

USING CORPORATE SOCIAL RESPONSIBILITY CSR TO COMPLEMENT
ACHIEVEMENT OF MILLENNIUM DEVELOPMENT GOALS (MDGs) AND
SUSTAINABLE DEVELOPMENT GOALS (SDGs) IN NIGERIA

¹Umeora Chinweobo Emmanuel and ²Okonkwo Onuigbo

¹Department of Banking and Finance, Anambra State University, Igbariam Campus, Nigeria

²Department of Accounting and Finance, Godfrey Okoye University, Enugu, Nigeria

E-mail: ceumeora@yahoo.com

***Abstract:** The study reviewed how Corporate Social Responsibility (CSR) of private sector firms can be coupled by the government into the achievement of Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs). Millennium Development Goals, as a programme, was launched by United Nations in 2000 to last up to 2015. Eight goals were set up ranging from eradication of extreme poverty to reduction of environmental degradation. The MDGs scheme is winding up in 2015. The scheme is now conceived to be extended for another fifteen years under a new caption 'Sustainable Development Goals'. The goals remain almost the same as MDGs except that the eight goals of MDGs have been expanded to seventeen goals. The study adopted theoretical and discursive method to review the issues involved. Some ways the government can co-opt the private sector CSR have been suggested. The government is reminded that CRS is voluntary and should not be made to appear mandatory.*

Keywords: Millennium Development Goals, Sustainable Development Goals, Corporate Social Responsibility, United Nations, Synergy, Coordination.

Reference to this paper should be made as follows: Umeora Chinweobo Emmanuel and Okonkwo Onuigbo (2015), Using Corporate Social Responsibility CSR to complement achievement of Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs) in Nigeria. *J. of Social Sciences and Public Policy*, Vol. 7, Number 1, Pp. 33 – 40.

INTRODUCTION/BACKGROUND TO THE STUDY

Corporate Social Responsibility (CSR) came into global importance about early 1970s with the emergency of Multi-National Corporations (MNCs) in developing countries. It is an aspect of the modern development of Business Ethics. According to Jamalil and Kashishian (2009), Corporate Social Responsibility is the obligation of corporations to contribute to social betterment of societies. This is done through their mainstream and peripheral operations whether that obligation is recognized and fulfilled voluntarily or coercively. As part of this development of the Stakeholders Theory, it is advocated that corporations in the long run make more profits by operating with a perspective of Corporate Social Responsibility. The tenet that by CSR companies divert attention from excessive profit making and give back some of their earnings to the society from where the profit is generated. Corporate Social Responsibility is also known by such other names

as Corporate Social Investing, Corporate Conscience and Corporate Citizenship. Through engaging in CSR, a business organization would proactively promote public interest by encouraging community growth and development. It would voluntarily eliminate practices that harm the society regardless of the legality. According to Kolk *et al* (2008), CSR starts where laws and regulations end. People have also conceived CSR as a deliberate inclusion of public interest into corporate decision making as well as honouring a triple bottom line of people, profit and environment. Millennium Development Goals (MDGs) started about 2000 when at the year's United Nations General Assembly, 189 member countries including Nigeria, agreed to vigorously pursue some noble goals of lifting human living standards to more improved levels. The goals concerned more on developing countries than developed nations. The main reason is that developing countries are more deeply involved in abject poverty levels. Developed countries are to serve as development partners. Eight broad goals were set to encourage development by improving social and economic conditions of the world's poorest nations. The eight goals are summarized as:

- Goal 1: Eradicate extreme poverty and hunger;
- Goal 2: Achieve universal primary education;
- Goal 3: Promote gender equality and empowerment of women;
- Goal 4: Reduce child mortality rate;
- Goal 5: Improve maternal health;
- Goal 6: Combat HIV/AIDS, malaria and other diseases;
- Goal 7: Ensure environmental sustainability and
- Goal 8: Develop a goal partnership for development. The target date is 2015. If all the goals are not attained, there must be visible efforts to achieve them.

As the end period of MDGs, 2015, draws to a close, the United Nations felt that the gains of MDGs should not be allowed to fizzle away. Thus, came the proposal that after 2015, MDGs scheme should be continued as Sustainable Development Goals (SDGs). According to Hasna (2007), sustainability is a process that deals with development of all aspects of human life. In other words, SDGs is to be a process of development in continuation of MDGs. According to Rio+20 Outcome (2013), the eight goals of MDGs are expanded to seventeen goals listed as: Goal 1- End extreme poverty, everywhere in all forms. Goal 2 – End hunger, achieve food security and agriculture. Goal 3 – Ensure healthy living and promote well-being all including reduction in maternal mortality and eliminate deaths of children under the age of five years. Goal 4 – Ensure inclusive and equitable quality education and promote life-long learning opportunity for all. Goal 5 – Achieve gender equality and empower women including ending all forms of discrimination against women. Goal 6 – Ensure availability and sustainable management of safe drinking water and sanitation for all. Goal 7 – Ensure access to affordable, reliable and modern renewable energy for all. Goal 8 – Promote sustained inclusive and sustainable economic growth, full employment. Growth rate of at least 7% in GDP is envisaged. It may be added that growth in GDP should not be achieved by rebasing GDP. Goal 9 – Build resilient

infrastructure, promote inclusive and sustainable industrialization and foster innovation. Goal 10 – Reduce inequality within and among countries. Goal 11– Make cities and human settlements to be safe, resilient, inclusive and sustainable. Goal 12 – Ensure sustainable consumption and production patterns. Goal 13 – Take urgent action to combat climate change and its impacts. Goal 14 – Conserve and sustainably use oceans, seas and marine resources for sustainable development. Goal 15 – Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forest, combat desertification, halt and reverse land degradation and halt biodiversity loss. Goal 16 – Promote peaceful and inclusive societies for sustainable development, promote access to justice for all, build effective, accountable and inclusive institutions at all levels. Goal 17 – Strengthen the means of implementation and revitalize the global partnership for sustainable development.

STATEMENT OF THE PROBLEM

Funding has been said to be one of the major constraints affecting the achievement of the goals of Millennium Development Goals and soon to follow Sustainable Development Goals. Government has primary responsibility for the achievement of MDGs and SDGs. But there is the understanding that private sector firms can be galvanized to execute their Corporate Social Responsibility projects to complement government's efforts. The complementarity has been achieved in some countries such as Indonesia. The problem of this study, therefore, to examine how the achievement of MDGs and SDGs can be assisted through CSR of firms in Nigeria. Given the scarcity of funds, CSR of private sector organization can be coordinated to tackle the achievement of the goals.

OBJECTIVE OF THE STUDY

The main objective of this study is to assess how Corporate Social Responsibility of private corporations can be used to complement the efforts of government to achieve the targets of MDGs and SDGs in Nigeria. In other words, the study wants to examine the potential synergy between CSR schemes of firms and government project in MDGs and soon to follow SDGs. Other specific objectives include reviewing the MDGs and SDGs and discussing how the goals can be tackled with the assistance of CSR.

METHODOLOGY OF THE STUDY

The methodology is essentially theoretical, qualitative and discursive in approach. In other words, the study consists of review of literature, and discussion of ideas relating to CSR, MDGs and SDGs. The study is arranged in four sections. Sections (a) deals with the introduction and background of the study and other points discussed so far. Section (b) is on review of related literature. Section (c) deals with discussion and analysis of some specific issues on MDGS and SDGs. Section (d) concludes and makes recommendations.

REVIEW OF RELATED LITERATURE

Cahyandito (2011) writing on achievement of Millennium Development Goals through CSR in Indonesia, said that the government encourages companies to engage in Corporate

Social Responsibility by providing tax exemptions in income tax and indirect taxes. She adds that the government sets the Road Map for achieving MDGs and gets the private sector to collaborate. This coordination and harmonization is very important so that CSR activities of private firms do not conflict with government projects or even other forms of activities. She further notes that funding is one of the known problems of MDGs. CSR has the potential of complementing government's efforts. According to her, when one takes a close look at the goals and aspirations of CSR and MDGs, there are indications that CSR can be harmonized with government's programmes to achieve the MDGs. Companies participation in fostering MDGs by implementing CSR will provide some benefits for the companies themselves. Some of such benefits are increased sales and market share, strengthened brand positioning, increased public image and increased profitability. In another related study, Cahyandito (2012) observes that the harmonization is formulated from mutual discussion between agencies and NGOs. Effendi (2010) writing also on CSR and MDGs in Indonesia, notes that the government is accustomed to hold CSR awards for companies that have implemented CSR well with positive impact on society at large. He further notes that the government also offers incentives to companies to do CSR by providing tax exemptions. Loew (2005) whose study is on CSR and MDGs in Germany, stated that many German companies are actively involved in solving weighty societal problems, especially in emerging and developing countries. He further stated that by engaging CSR, companies can make significant contribution to sustainable development. He added that by CSR companies complement government's effort to develop the society. He added the caveat that CSR operation cannot substitute for government's responsibility. Nelson and Prescott (2003) while reviewing how business enterprises can contribute to MDGs in developing countries stated that most companies have some effect on development and contribute in some ways. Some of the ways are in their core business activities in the work place and along the supply chain. Other ways include their social investment, in their philanthropy and in engagement in public policy advocacy activities.

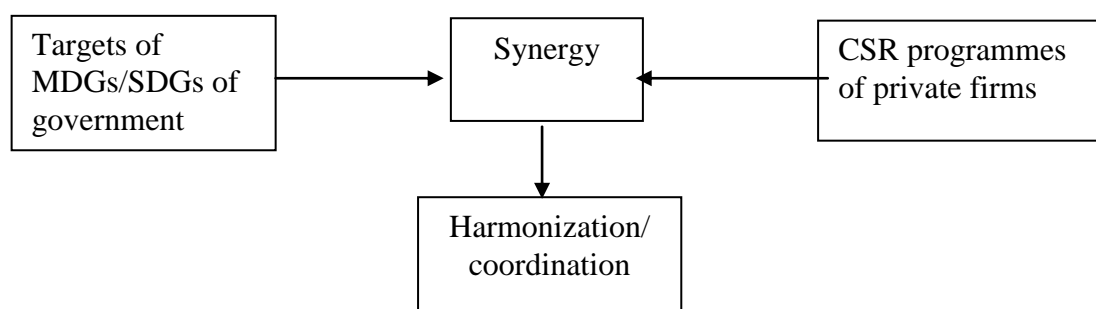
Bappenas (2010) whose study is also on Indonesia, said that success in achieving MDGs depends on the achievement of good governance, productive partnerships at all levels of the society. He further observed that many companies have been doing things related to CSR and thus provide support to the sector of small and medium enterprises. Brinkerhoff (2004) conceptualized CSR to include NGOs' activities. He recalled UNDP (2003) which states that MDGs should establish ambitious targets for promoting economic growth, improving health and education, empowering women, creating sustainable development and reducing poverty. He adds that government is not only to be seen as active actor in MDGs (and by extension in SDGs following post 2015), but should structure and influence the contributions of private businesses and NGOs. Brinkerhoff and Brinkerhoff (2002) brought in the concept of 'sector blurring'. By this they said that in MDGs sector performance, the lines distinguishing the public (government), private (CSR) and MDGs sectors are not easily seen. Brinkerhoff (2004) adds that what the government needs to do is to actively perform its activities under MDGs. It should then create enabling

environment for private sector and NGOs to operate. He defines enabling environment as a set of interrelated conditions – such as legal, bureaucratic, fiscal, informational, political and cultural – that impact on the capacity of developmental actors to engage in development process in a sustained and effective manner. Najam (2000) in his work stated that there exist four types of relationship between government and other actors. The relationships are: cooperation where government and non-government agents share similar ends and means; confrontation where ends and means of both actors differs; complementarity where the ends are similar but the means differs; and cooperation where means are similar but actors have different ends in view. Thindwa (2001) observes that that government needs to: (a) improve policy, legal and regulatory framework; (b) build institutional capacity across sectors at various levels; (c) seek out and respond to citizens' needs and preferences; and (d) establish and maintain some oversight accountability and feedback mechanisms and (e) mobilize and allocate public resources and investments. Nelson, Ishikawa and Geanotes (2009) while studying how corporations in Tanzania and Ethiopia can assist in poverty reduction through CSR, opine that private firms are at the heart of the fight against poverty. They create jobs, provide goods and services needed to sustain life and improve standards of living by paying taxes. By this they contribute to public funding for health, education and other services. Firms, therefore play central role with government in search for economic growth and poverty reduction. There are some barriers that can inhibit corporations implementation of Corporate Social Responsibility. Among the barriers in Nigeria is the problem of oil spills. Oil spills have posed almost insurmountable threats to the physical environment of oil rich Niger Delta. According to Stevens (2011), the environmental laws about creating safe environment in Nigeria's Niger Delta appear to be illusion of environmental protection and sustainable development. The laws meant to prevent pollution are weak and underenforced by relevant agencies. The companies that should apply CSR are not forthcoming in keeping the environment clean and safe. PDAC (2007) notes another challenge faced by business application of Corporate Social Responsibility towards achievement of Millennium Development Goals and Sustainable Development Goals. The problem is that the best practice standards of management systems for applying CSR for MDGs and SDGs are not readily available. In addition there are no internally accepted standards of CSR against which a company can benchmark its efforts.

DISCUSSION AND ANALYSIS

It is important to emphasize that the main responsibility for achieving the MDGs and SDGs is for the government. Apart from government, it has been noted that there are other important actors in the achievement of MDGs and SDGs. Such actors are private firms through their CSR programmes. There is also the need for the government to uphold good governance, rule of law, human rights, efforts to tackle conflicts and corruption (Nelson and Precott, 2003). Some of the ways companies can implement CSR to support MDGs and SDGs are by supporting and respecting protection of human right within their sphere of influence. They can also ensure their corporations are not complicit in human rights abuses, forced labour and child labour as well as encouraging friendly environment.

There is also the need for forging synergy in achieving a harmonization of cooperation mechanism in accelerating MDGs/SDGs of government and CSR of private sector operators. This synergy can be illustrated as in the diagram below.



Source: Authors' adaptation from Cahyandito, 2011 page 64

By this process, efforts of private firms (CSR) can be harnessed to achieve some goals (MDGs and SDGs) targeted by government. This synergy is now more urgent in Nigeria when fall in oil prices has adversely affected revenue expectations. Harmonization will ensure appropriate mutual coordination between government agencies and private firms. Since CSR is voluntary, government should not in any way make it appear mandatory. If it appears compulsory, firms may resist CSR as another form of taxation. Synergy can be achieved by considering some of these steps:

- a) Government can identify companies whose CSR targets relate to such areas of job and wealth creation, health provision etc. These can be related to appropriate MDGs and SDGs goals.
- b) Government can approach the firms and establish same form of cooperation talks to get the firms participate in the programme planning.
- c) Government should engage in regular consultation to ensure mutual understanding is sustained.

Private firms while adopting various CSR programmes can engage in some of these activities:

- a. Firms can support education, health programmes, youth development in local areas where they operate.
- b. They can assist in training local technical operators in environmental control.
- c. They can engage in capacity building of community leaders and social entrepreneurs.
- d. They can assist in establishing and supporting micro-credit programmes and small business support.
- e. Private firms can perform CSR in form of jobs creation and payment of fair wages.
- f. They should support transfer of technology such as doing processing by clean and safe production systems.

- g. It is also expected that apart from philanthropy CSR of firms should support nation and sub-national governments to achieve reduction of corruption, efficient public administration and services delivery and respect for human rights.

In other words, firms in the quest for profits should provide Corporate Social Responsibility project in form goods and services for improving living standards. In so doing firms CSR can integrate social environmental and economic concerns into the firms values and culture.

CONCLUSION AND RECOMMENDATION

Millennium Development goals (MDGs) and the soon to follow Sustainable Development Goals (SDGs) require a lot of resources to be achieved by government. Corporations engage in Corporate Social Responsibility (CSR) in their various ways. A synergy can be worked out to coordinate the private sector activities and government activities. This coordination will ensure that efforts of private firms are not dissipated. It is recommended that the government can create a micro-department to do the coordination. This does not, however, entail creation of another bureaucracy to add to the myriads of already existing agencies. This micro-department can operate within an existing Ministries Departments and Agencies (MDAs).

REFERENCES

- Bappenas (2010). Summary of the Roadmap to Accelerate Achievement of MDGs in Indonesia, Document of National Agency of Development Planning of the Republic of Indonesia.
- Brinkerhoff J.M. and Brinkerhoff D.W (2002). Government non-profit relations in comparative perspective: Evolution, theme and new directions, *Public Administration and Development* 22(10) pp 3-19.
- Brinkerhoff J.M. (2004). The Enabling Environment for Implementing the MDGs: Government Actions to support NGOs, Research Triangle Institute, Paper presented at George Washington University Conference, the Role of NGOs in implementing the MDGs, Washington DC, pp 1-7.
- Cahyandito M.F (2011). Accelerating the Achievement of MDGs through CSR, Institute for Forstokonomie, Tennenbarche 4, Germany, pp 1-87.
- Cahyandito M.F (2012). Coupling CSR into MDGs is a mere wishful thinking? , *Journal of Management and Sustainability* Vol. 2(1) pp 67-74.
- Effendi S. (2010). Evaluating of Aspects of CSR in Taxation System in Indonesia, *Indonesian Tax Review* Vol. 111 ed. 19/2010.

- Hasua V. (2007). Dimensions of Sustainability, *Journal of Engineering for Sustainable Development Energy Environment and Health* 2(1) pp 47-57.
- Jamalil D. and Keshishian T. (2009). Uneasy Alliances: Lessons Learned from Partnership between Businesses and NGOs in the context of CSR. *Journal of Business Ethics* 84(2), pp. 277-295.
- Kolk A. Tulder R. and Kostwinder E. (2008). Business and Partnerships for Development, *European Management Journal*, 266, pp 262-273.
- Loew T. (2005). CSR in the Supply Chain: Herausforderungen and Ansatzpunkte for Sustainability, Berlin, Germany.
- Njam A. (2002). The four Cs of 3rd sector – Government Relations: Confrontation, Cooptation, Complementarily, Non-Profit Management and Leadership 10(4) pp. 375-396.
- Nelson J. and Presscot D. (2003). Business and the MDGs, A Framework for Action, International Business Leaders Forum (IBLF) pp 1-28.
- Nelson J. Ishikawa E. and Geanotes A. (2009). Developing Inclusive Business Models, Harvard School for Centers in Ethiopia and Tanzania, pp 1-27 Platform, retrieved 24/2/2015.
- Prospective and Developers Association of Canada (PDAC) 2007). Sustainable Developing and Corporate Social Responsibility, Codes and Standards for mineral exploration industry, www.info@pdac.ca pp 1-16 retrieved 25/3/2015.
- Stevens L. (2011). Illusion of Sustainable Development in Nigeria, *Vermont Law Review* Vol. 36, pp 386-407.
- Thindwa J. (2001). Enabling Environment for Civil Society in CDD Projects, Washington DC: World Bank available at www.worldbank.org/participation/enablingenvironment/CECDD.pdf
- UNDP (2003). MDGs: A Compact among nations to end human poverty, Human development 2003 report, New York: Oxford University Press for UNDP.