

CSR in Developing Countries: Distinctive Characteristics

By Wayne Visser

Developing countries provide a socio-economic and cultural context for CSR which is, in many ways, different from developed countries.

In particular, CSR in developing countries has the following distinctive characteristics:

- CSR tends to be less formalised or institutionalised in terms of the CSR benchmarks commonly used in developed countries, i.e. CSR codes, standards, management systems and reports.
- Where formal CSR is practiced, this is usually by large, high profile national and multinational companies, especially those with recognised international brands or those aspiring to global status.
- Formal CSR codes, standards and guidelines that are most applicable to developing countries tend to be issue specific (e.g. fair trade, supply chain, HIV/Aids) or sector-led, (e.g. agriculture, textiles, mining).
- In developing countries, CSR is most commonly associated with philanthropy or charity, i.e. through corporate social investment in education, health, sports development, the environment and other community services.
- Making an economic contribution is often seen as the most important and effective way for business to make a social impact, i.e. through investment, job creation, taxes, and technology transfer.
- Business often finds itself engaged in the provision of social services that would be seen as government's responsibility in developed countries, e.g. investment in infrastructure, schools, hospitals and housing.
- The issues being prioritised under the CSR banner are often different in developing countries, e.g. tackling HIV/Aids, improving working conditions, provision of basic services, supply chain integrity and poverty alleviation.
- Many of the CSR issues in developing countries present themselves as dilemmas or trade-offs, e.g. development versus environment, job creation versus higher labour standards, strategic philanthropy versus political governance.

· The spirit and practice of CSR is often strongly resonant with traditional communitarian values and religious concepts in developing countries, e.g. African humanism (ubuntu) in South Africa, coexistence (kyosei) in Japan and harmonious society (xiaokang) in China.

* Extracted and adapted from Wayne Visser's entry on developing countries in "The A to Z of Corporate Social Responsibility"

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