Some people believe that corporations have a responsibility to promote the wellbeing of the societies and environments in which they operate. Others believe that the only responsibility of corporations, provided they operate within the law, is to make as much money as possible.

Write a response in which you discuss which view more closely aligns with your own position and explain your reasoning for the position you take. In developing and supporting your position, you should address both of the views presented.

Essay Response:

The amount of responsibility that corporations must take for the welfare of societies and environments where they operate is a widely-debated issue. Some argue that such corporations must focus only on its profits, while others argue that they owe the surrounding areas for the place given to them to conduct their business. In my opinion, I mostly agree with the former view presented in the prompt, while disagreeing with the latter. There are three main reasons for this stance, that must be explored in detail.

First, corporations have a social and moral responsibility toward their locations. When a corporation constructs an establishment in an area, the locals inadvertently help it by maintaining its surroundings. Public infrastructure like roads, electricity, and water lines are not things that corporations often bring to a location – it is the locals who make sure that these are provided. These businesses also benefit from the weather conditions and the environment of the area, that is, for some location, if the weather was turbulent and the rains were torrential, would a corporation choose to establish a centre there? Decisions to make their buildings at different locations would take into account the societies, environments, and other surrounding factors. Would, then, the corporation not owe these entities? Yes, they would, for they have the social and moral obligation to make sure that they ‘repay’ what the surroundings have done for them.

Second, some corporations may ‘obey’ the law, but in reality, may use unethical means by circumventing it. Corporations like Tesla have been shown to conduct a form of ‘proxy child labour,’ in African mines, by signing contracts with local distributors to send them supplies of minerals like cobalt, while the local distributors are not subject to the laws of the US, the place where Tesla is based. The local employers have been proven to use child labour in the mining process, and there were debates about Tesla’s involvement in the situation. If the prompt’s second view were to be heeded, then Tesla could continue to carry out these operations and increase their profits every quarter. The company does not violate American civil law, since they are not the ones employing children, and the local employers are only subject to the laws of their country (The Democratic Republic of Congo, in this case). Hence, the definition of a corporation’s responsibility must extend to where they source their raw materials from, and in this case, Tesla has a social responsibility towards both the US and the DRC. This company is a clear example to prove that the second prompt is unsubstantiated, for it allows unethical business practices to continue.

Finally, corporations may go beyond this and establish factories in countries with weaker work laws, exploiting locals for low-wage labour. Countless American manufacturers outsource their manufacturing jobs to China and Bangladesh, where they can employ large numbers of people to work for them. Shein, the fashion-industry giant, has recently been reported to not give its Chinese employees the freedom to leave their workstations except for lunchtime. If corporations like these can go to other countries to allow such conditions, then can we even expect them to fulfil their local social responsibility? If they only aim for profits, corporations with enough capital can easily circumvent the law, and cause great pain to the locals. Employees of these factories often live close to them, but the company does not help them in any way, apart from paying them a meagre wage. Hence, corporations can, by ensuring the welfare of their workers, at least make an attempt to help the societies and environments that surround them.

In conclusion, I align more with the first view presented. The second view fails to consider the possibilities of corporations mistreating its own workers (and hence, mistreating the nearby societies), and of corporations abusing the law to increase its profits. More regulations are required in this area, to ensure that such organizations are held responsible for their actions at all their locations, and for their sources of raw materials.