of TNCs by both sides. The outflow of capital, transfer of technology and outsourcing of production, work and business transactions is not a one dimensional matter. The story is not limited to the rising business cost at places of TNC origin, scarcities of natural resources and need for export outlets. The pull of varied raw materials, cheap labor and motivation of higher return do not exhaust the narration relating to foreign investment. The other side of the chronicle is the vital interests of the host country, requirements of sustainable development and normative standards of civil society. Both segments of the legend deserve equal attention to get wedded.

The objectives of advanced economies and benefits of TNCs converge in the adoption of across the board liberalization, but it is not fully consistent with the interest of investment receiving economy. The one sided stance can not be effectuated enduringly without the incorporation of proportionate benefits for the developing economies. The complete take over of the politics of socio-economic, commercial and financial globalization by the G-7 states actually make for the

emergence and intensification of North-South conflicts and slippery ground for TNCs. Unless and until both the rich and powerful as well as the poor, under developed and feeble countries are involved in figuring out systemic solutions consistent with the requirements of comprehensive. CSR as perceived by all the stakeholders, an uneasy state of affairs would prevail. Capitalistic ambitions would generate discord. Abuses, malpractices and mistakes would bedevil relations.

In view of the partial, myopic and restrictive activities, TNCs necessitate calculated, phased and selective encouragement in sectors, industries and products where local business is at a disadvantage in finances, technology and specific knowledge. The terms and conditions of entry needs to be negotiated. Caution entails that TNCs are contained within the secure limit of 10 to 15% of total investment in any particular field. The geographic diversification of the sources of foreign investment warrant serious consideration for healthy competition and availability of escape route from undue interventions and pressures from West.

The locational dispersal of the foreign enterprises merit suitable designing and proper collaborative efforts on the part of TNCs and federal authorities. It is consensus formation, integrative contractual arrangements and coalition building that lubricate smooth, harmonious and permanent relation among the national policy makers, domestic stakeholders and investors from abroad. Only inwardly responsible and outwardly regulated TNCs can break out of self eroding selfish behavior and re-rail the economy teetering on the edge of insolvency.

Path Steering Mechanism For and by TNCs

The steering of TNCs is in the best interest of the country and for the long term benefit of foreign investors. Sagacity from both sides is required. It is desirable to intervene in the market but imperative to be

alert to the full fall out. The foreign investors are not likely to take balancing measures lightly. Reaction would be there on the part of globalizers. The inflow of capital would be deliberately diminished in the initial stages. New enterprises are likely to get diverted to neighboring states. The economy would be liable to some set back in footloose industries, portfolio investment and speculative short term floating funds. Investment in the services and real estate sectors may suffer.

On the whole that is not much of a problem. In fact the deceleration of foreign investment in the financial and commercial sectors would be blessing in disguise. The floating capital inflows make for a ballooning and fragile stock exchange market. The overstretched business borrowing and massive credit expansion by the banks create conditions for stuck up loans, defaultation and down gradation of financial rating. The prospects of crash, periodic depressions and prospects of currency depreciations are diminished with avoidance of excessive exposure to floating capital and spiraling credit expansion.

Similarly the fall in speculative real estate transactions, reduction of investment in the field of unnecessary services and cut down in external take over of banking business would be a welcomed phenomena. It would relieve the economy of inflated property market, consumerism of the upper income groups and dispossession of the economy in the financial sector. The capital market would be liberated from volatile financial judgments and political waves. The over capitalization of shares, sharp fluctuations in stock prices and frequent shocks would be softened. The wide interest spread between what is paid to depositors and what is charged from barrower would be checked. The economy would get rid of the fleecing and hunting behavior of the foreign financial, servicing and commercial companies. Sooner or later

the chances of their coming down to negotiating table for figuring out a steering mechanism would brighten up. Attention would be invited to the accommodation of both sides interests and perspectives. Attempts would be made neither to curb the basic functioning of market nor to restrict business decision making for greater efficiency and equity. The objective of correcting and preventing wrong and dysfunctional conduct would be in the forefront. The channelisation of business talent, energy and focus toward fair pricing, best practices and socially responsible reputation would be for the good of all.

What the economy can not afford is loss of direct foreign investment in the capital intensive, high technology and long gestation projects. Development of the commodities and infrastructural sectors including oil, gas and power generation is paramount. It needs the right and selective type of foreign investment that is complementary and supplementary to domestic enterprise build up. Reluctance of TNCs to enter into and decelerate activities on that front can be upsetting. Hence the central challenge to regulatory creativity is the design of policy innovations that encourage investors in preferential fields. TNCs are bargained with on strategic issue with full regard for their security, profit motivation and social recognition. Nothing is done to evoke suspicion, sense of being unwelcomed, and denial of or cheating on IPR. They deserve due reward for expanded production, higher productivity and better quality of goods produced and marketed within and exported abroad. The maximization of profit, repatriation of earnings and doing business on an extended scale in the natural resource based industries as well as demand driven manufacturing is a rightful pursuit. The host country must be generous in the stimulation and facilitation of orderly,

transparent and mutually advantageous investment in the industrial, power and technological sectors.

It is in the best national interest that at the political, media and societal levels schizophrenic, delusionary and fearful thoughts are checked. Erratic attitudes, slanted language and unpredictable behavior are reviewed. Senseless, purposeless and irritating utterances are screened. Distortion of reality is refrained from. Pains are taken in the identification, description and accurate reporting of facts. The consequences of alternative options are truthfully narrated. When ever and wherever the conception of CSR differ and specific interpretation of terminology is divergent, the path of cultural respect is followed to avoid ill will, blaming and accusation.

TNCs enrage the civil society by advertisement and funding of objectionable entertainment shows, gambling activities, beauty parlors and fashion parades under the rubric of CSR. This is unnecessary indulgence. Instead of getting scandalized in fleshy and flashy matters why not use the same money for higher purposes of poverty alleviation, social services, schooling of laboring children and crime control. Noble cause related funding and patronage earn multiple business good will and abiding gratitude. By virtue of modified orientation and appropriate symbolism the TNCs can win over the agnostic political forces, investigative media and alienated society. The simple distinction between westernization and modernization and consequent shift from projective advertisement of hedonism, vulgarism and consumerism to funding of culturally approved campaigns and popular matters would alter the scene in favor of foreign firms.

Heed Realism, Prudence and Holistic Picture

In regulating TNCs and domestic business it is necessary to take cognizance of three interrelated sets of propositions and to figure out a holistic vision subjected to criteria of evidential proof of what is most important, valuable and practical thing to do. It is believed that:

- i) TNCs are needed / essential up to a limit, from diversified sources in order to fill in the resources shortfall and assure technological up-dating. The scarcity of capital /foreign exchange and knowledge and skill gaps in organization and management fields warrant recourse to foreign investment. External investors underpinned by the universal principles of development, following the cultural perspectives of CSR and reflecting welfare / safety net/ humanistic considerations bring prosperity. TNCs as such are not in hot dispute. The objection is to slanted induction of TNCs through discriminatory or exclusive access to certain natural resources / markets, preferential sale of assets and under hands deals. Warnings are made against the risk of economic captivity, dispossession of strategic / iconic installations and monopolistic hold. TNCs are deemed liable to and accountable for reciprocating the rights and privileges granted to them with fulfillment of stipulated duties, obligations and responsibilities. Like the globalization of investment opportunities and market access, the universalisation of economic justice, commercial fairness, free mobility of labor and good corporate governance falls to their lot. Lip service to what is expected from them on this

side of the fence is not considered enough. Stability, security and sustainability of foreign investments in the developing countries is judged to be a matter of being inclusive of the interest, values and views of all stakeholders. In view of being virtually free from regulation in sectoral inflow, technology transfer, joint venture, IPR charging, and hiring and firing of workers they gain the bulk of profit from doing business abroad. Although higher wages are paid, the cost of employment is kept lower at the expense of workers. No pensions are given. The employees are contractual. Security of service is missing. Workers can be discharged without incurring cost of retrenchment. The retrenched, released and retired personnel are on their own for the rest of life in job scarce market. The domestic economy has to carry the load of their sustenance and absorption. TNCs deliver advantages but whether those benefits exceed cost is neither asked nor as yet ascertained by either side.

Mindful of the need for empirical verification of the arguments for and against the free inflow of foreign capital and checking the nature of trade off involved in opening the economy to TNCs, the regulators/ policy makers have to proceed rationally and guardingly. The national interest is uppermost. It is to be protected. A worthwhile regulation is to be designed to facilitate the inflow of foreign capital / enterprises in a manner that does not jeopardize what is most important, valuable and meaningful for the country. An unthoughtful focus on acceleration of TNCs entry at the expense of national identity, sovereignty, security and

cohesion is of doubtful utility. To be on solid ground it is advisable to apply rigorous test of proof to propositions / proposals emanating from different quarters and vested interests. Similarly it is necessary to be informed about what is highly valued, who are the valuers and how choice of values are made. Judgments of weightage assigned to different values is the pre-rogative of Govt. What can or can not be diluted or compromised for momentary or material gains and psychic gratifications of the upper classes is to be considered by competent authorities. Reliance on holistic vision and examination of options in terms of avowed supreme public good integrated with particularistic benefits is necessary. It tends to lead the economy in the right direction. This is subject to one rider, namely, that the final decision making rests with the parliament rather than clearance by the Prime Minister, President and establishment.

- ii) Under the prevailing set up, policies in vogue and free inflow of investment, the interests of TNCs and financial capital enjoy precedence over the interest of Pakistan. The services driven and consumption based growth contain marginal development and promise little progress. It is crisis ridden, conflicts prone and tilted toward the enrichment of the affluent classes. The ideological limits are transgressed by some TNCs. The cultural disregard and uneven cost benefit fall out carry the risk that the process may burst out. Prevention in time is better than constant trouble shooting. A fresh diagnosis of and careful dialogue on the matter is

called for designing fruitful regulation and sound coping and balancing intervention. Enlightened position holders everywhere aim at the maximization of benefit and minimization of losses / evil. Both advantages and disadvantages are quantified in so far as possible. In qualitative choice making the best possible judgment of subject specialists, wise and virtuous authorities in the field is sought. The principles, modalities and end products of the phenomenon are examined from varied angles, in order to assure positive outcome and forestall prospective conflicts.

- iii) Since the relationship between the TNCs and host economy /stakeholders is very unequal in terms of bargaining power, knowledge and information they tend to be insensitive to the requirements of CSR as perceived, needed and preferred by the latter. The ideological, systematic and bonding dictums are sidelined. Reciprocity is not on the table. They issue and follow their own verdict. Decision taking is not open to negotiation. The arrogance of superior position make for indifference to the interests of natives. Cronyism, selective appeasement and signals of adverse consequences are used to push the adopted way of doing things. Full control is wanted and effectuated by TNCs. The disaffection, criticism and sniping from the outraged is judged misguided, myopic and in bad taste. Partiality in own stance is seldom seen or accepted. Examples of understanding, humility and empathy are rarely in evidence. Bonding is slow to show up. Imbalances and excesses thus go unabated. Compassion is expressed mostly in natural calamities, starvation and crisis.

But provision of relief in hardships is no substitute for justice, fair play and discharge of CSR. A long and persistent struggle to sensitize, plead and mobilize for appropriate interventions is ahead of the nation.

At the moment the addiction to foreign loans, finance and investment has become the need of rulers. They are oblivious to the fundamental requirements of development, nation building and progress. The leaning is to gloss over the fact that:

- Reality is binary. The make up of everything contain both good / positive and evil/ negative ingredients. Phenomenon is attributed by dialectic between functional and dysfunctional, positive and negative and strong versus weak. Intervention in the forms of laws, policies and regulations is required for the realization of good. The struggle for what is good and resistance to pressures or inclination for evil is unavoidable for successful surge forward. Imbalance between rights, concessions and privileges on the one hand and duties, obligations and fair play on the other do not get corrected automatically. The invisible hands of market and non apparent dynamism of society work up to a point and to a certain extent. To initiate, restore or maintain equilibrium between good and bad it is necessary to set off forces that check crossing of specified limit and induce fulfillment of responsibilities.

Interventions that are referenced to objective reality, and inter subjective agreements are normally instrumental in pushes towards desired results. Laissez faire west need not be scarcity of regulation. Morality and rationality are ingrained in human nature. Ordinarily the

business community by and large rarely venture to oppose or defeat public interest driven CSR. Interventions having appropriate content and realistic targets are seen normal. Happiness is felt in unfolding the nobility within and forging symbiotic relations with the economy.

Undoubtedly, business men may not proactively support the holistic good, right and ought. But they do understand and appreciate the importance of negating bad, wrong and evil. It is seen in best self interest to heed tenets of goodness and CSR. The advisability of reconciliation with religious injunctions is conceived. The intake of bitter pills of medicine and tasting or accommodation of seemingly unpleasant doses of regulation for prevention of dysfunctional activities is grasped and ultimately acceded to. The trade off involved in conflict resolution are agreed to in a milieu of trust in credibility of Govt. and impartiality and lawfulness of institutions.

The on-going nature of this binary dialectics within the context of objective reality and moral sense makes informed management of employer-employees, supplier- consumers and institutions- business relations of vital significance. Whether the society, polity and economy are taken toward tension, confrontation and clashes or moved along the path of toleration, acceptance and smooth operation depends upon the sagacity and skill of rulers and managers in using this insight. It is advisable to attend to positive engagement of business firms, intellectuals and media on the dynamics of CSR and thereby strengthen hope, trust and credibility among the stake holders.

The task of trouble shooting, reconciliation and understanding is better routinised institutionally. Instead of partisan and adversarial monologue or dialogue the search for truth, best practices and just treatment of stakeholders is launched. Explanation and understanding of

the systemic requirement, knowledge of the foundation, pillars and processes of development and insight into the need for supporting organization make for maturation of the role players and voluntary compliance with institutional stipulation by the business sector.

As the knowledge and understanding of objective reality and the derivative tenets of ethic and consequent formation of moral judgments, and predilections varies, disagreements between the international business community and host economies are inevitable. In figuring out the substance of regulation and thrust of visionary management, friendly consultations, continuing discourse and inter-subjective consensus promises advantage to both sides. The best interest of the partners in the existential competitive and conflictual game is served by following the path of knowing and heeding each other vital concerns. Sensitivity to reciprocation of and fairness in transactions is a win-win play. The consequences of subjectivism, egocentricism and misuse of power on either side are self damaging over an extended period of time. The finest course is to flourish and let others blossom up through outward reach out. Sharing and caring is a moral imperative as well as a maxim for self enhancement, successful business and sustained access, to investment opportunities for TNCs granted by the host economy.

Usually, the regulatory statutes and rules are stated with varying degree of thoughtfulness, sophistication, complexity and reservations. The possibility of misunderstanding and divergent interpretations are likely to occur when the rationale of intervention is blurred. Ambiguities, imprecisions and incorporation of unnecessary if and but in law, policy and directives entail litigations. The duly justified structural setting stated in stark specific stipulative language is helpful in communicating the guidelines and evoking desired conduct. The chances of multifacet

expensive disputes, expensive litigations and unnecessary bitterness are avoided by virtue of reason anchored legal provisions, psycho-dynamic fitted models of interventions and terminological clarity. The logical consistency, of the regulation with the fiscal, commercial and technological policies of the Govt. is paramount in securing the intended results. It is the regulators who personify the spirit of regulation that produce the cherished out come. Systematic feedback from insiders is essential to evaluate periodically the soundness of the adopted course of action.

Development Reinforces CSR

Historical experiences, contemporary observations and common sense reveal that CSR, poverty alleviation and welfare on extending and sustainable basis is best possible in a vibrant economy, dynamic business, compassionate society and humanism inspired culture. The human, moral and civilizational obligations are effectively and ascending discharged with rising productivity, growing income generation and modernization of assets embodying upgraded technology. Increasing investment, better performance in the utilization of resource and competitive out put create solid foundation for uplifting the life style of the stakeholders, along multiple dimensions. An economy and its constituent business sector that is stagnant, frozen in cronyism, funded by heavy borrowing and dictated from abroad can not initiate and maintain a respectable level of social responsibilities plan and policies. In static conditions the bread winning units run into pessimism, despair and uncertainty. Appeals to and exhortation in the name of duty, honor and winning allies and extending pool of well wishers rarely animate productive actors and rentier class to share their stale blessings with the poor, weak and vulnerable groups occupying anemic bargaining position.

The limits, lessons and directions of Deen, history, and conventions, are quietly overlooked or tokenly attended to. Red lines drawn by laws, rules and regulations tends to be crossed. Questions of ethics, moral injunctions and legal stipulations remain dormant. Dreams of great society and generous corporations make sense in economic surge forward.

Both at the macro, micro and sectoral level there is trade off between the requirements of income generation and income transfer. Investment, innovation and risk taking for raising efficiency and generating higher income is driven by prospects of reasonable profit. An unwarranted intervention to force, compel or pressurize sharing or squeezing of that income can boomerange. Cognitive failure, mishandling and shortsightedness on the part of rulers, trade unions and politicians are liable to arrest both growth as well as equity and welfare. In appeasing the electorate and responding to popular sentiments or journalistic articulations quick fix coping mechanisms prove non-starter. The adoption of one sided approach on account of the inability to foresee the full consequences of emulating the misplaced models land the business units and other stakeholders into dysfunctional situations. It is in no ones interest to suppress additional investment, inhibit enterprise development and discourage initiative and exploration. Balance and holistic tackling is necessary and fruitful.

Conversely accelerated capital formation, thriving business and expanded earning with inadequate sharing, caring and exclusionary program backfires. The stakeholders feel aggrieved, puzzled and intrigued in situations where speedy modernization, affluence and economic transformation is under way while antipathy and ambivalence towards or disregard of CSR and genuine expectations is witnessed. The

concentration of wealth, income and power is protested in a milieu of deprivations and continuation of poverty. The feelings of sin, shame and even guilt surfaces among the perverse. The psyche of unease and stresses and strains take over. Sense of social esteem is perturbed. Greed is decried by the masses. Compatibility of growing affluence with the fulfillment of basic needs and quality of life is asked for by the masses.

The historical hindsight thus call for farsighted balanced initiatives to put the economy on the path of snowballing development underpinned both by the requirement of growth and imperative of socio economic justice, compassion and humanism. The ceiling of foreign investment is visualized. TNCs are selectively allowed from diversified sources and subjected to suitable regulation for transfer of technology and assurance of CSR. In view of the binary make up of business relationship appropriate measures are taken to safeguard the interests, values and perspectives of all major stakeholders.

Cognitive Reorientation and Affirmative Action

It is encouraging to see that thoughtful men and women in all walks of life are realizing the deficiencies in the premises, beliefs, and choices underlying the decades of growth. On hindsight the failings and failures of business units, faulty priorities of public organizations and weaknesses in official policies and programmes are acknowledged. The experiences made are indicative of the following shortcomings that are particularly deplored and referred to for what and why of remedial actions and sound steering of prospective plans.

- Lapses in the identification, creation and utilization of opportunities in the fields of HRD, productive investment and Hi-technological uptake and reproduction. The exploration and opening of productive outlets did not match with

increasing population and rising needs, expectations and possibilities. The tempo, composition and spread of growth, generation of jobs and quality of employment lagged behind. The percentage of population generating income within the country or earning money abroad is below 30%. The rest of the 70% populace is dependent on them for livelihood. The small pace of growth, all rounded low productivity and massive rate of dependency on income transfer from the earners to non earners is a malady necessitating appropriate treatment. The unemployment, underemployment and mismatched employment is worrying.

Skewed access to created opportunities, installations and facilities is resented. It is the privileged strata of society that gains disproportionately from the growth process and public services. The Govt. reach out of social services and targeted welfare program is meager indeed. In view of inadequate attention to the education of low income groups, the middle and upper classes avail and benefit from avenues of high paying jobs, business investment and municipal utilities. The poor groups are left out of the mainstream of expanded public expenditure and investment outlets. Poverty and deprivations continue. Inequalities of income, asset and power are flourishing. Concentration of earnings is on. The relative small trickle down of modernization are troubling the conscious and conscientious people. The visionaries of just, fair and welfare economy and egalitarian society are grumbling. The polity is in disequilibrium. The dynastic authorities are in disrepute. New leadership transacting with people and inspiring the youth has not as yet come up on the stage. The need for reform is felt across the nation.

Notwithstanding the half emptiness of the water glass in each sector, institution and sphere of operation, the individual and collective contributions of Pakistani labor force, entrepreneurs, civil servants and technocrats in filling the other half is praise worthy. The economy started from scratch and broke out from stagnation and vicious circle of poverty. The injection of dynamism and virtuous release from perpetual subsistence can not be ignored. It is on account of the efforts, sacrifices and will to build up the country and achieve respectable position in the comity of nations that Pakistan is presently asserting national identity and aspiring for justice and equity. The same people, despite many odds and deflections, are determined to rectify failings and wrong doings. They are visualizing, opening up to and seizing new opportunities. The objective is to make Pakistan healthier, holier and ever green with cumulative development, fairer sharing of gains and greater participation of stakeholders in strategic policy making. The concern for the well being of the downtrodden in the framework of growth is deepening. The struggle is on for filling the whole glass drop by drop with hope, confidence and inputs from all role players. Confronting periodic disconnections, discontinuations and constant challenges with resilience, spirit of courage and consensual wisdom is appearing with trial and tribulation. During the course of march the validity and reliability of established manuals, SOP and recipe for correcting inherited and emerging irresponsibilities, irrationalities and pathologies is investigated, revised and acted upon. The soul searching is a sign of living progressive nation.

New affirmative actions on wider scale are necessary to create and enlarge outlets for release of entrepreneurial energies and talents. An increase in investment to about 20 to 25% of GDP spread evenly across

the commodities, infrastructure and services sectors is required to effectuate a growth rate of 6.5 to 7% and generate employment opportunities matching the rising labour force having expanding mix of skilled and educated manpowers. During the process of growth the fiscal equilibrium and balance of trade deficit in services need to be gradually restored. A greater proportion of the incremental services sector investment in well designed HRD is necessary to enable the deprived masses to get education and training for more remunerative jobs. The prospects of climb up on the ladder of socio-economic position is mainly a matter of access to affordable education, social services and credit facilities for business undertakings or self employment.

The national agenda of cohesion remain wishful thinking without being reflected in constant fine tuning of the strategy of on going poverty alleviation, lubrication of egalitarianism and cementing of healthy competition for better performance in all walks of life. It is by virtue of factoring in the elements and dynamic of progress in the course of growth and development that mass tranquility, satisfaction and socio-economic cum cultural harmony is approximated. The index of public contentment gauge how for the beneficiaries are supportive of what is done or accomplished in different domains. Opinion polls are broadly indicative of mass mollification or resentment, sufferings and pains. Stagflation, spiraling price level, growing unemployment, shortage of basic consumer goods, and scarcity of vital inputs and essential services translate into public outcry. In our culture, hedonism permissiveness and luxurious consumerism and display of VIP pomp and show are anathemic to people. A stable cost of living, expanding income earning opportunities and following the injunctions, principles and standards of

Deen are looked forward to. Initiatives in the desired direction are hailed and supported.

Given the mass awareness and aspirations the incorporation of comprehensive CSR with realistic content, feasible coverage and proper depth deserve top priority. It operate on heart, brain and spirit. The systemic pillars of peace, security and stability are strengthened with visibility of goodwill on the part of business community. The extension of safety net cover to an ever growing percentage of the excluded classes by the private enterprises, non state welfare actors and Govt. agencies is imperative for securing satisfaction. The mechanism of appropriate response to grievances, irritations and disaffection merit focus in order to bring down the index of miseries, sufferings and pains.

Attention to the human dimensions of statecraft, steering of economy and communicational interactions with stakeholders is as vital to the growth of organizations as the monetary calculations, power politics and ambitious self elevation. Rulers, leaders and business persons who have transcended the inhibitions of faulty conventions and liberated themselves from raw passions of greed, gratification and domination of others have excelled in life. The elected and selected office holders are well advised to hold managers to standard of productivity and code of civility, morality and compassion at every level to get moving. The effectuation of specific task, and resolution of thorny issues through negotiations, reconciliation of differentially motivated participants and energisation of the team for speedier services demand sagacious executives. Clearly the concentration of efforts for suitable interventions by the policy makers, employers and trade unions assisted by competent professionals can deliver much more than is the case at present.

Substance of CSR is Placed on Business Agenda

Illuminated by evolving vision of social market economy, doctrines of welfare state and Islamic principles, visible initiatives for scaling up CSR are required. It is important that the substance of comprehensive multilayered CSR on the part of domestic firms toward the stakeholders is operationalised and enriched. The moves toward the fulfillment of positive dimensions and avoidance of negative aspects of business behavior centers around the workers, suppliers, consumers and the economy at large. The focus on:

- The workers are with reference to positive linkage of wages and fringe benefits with measured productivity or qualitative performance. Grant of facilities for employees residential accommodation, transportation and health care, is conducive to regular work. The availability of eating and drinking stuff in fair price canteens located on or near the premises of work and recess for prayers during the working hours make for ease of involvement in labor. The establishment of arrangements for employee's skill development and access to educational institutions for children schooling is welcomed. The provision of special relief assistance in times of family emergencies or tragedies such as illness of off springs and dependent old parent deserving hospitalization secure loyalties of the labor force. Institutionalization of collective bargaining, profit sharing and agreements on proportionate reduction of wages during business losses is a source of enhancing self esteem and prevention of business from sickness or decay.

Positive good doing is necessary but not enough. The employers need to be resistant to and avoid negatives in respect of the labor force.

To begin with wrong doing is checked and countered on the operational front. It is essential to abstain from violation of merit in appointment of technical workforce, under all circumstances. The extra ordinary patronage of friends, relatives and recommendees in selection, fixation of salary and grant of promotions is resented. The unwarranted favors in nomination of board of directors, sale and purchase agents, accounting and finance personnel and public relation officers jeopardize the prospects of business success. Do not allow or pay lower wages to women for the same work done with equal efficiency. Stop employment of children. Remedy unhealthy working conditions and excessive over time labor.

Refrain from appeasement of over demanding and aggressive trade unions deflected from performance of duties or caught up in politics of intimidation, protestation and illegitimate strikes. Stay away from causing genuine complaints, grievances and alienation of workers on account of discrimination. Ensure auditing of balance sheet and income and loss statements by well credential independent and nationally reputed audit firms duly approved by the Govt. Introduce an updated system of social and cultural auditing of the companies. The mechanism of consultation and search for trade union concurrence can be used to contain the cost of the stationary measures within affordable limit for business entities. In the initial stages around 10% of the wage bill or 20% of profit which ever is larger seems to be a reasonable proposition for purposes of negotiation. In any case the significance of CSR towards the workers and cause of labor force well being can not be water downed on the bases of extra cost. The pro-positive and anti-negative steps that have no financial cost and are of cultural / moral/ legal nature command stronger justification for conformity and enforcement. The dignity of

workers is preserved and raised in an environment of respect for human rights, decency and quality of employment.

Attention to other business suppliers, consumers, Civil Society's Rights is with reference to a checklist of perspectives, principles and criteria on which to steer, regulate and judge views points, make choices and take actions in transacting with them. The obligations to other business cover contributions to the evolution of positive socio-economic milieu and deference to the interests of entrepreneurs, creditors and partners. Here the use of economic calculus for the best possible selection and designing of project cycle and sound funding of investment is the first obligation. Reliance on the logic of investment decisions minimizes the risk of failure, sickness and loss of control or ownership of the venture. Start up is better made with the application of standard criteria in the identification, screening, ranking, choosing, build up and operation of the undertaking. Private saving, equity funds and borrowed money in due proportion is utilized for most remunerative schemes. Judgment of the prospective viability of the project is based on reliable feasibility and commercial profitability study commissioned for the purpose. Whenever the scarcity of capital and technological constraints stand in the way of initiating warranted projects, the collaborated mechanism of build, operate and pay is resorted to. A self responsible business unit avail the enabling macro economic stimuli. The facilitating policy, support, fiscal concessions and positive commercial measures are taken advantage of. The network of infrastructural installations, and industrial estates, however imperfect, incomplete and inadequate are benefited from. Perfunctory attitudes are shunned in matters of initiating and running business. The challenging character of the task and the responsibility that goes with it is appreciated.

Social obligations flow from business viability and dynamism of economy. The rightfully engineered business vibrancy is the sine-que-non of CSR. Distribution and redistribution policies, plans and programmes are easier to weave in expanding business atmosphere and developing economy than in static financial conditions and stagnant macro-economic set up. Increasing prosperity is empowering. It is more willingly shared. The will to parcel out limited and stationary income is weak except in religiously zealous and strongly cohesive societies. One is reluctant to share low earning with poor, deprived and disadvantageous groups. Omitting emergencies, equitable dispensation of privation is not an attractive proposition. Social responsibility goes easily with efforts for business soundness and encouraging outcome of risk taking, innovations and investment.

Normally the paradigm of best practices is utilized by socially responsible enterprises for forging harmonious relationship with stakeholders. Aiming at standardized normative interaction is the essence of responsible transactions with suppliers of inputs and raw material providers. Fairness in the pricing of products originating in the primary sector is the core of it. An identical criterion is applied in the sale of finished products, delivery of services and prices charged for processed and manufactured goods.

The existing organizations dealing with pricing and competition matters have the responsibility to work out the details of intervention in the market mechanism for the purpose. The customers or clients complaints, irritations and claims arising from deviation on this score are given prompt response. The manipulated exchanges, sub-standard production and discriminatory or biased dealings are placed on the agenda for rectification. Efforts are mounted for competent, efficacious

and mutually acceptable resolution of conflicts. The diverse perceptions, conceptions and interests are resolved in spirit of inquiry, understanding, goodwill and accommodation. The commonalities of benefits are focused on. Generosity and benevolence are forefronted. The path of pacification, reconciliation and resonance with best feasible course of action is traversed. Positive reciprocation is institutionalized. The fecundity of win-win games that are played is documented for future emulation by the successors.

Like the cataloguing of positive responsibilities and best practices the listing of irresponsibilities and negative deeds are also blueprinted. The ingredients of immoralistic, sub-humanistic and indifferent or neglectful attitudes are identified, graded and countered systematically. The hunter, collector and rentier behavior is controlled. Counterfeit production is halted. The redlines signaled by the stakeholders are seriously taken notice of. The prospective dangerous implications of crossing the limits highlighted by dispassionate, objective thinkers are guarded against by producers. Business malpractices that generate and inflame stakeholder's fears, phobias, wrath and criticism are watched, investigated, and brought down. The non-normative actions, wrong doings, deceptionary moves and faked products that triggered unrest and strikes in the past are avoided. The futility and sterility of dodging tactics, denying rights and cunning maneuverings experienced over the years is conveyed to the inner circle. The young entrepreneurs are alerted to the unanticipated and unintended harmful ramifications of deviation from the right path.

It is through continuous learning from inward looking, non-sharing and non-caring pitfalls that improvements in conduct tend to take place. The refreshing narration of unpalatable stories and existential fall

out of discounting and disregarding postures normally bear upon behavioral modifications. In the binary world of business responsibility and irresponsibility it is the knowledge of the cutting edge of human nature and conventional self esteem that make a difference to tiltation of doing things in one form or the other. The tale of success in resolving conflicts and evoking cooperation consists in being deliberately rejective of malpractices and exploitative activities. The evil hydra never fades away easily. Mere exhortation or one time punitive sanctions can not do much in halting wrong doings. The minimization of evil entails and presupposes never ending inner struggle, chastening outer shocks and learning from history of conflicts to refrain from sinful, dysfunctional and obnoxious things.

The bottom line at the end of the day is that all those enterprises which get convinced and persuaded that CSR together with philanthropy are rewarding tend to discharge the obligations. For the thoughtful enterprises it is not difficult to discern the prospects of repayment from the fulfillment of obligations. It is a matter of common observation that the payback of orderly actions assumes the twin forms of prospective saving of side line expenditure on security apparatus and enhancement of prospective revenue. The incremental outlay on family safety and security, indulgences in fleshy and flashy gratifications and expanding self medication rarely goes up when no harm is done to others. Protestation, strikes and violence are automatically controlled as a consequence of right conduct. The good doers are at peace within, at home, in the community and with the transactors. They move freely without battalions of bodyguards, inside and outside the country. Greetings and welcome await them everywhere. The image of benediction and generosity make for flourishing business, smooth

exchanges with the stakeholders and opening of new opportunities for increasing revenue. A win-win environment and all rounded helpful milieu is evolved for self actualization and salvation. The nation is advanced and Ummah is glorified in own sphere of work.

The memorable precept of honesty being the best policy is everlastingly confirmed in daily living. The internalization of this message by an extended network of business community is surely the path bringing all stakeholders on board. The inner change in conjunction with calculated exercise of disciplinary power by the state on the margin signal reliable prescription for the restoration of healthy and sound conditions. The writ of the state, script of society and influence of the international community is established and consolidated by attending to obligations. The logic of human mindset, drive of moral sense, grammar of civility and responsiveness to norms and expectations of civil society are the best guide for the business community to follow. Submission to the will of Allah and going by the Divine Message yield happiness. The sum total of the impacts of individual and group rationality, normativeness and niceties are greater than that of their separate beneficial effects. Multipliers are at work. The test of the recipe is in the experience of its post application outcome. Verbal advocacy is rarely enough to demonstrate the validity and reliability of any proposition. One has to witness the results of suggested course of action for setting the house in order to get convinced. Let the business community experiment with the rewards of adherence to CSR, and contributions to internally engined cumulative growth supplemented by sound external credit, selective foreign investment and duly regulated TNCs.

Formalization of TNCs CSR and Development Obligations

In view of the ordered binary make up of reality, mixed positive and negative fall out of the indiscriminate opening of the economy to TNCs and alternative options within the market system it is advisable to intervene judiciously in the matter. As economy mesh with polity and governance is intertwined with society the best interest of investors as well as the host country call for appropriate regulation of foreign companies. Balancing macro and micro policies are necessary for the maximization of gains from and sustainability of the relationship with them. Apart from the general CSR stated with reference to the domestic firms the distinct obligations of TNCs are two dimensional. On the positive front they are required to contribute to self nourishing development. The release of local initiatives for the uptake and reproduction of modern technology and innovations is expected from them. They can facilitate the establishment of industries that are linked in backward, forward or diagonal manner with the foreign enterprises. The equitable distribution of income, redistribution of earning as well as overall well being of the stakeholders is their social responsibility. A pro-development strategy, mainly of positive make up is officially figured out in consultation with the major role players, can create such a positive conditionality for the inducement of TNCs in helping the down stream industries and run down stakeholders.

Foreign investment is wisely brought under the purview of a holistic socio-economic paradigm promising safe, rewarding and sustainable course of progress. One would like to see that the secure macro economic limit of the volume of external capital formation with reference to total investment, export earning and GDP is postulated. It seems prudential that the ratio of foreign investment to domestic

investment remain within the boundary of 1 to 5. This safeguards the economy from non-sustainable dependence and futuristic risky take over of the strategic installations by TNCs. Within that contour an export pro-biased and import anti-biased composition of foreign investment is preferred. It protects the economy from prospective balance of trade stresses and looming dangers of currency depreciation. A sound policy assures that the foreign exchange earnings by the TNCs exceed the obligation arising from the repatriation of profit and principle in any given time.

The economy is already under the heavy of load of external debt and liabilities amounting to \$45 billion. The TNCs are taking advantage of liberal frame work in entering into the easy profit making fields. Foreign borrowing together with net investment inflow from abroad is better subjected to an upper ceiling of 30% of total capital outlay. The total debt and foreign asset must remain within the limit of 80% of GNP. The sources of foreign investment are also in need of diversification territorially in order to minimize dependency on any one set of TNCs. The risk of dictation, monopolization, cartelization and external interferences are contained when TNCs originate from multiple destinations. They tend to compete amongst themselves for being socially responsible and economically responsive to the development needs of host state. Since the GDP is growing the fixated upper limit allows for marginal borrowing and additional inflow of investment with the passage of time. The fiscal authorities can utilize that space for encouraging the establishment of most productive projects on selective basis from varied sources. The snowballing dispossession of strategic infra-structural, productive, financial and communication assets is in urgent need of being restrained. The shift from submissive and

capitulative approach to thoughtfully discerning overturn is vital to make for mutually accommodative processes, reciprocal concessions and matching facilitation with contributions.

The forward looking beneficial macro reorientation goes hand in hand with micro changes. The ideas of fair dealings with and return to the domestic stakeholders get translated on the ground in business units. The suppliers of inputs, are assured of equitable prices and timely payment of dues in existential arrangements by the firms. The emoluments to workers are indexed to productivity as per agreements. The occupational/ professional development of employees is focused on through in service training. The upward mobility, enhancement of self esteem, job satisfaction and greater organizational contributions is made possible by prioritisation of HRD. The job insecurity of contractual workers is partly compensated for through appropriate provident fund and insurance schemes. The recurrent problems are addressed by allocating at least 5% of net profits for stakeholder's welfare.

The objectionable side of penetration and rapid foothold by TNCs is usually dodged, shelved or left to power play. The TNCs are experts in publicity of their cosmetic appearances and rhetorical articulation of their Human Right record, environmental safeguards and fair dealings. They skillfully use their knowledge, information and power to equate corporate business interest with public good in a very subtle way. Reporting on failings, deviations and failures from the point of view of host country is seldom comprehensive. The negative side of their operations is concealed. The top down pressures and bottom up forces for comprehensive CSR and development obligation are simply ignored or labeled misconceived. The demands for transfer of technology, reasonable charges on account of IPR, non-interference in political

matters and enforcement of religious norms find little space in scheme of things.

The narration of total business picture and establishment of TNCs, accountability for the totality of deeds is important for weaving enduring ties with the host economy. Eagle eyes, constant investigation, periodic negotiations and evenhanded resolution of the distasteful side of TNCs is imperative to straighten the relationship. The undue rate of return to foreign capital in the form of profit rate, exorbitant IPR charges and disproportionate salaries and fringe benefits to the top cadre is not mentioned. The slant towards portfolio investment and concentration on finance, banking, insurance and services sectors is in need of correction. Any action or move that smells of Westernization or leads to identity crisis and torn self of employees is worthy of avoidance. TNCs are well advised not to transgress or obstruct societal values and norms. Discrimination in the appointment of personnel, award, of contracts and projection of occidentaly pro-biased sects, ethnic groups and strata is resented. Religiosity or secularism and liberalism or conservatism need not penetrate business decision making. A politics free business is expected. The tendencies to pressurize, influence and capitulate politicians are discounted. It is better to adopt a hands off posture with regards to non-economic and non-commercial affairs of host state. Instead of being accused of evoking tensions, conflicts and clashes it is better to be reputed for cooperation and team work. The interests of both sides demand attention.

Checks and balances is always necessary for the orderly functioning of local as well as foreign business entities. The nature of existential checks and balances is a subject matter of research, dialogue and legislation. The yardsticks of identifying and applying appropriate

mix of interventions in any given situation are generally left to the best judgment of authorities relying on the advice of intellectuals. The socio-economic milieu, bargaining power and conceptual canvass impact thinking and decisions in given situations. Conferences, discourses and inter-subjective agreements on the content, kind and degree of macro and micro CSR are usually sought to cognize issues and get going in the desired direction. The two sides can firm up appropriate arrangements for the purpose.

Surely it is in the ultimate best interest of TNCs that the corporate power emanating from capital, knowledge of science and technology and backing of G-8 is utilized for the good of all partners. The Pandora box of tensions, conflicts and infliction of pains rarely arise when good will is at the centre stage. Disorder is transformed into order as soon as selfish purposes are replaced by suitable fit with the needs, values and interests of the host. Resentments are likely to fade away once accountability is established. The key to mutual fulfillment and completeness is in standing up to the standards, rights and obligations as understood by both sides. Acting in transparent manner, liberating selves from the deceptive notion of Whiteman burden and joining hands with the progressive spirit of history provide promising outlets. Whether the host state shift toward to the establishment of an appropriate regulatory frame work and the TNCs reposition themselves and accept the imperatives of just and fair transactions is a defining question for the course of history and prospects of globalization under way.

Concluding Observations and Visualizations

Pakistan is deeply interested in cumulative development incorporating business social responsibility. Both the domestic firms and TNCs are envisaged to pursue the supreme socio-economic objective in a

transparent, effective and orderly manner. The dynamics of fair, just and symbiotic intervention in the market for accelerated investment, equitable sharing of gains and appropriate caring of the disadvantageous groups are unfolding across the nation. The bottom up pressures are alerting the official role players and state apparatus to articulate a comprehensive vision and strategic approach that assure self feeding development and unite the stakeholders for the purpose. The course of events can not be left exclusively to myopic views, inward looking interests and free wheeling spoiling conduct. Public spirited foresighted institutions are required to attend to the demanding task of progress. The injection of rational, ethical and compassionate affirmative action and facilitating regulation is needed. The determinants of sustainable growth and propellers of commercial, financial and industrial enterprises responsible for and accountable to the stakeholders deserve to be operated upon in a pro-active manner.

The nations, rulers and leaders are tested in times of adversity, hardships and cynicism. It is at the cross roads that the sagacity, wisdom and courage of the role players surfaces. People come out of darkness, whirlpools and disappointments by facing bitter reality, returning to universal principles and getting related to civilizational heritage of the homeland. Mind set is tailored to facts of life after trial and tribulations. Negative thinking is substituted by positive thought. Addiction to foreign led hedonism, consumerism and vulgar liberalism is cured. Conflicts of values, norms and interest are judiciously confronted. The reformers call for authenticity, living within own means and putting the house in order is heeded. The injunctions of Deen, reason and morality are followed. Economy, polity and society are managed within the contours of

resources, power and prudence. Peace, security and stability take precedence. Progress is institutionalized.

Borrowing and foreign investment are relied upon to supplement and complement genuine domestic gaps. The strings attached to loans and investments are examined from the view point of national interest. Conditionalities contrary to normative transactions are spurned. The reliance on external funding and investment is never allowed to exceed the maximum cut off point of 30% of total capital expenditure. The criteria of viability, fecundity and proportionate sharing of costs and benefits are utilized to regulate TNCs. The annual repayment obligation of external loans is contained within 15% of the Govt. revenue budget. The repatriation of profit and principle amount on account of foreign investment is limited to 10% of foreign exchange earning. The elective parliament is relied upon to consider, approve and ratify whatever treaties, contracts and agreements are contemplated with other countries in the fields of trade, aid and mega projects as well as security relationships.

To maintain checks and balances in fiscal matters the Govt. need to be subjected to legal stipulation. The presentation of a budgetary responsibility bill to the parliament is required to prevent excesses in deficit financing. Borrowing from the State Bank must be circumscribed to 3% of the GDP. The introduction of vigorous financial discipline is made mandatory in all public organizations. Performance budgeting is initiated. It is the pre-requisite of eliminating wasteful, inflated and extravagant expenditure on both current and development account. Similarly a monetary responsibility law needs to be enacted. The State Bank must be obligated to reduce the large interest spread on the part of Banks and financial institutions. The gap between deposits and lendings

rates must be brought down to 4% point. The coverage of interest free banking must be extended to 80% of loaning over the next five years. Profit and loss deposits merit binding stipulation.

Our faith, DNA and utilitarian calculus urge development with built in ethical obligations, welfare and compassion. The increasing wealth, financial power and rich natural endowment of the Muslim states provide golden opportunities for mutually beneficial cooperation in line with the injuncted direction. Except in science and technology, the Ummah can meet each other transitory fiscal gaps, balance of payment deficits and uneven index of deprivations, distress and miseries. Collectively the member nations can protect themselves from multiple onslaughts on sovereignty and security emanating from outside. Bilateral, regional and multilateral agreements can be worked out to access and secure technology from TNCs on fair and just terms and conditions. The preservation and enhancement of common interests, values and norms necessitate joint struggle with unified approaches. The acceleration of modernization, advancement in research and innovation as well as progressive professional development of manpower make collaboration very important. The comparative advantages and competitive edge enjoyed in the production of numerous goods and services can be profitably utilized through partnership with one another.

The inner socio-politico-economic dynamic impel Pakistan together with other leading Muslim states and members of NAM to sponsor global moves for securing shared benefits. The concentration of efforts by the OIC and group of 77 can prove effective over the years in:

- Correcting unilateral globalization and egoistic capitalism empty of CSR and equitable locational spread of sustained development and industrial surge.
- Resisting NATO led adventurism causing chaos, violence and destabilization in the East and generating, suspicious of crusades and Jihad as well as unnecessary talk of civilizational clash.
- Reversing epicurean Westernization of the orient and saving innocent people from the resulting anomies and sinful, shameful and criminal behavior as well as preventing luxurious budgetary expenditure on residential palaces and VVIP style of living.

The resurgence of Islam and appearance of inspirational and transactional leadership hold shining prospects of surge forward. On the horizon is an unfolding Islamic civilization with associated formation of harmonious society, sustainable development, proper institutional discharge of functions and equitable delivery of services by the role players. In view of situational compulsions the majority of Allah fearing citizens, patriotic business units and ethically tempered organizations are disposed to back up the enactment sapient CSR regulation and join hands in the animation of inner nurturing development. There would be little hesitation on the part of asset owners and business community to repay the civil society the sum of money earned over the past sixty years on account of tariff walls, taxation holidays, soft credit, availability of undervalued foreign exchange, rising prices and assorted official support. The gratitude to the economy would be willingly reciprocated by earmarking 5% of their net profits for poverty alleviation purposes.

The TNCs are under pressure even from the enlightened segments of Western populace, activism of distinguished intellectuals and affirmations of the international community to mend ways and straighten behavior. The movement is likely to play out well in the dialectical environment. They may get receptive to the notions of comprehensive CSR and partnership in process of cumulative development.

The success of the lofty vision, towering mission and exalted objective is predicated on the personal satisfaction, derived from it. The promise of a cohesive economy, national glory and stable international system is the additional bonus. The pay off, of the indicated structural reconstruction, reordering of processes and rationalization of decision making are really immense for both sides. The introduction of self gratifying CSR as well as positioning for and effectuation of inner nutritive development beckon Pakistan.

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