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The Social Issue in the Company

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Abstract: In this study, we investigate the impact of government debt on the economic growth of Ghana adopting the methodology of the simple Ordinary Least Squares with data spanning from 1990 to 2015. Ghana has unfortunately found itself in the tragic situation of high external government debt which has led to high dependency on aid and other loans to support its development. These aids and loans have seen the debt of Ghana rise steadily over the years. As a result of the Heavily-Indebted Poor Countries (HIPC) which was presented by the IMF and World Bank in 1999, Ghana was judged to be a HIPC with unsustainable debt enabling the country to benefit from debt relief. We investigate the impact of government debt (both external and domestic) by testing three related models at the domestic and external levels including the general growth of the Ghanaian economy. In constructing our dataset, we build on the study of many scholars including a substantial amount of new materials from both primary and secondary data sources being Ministry of Finance (MOF) or Treasury Latest actual data: Government Finance Statistics Manual (GFSM), Ghana and World Bank. The research findings revealed that there is a negative relationship between debt (domestic and external) and growth in the economy of Ghana and recommend among others that government debt borrowing should be discouraged while increasing the revenue base through tax reform programs is encouraged.

Keywords: Financial capitalism, Responsible company, Deregulation, Globalization

1. Introduction

The transition from production capitalism to financial capitalism has led to the search for profit as the exclusive goal at the expense of the production of wealth. The disappearance of jobs under the effect of restructuring appears not as a cyclical phenomenon but as the effect of a profound structural change. Companies are tightening up the workforce and through social plans. The companies present these measures as an important condition of survival in the increasingly globalized competition. The resulting unemployment is referred to as the community.

These companies are consuming more and more of the natural resources that the planet has taken millions of years to create (air, water, oceans, forests, arable land, oil ...) Environment, which is beginning to be saturated. Created after the Industrial Revolution, the company was originally social even though it was seeking to gain profits. After success in eliminating misery, the financiers came: they transformed the company into an organization looking only for profit. So its leaders no longer seek to "change the world," but to "do business" by accumulating a personal fortune on the way.

The political and business networks enclose it to pump out all the possible wealth and power. Economists go in the same direction. They legitimize the frantic search for profit. Their theories assume rational agents, once selected product and technology; these agents would use the combination of factors that minimizes the cost of production and produce the quantity that maximizes profit. However, all the daily life of the company, all the activity of its executives and managers, are absorbed by the tasks that the economist already assumes. Minimize production costs, choose the most effective technology and determine the investment programs. The economist is interested in the general equilibrium which follows them, not in the very life of the enterprise. This explains a paradox. The partisans of the "market," who want the disappearance of all regulations, are at the same time supporters of the enterprise; But the company to which they think, a unit of profit realization. If the economy is first made by the millions of businesses and organizations that produce goods and services every day, it is also the place of human dignity and respect for nature. Therefore, it is a matter of questioning the role and purpose of the company in society. This is the object of our reflection.

2. Literature Review

2.1. The Responsible Company: What Definition?

Understanding social responsibility goes far beyond a simple concept. This approach makes it clear that understanding the term "social responsibility" requires less to look at "the interface between business and society" As has often been proposed, than on the enterprise as a social fact, not so much on an organizational level, but on the scale of the structuring of global social relations. In short, we argue that the phenomenon of social responsibility is indicative of the break-up of the compromise at the base of capitalist enterprise and more broadly of the traditional development model of which it is the heart.

A large part of the literature on social responsibility, still predominantly derived from the management sciences, has sought to define social responsibility without actually reaching a universal definition. It is true that since its first manifestations several decades ago, practices of social responsibility have changed, prompting researchers to adjust their reading constantly. However, more fundamentally, social responsibility, which was carried out exclusively by managers not so long ago, has been monopolized by other social actors who have not hesitated to contest the acceptances hitherto accepted in the convenient.

This posed a particular problem for researchers who tended to circumvent the problem of a universal theoretical definition by referring to institutional definitions of social responsibility.

They have somehow taken sides for a particular and commonly accepted definition, most often without mentioning its controversial character, that social responsibility refers to corporate initiatives of general interest that go beyond the minimum legal requirements as well as the establishment Dialogue between the company and its stakeholders. Their choice of adopting such an institutionalized definition is most often justified by the concern to clarify a confusion which, in their opinion, impedes the understanding of social responsibility.

2.2 Evolution of Social Responsibility

We are not those who insist on the secular nature of social responsibility to the point of denying any newness to the phenomenon. If the expression is not new, its generalization in speeches dates from a few years only.

Historians of social responsibility and business ethics draw a parallel between the evolution of the capitalist economic system and the ethical and social questioning of the enterprise. Three factors contributed to this question that emerged at the beginning of the century: disillusionment linked to the promises of liberalism, the enterprise's desire to show itself better, while privileged few enjoyed monopoly profits, and the birth of Management Sciences. From the 1920s, the rise of socialism stimulated criticism of capitalism as well as debates on the distribution of wealth and the role of the state. The monopolistic practices resulting from the movement of concentration of companies favor the emergence of a significant antitrust movement which will lead to the strengthening of the legislative framework. According to some researchers, it is to address the concern raised by the growing power of business and in the face of potentially drastic legislative responses that business people begin to argue about corporate social responsibility.

However, if it remains attached to the traditional functions of the enterprise (producing useful goods and services, making profits, creating jobs and creating a safe workspace), the social responsibility of that era is also typically paternalistic. The emphasis is on charity and governance: the company must be generous towards the disadvantaged and take account of the other social actors by considering them as an integral part of its role as agent. Finally, this period has been marked by questions about the morality of business people, and some believe, therefore, that it is less a matter of "business ethics" where attention Business ethics "that focuses on the individual behavior of managers. It is different from the era that began in the 1960s when social responsibility became a much more explicit topic for business people. Economically, the thirty glorious years following

World War II are devoted to providentialist policies and mass consumption. The internal structure of companies becomes more complicated until they become real organizational bureaucracies, and their control passes into the hands of a new class of leaders dissociated from the shareholders. Companies seem to enjoy a renewed power, which is no stranger to a rise in social demands. Towards the end of the 1960s, new social movements addressed companies directly about pollution, human rights, and consumption. In 1972, the Club of Rome report exposed the dangers of resource depletion resulting from unlimited economic growth. These so-called counterculture movements favor the development of the anti-business currents that worry the economic backgrounds.

The ethical and social questioning of the company then takes the form of a polarized debate between the proponents of a broader conception of corporate responsibility and the advocates of a strictly economic perspective of this responsibility, System of free enterprise "in the face of the communist threat. The latter's arguments are based on a societal view that it is by focusing on its objectives that the firm contributes to the public interest. Proponents of social responsibility argue that the social contract underlying the free enterprise system has changed and that the company's obligations are no longer limited to making profits but also to meeting new challenges. Other rationalizations of social responsibility develop with the new theories of organization which propose to abandon the Taylorian metaphor of the machine-enterprise to the benefit of an enterprise-organism whose survival depends on the constant adaptation to its environment. In addition to making social responsibility a management issue, these theories will give a moral perspective to the perceived enterprise as a subject, and according to which its activities cannot be exclusively judged from an economic point of view.

The institutionalization of social responsibility begins at the turn of the 1990s, in the process of globalization. States pursue broad deregulation and privatization policies and lend themselves to tight control of public finances in a spirit of deficit reduction. Coupled with the development of new financial products and "3D" policies (decompartmentalization, disintermediation, deregulation), new communication technologies contribute to the integration of markets and the financialization of the global economy. The capital structure changes as institutional investors, large financial operators in search of high returns, impose themselves. Companies adopt reticular configurations and are incorporated into financial holding companies. The finance function takes precedence over the production and marketing functions, making financial performance the main variable of performance. In the era of this new "patrimonial" capitalism, organizations seem to emancipate themselves from their territorial attachment in order to be increasingly subject to the dictates of the financial markets.

On the social level, if the collapse of the Soviet bloc seems to enshrine the capitalist system, it faces renewed criticism of increasing inequality, the persistence of poverty and rising unemployment, but also a multiplication of problems. Environmental issues that are beginning to emerge on the international agenda; In 1987, the Montreal Protocol on the Ozone Layer was signed, and Gro Harlem Brundtland published the report Our Common Future, which popularized the concept of sustainable development. It was during this period that social responsibility became a practical one, but also as a managerial principle. In the wake of Freeman's 1984 work on the strategic importance of stakeholder management, the idea that social responsibility goes hand in hand with the sustainability of the business, A good business practice, is gradually emerging.

This instrumental perspective of social responsibility was shaken at the turn of the 2000s, when, thanks to a vital dissemination movement, new actors were invited into the debate: the State, NGO and trade unions. If the social movements begin by rejecting the concept of social responsibility, they then choose to appropriate and reinterpret it, evoking, in particular, the idea of a necessary "empowerment" of enterprises. Depending on a new regulatory framework that can operate in the context of economic globalization, such accountability rests, in particular, on universal international standards. We see how this perspective is the opposite of a not only voluntary but relativist conception of social responsibility in which social performance standards are negotiated piecemeal with each stakeholder.

In short, the current period is marked both by a generalization of the idea of corporate social responsibility and by fundamental antagonisms concerning the meaning and the modus operandi of this responsibility. Today, every company claims to be responsible and social responsibility is now included in the degree programs of management as a strategic principle. However, behind this apparent unanimity, the positions cannot be more polarized, as illustrated not only by the abortive approach of the European Commission but also by the debates that have taken place within the framework of the future ISO 26 000 standards. Institutionalization of social responsibility is therefore difficult insofar as the voluntarist and relativist conception put forward by managers remains mostly controversial. Nevertheless, these controversies flourish on fundamental transformations of the economic imaginary of all the social actors that can be synthesized in three points:

- The company has responsibilities in addition to its economic mission;
- The company can (and must) embrace a mission of general interest;
- The economic sphere cannot be thought of as independent of social and environmental dynamics and realities.

As a backdrop to debates on social responsibility, these proposals, which today make a consensus among the social actors, correspond to a real break with the prospect of the company still defended during the 1970s and according to which it is in Devoting to the maximization of its profits that the company fulfills its social mission. These proposals open the way to a new perspective on the role of business leaders who, raised to the rank of social managers, may have to respond to a new morality. By remaining subject to financial performance obligations in an economic system that still minimizes social and environmental costs, it is only through an optimistic view of social responsibility based on the assumption of Situations that managers can combine their managerial obligations and this new morality, at the risk of being in a schizophrenic situation. This necessary optimistic outlook largely dampens discourse on social responsibility emanating from economic circles. In order to pursue the deconstruction process that we have begun with history, we will examine this discourse further and link it with the practices of social responsibility.

2.3 Social Responsibility: a Voluntary Practice

The notion that social responsibility refers to voluntary initiatives going beyond the law refers to the historical context that we presented earlier, where social responsibility was introduced very early as an alternative to regulation. Management researchers have urged managers to be socially responsible in order to prevent the government from being pressured by the public to legislate to force recalcitrant companies to become responsible. If this argument is still used today, it finds a renewed echo in the context of economic globalization which enshrines a true legislative autonomy of the company. In short, social responsibility appears in this context as the only alternative since there is no legislative authority or regulation on a global scale.

This argument, however, does not stand up to analysis insofar as it is not so much the lack of law that characterizes the world scale as the difficulty of applying the standards laid down at that level. Discourse highlighting the "lack of regulation" on a global scale is, in fact, denying the existence of international law and discrediting the norms laid down at that level in order to relegate to the background the difficulties of Its implementation due to lack of appropriate institutions, but also precisely because of the behavior of companies. We see here the incongruity of the reasoning that makes it possible to present voluntary initiatives as a credible alternative, whereas an analysis more focused on the effectiveness of standards reveals not only the fact that voluntary measures hardly offer any more Guarantee of implementation than international law but even more provocatively, the fact that it is the companies themselves that slow down this implementation. Secondly, there is a paradox in the idea that voluntary initiatives may emerge instead of regulation. If, as we saw earlier, social responsibility is profitable, legislation is superfluous. On the other hand, if the responsible initiative is costly and can not be justified based on of economic rationality, it is not possible for the company to put it forward without being constrained by an Under penalty of retaliation by shareholders.

Between these two situations, however, there is a dynamic whose common discourse seeks to account for the long-term evocation, but which corresponds more prosaically to the interplay between the evolution of legislation and the strategic anticipation by which an unprofitable initiative today becomes so tomorrow.

3. Dialogue with Stakeholders

The idea that the company must maintain a dialogue with its "stakeholders" was formalized by Freeman in his famous 1984 Stakeholder management. A Strategic Approach. This dialogue is not presented as an end in itself but as a strategy to reduce the social risks associated with the company's activities. In short, while dialogue with stakeholders may be a social responsibility, it is nevertheless a matter of strengthening the company's economic mission. The thesis developed by Freeman is that the socio-political context requires a broader view of the opportunities and threats of its environment, which presupposes that it no longer cares solely about its traditional interlocutors (the state, competitors, shareholders). However, listening to its stakeholders (or interested parties) defined as any group likely to affect or be affected by the activities of the company, to the extent that by being affected, a group could React and affect the company in turn. From a managerial point of view, one understands the interest of such a perspective which has been taken up by most currents in corporate strategy.

On the other hand, this theory and its vocabulary have been exported far beyond strategic practices to be at the heart of the analysis of the "relationships between business and society". While, apart from a managerial perspective, stakeholder theory obscures rather than illuminates social dynamics. In the first place, the terminology "stakeholder" assimilates the different social actors and thus masks the nature of the link between the actor and the company that was explicit in the traditional vocabulary. Workers, government, shareholders, NGOs: all are only stakeholders in the company with whom they enter into dialogue. Moreover, in this way, the model establishes the company as a social actor, which has the effect of naturalizing it and erasing its real nature of structuring social relations. In this representation, it becomes impossible to perceive the control exercised by managers over employees through the company, in short, to understand how the company hierarchizes social actors among themselves and constitutes a real vehicle for the domination of shareholders and managers Workers, consumers, and local communities. To add the reduction of the government to one actor among others, which forbids thinking about its function of structuring the environment in which the company operates and even less its power to reform the company itself and, Consequently, to redefine the social relations that it structures. In summary, stakeholder terminology naturalizes the enterprise and eliminates its structuring role, that is, the hierarchy of social actors and the vehicle of domination. Nevertheless, the stakeholder theory first has a practical ambition to equip the company to deal with an increasingly threatening social context. In this respect, it not only presided over new practices but also helped to trivialize the direct communication between the company and the social movements hitherto addressed to the State. While this dialogue may seem futile given the disparity of forces involved, it has been a significant modernizing force in recent years for companies seeking to demonstrate their social relevance and to establish their legitimacy.

Progressively, social movements have thus made an incursion into the assessment of the social and environmental performance of the company, no longer in a protesting space, but in a new space of dialogue and consultation which does not, however, prohibit Debates and confrontation. The stakeholder theory, on the other hand, lessens the transformation of the strategies of the social movements and not restricted to the direct dialogue to which they wish to report and have chosen to invest their economic statutes in order to make their claims known. NGOs have sought to politicize the consumer to stimulate demand with social and environmental demands and thus structure the market according to these new performance criteria. In addition to expressing oneself on the social scene by investing in new virtual spaces, dialogue between managers and social movements is thus formalized in traditionally economic arenas that tend to become politicized as these new players invest them. As a result, unilateral social responsibility measures have gradually given way to multi-stakeholder initiatives where the company has accepted the principle of co-definition and co-evaluation of its social and environmental performance. Multi-stakeholder initiatives have thus emerged in several industries as forums for discussion and negotiation on the social and environmental issues of industry and socially acceptable management principles by presiding over unprecedented regulatory mechanisms.

Over the last fifteen years, certifications, labels, and codes of conduct have increasingly emerged from multi-stakeholder forums (although some are still exclusively industrial, governmental or movement-based) Consumers and investors on the social and environmental performance of the company and its products. If they correspond to genuine innovation in terms of social regulation, we should not consider these mechanisms in opposition to the regulatory system. Under the guise of "governance", public authorities have left more room for social actors in the definition of standards in recent decades and tend to recognize the consensus already reached between social actors rather than imposing a policy without Anchoring in civil society. In short, the new regulatory dynamics endorse compromises made ex-ante in new spaces. Further downstream, social responsibility reports, while rarely mandatory, accredit the idea that the company is accountable not only to its shareholder financial results but to its performance Social and environmental impact on "its stakeholders".

So today companies are exposed on all fronts: subject to the traditional social demands that new technologies can make devastating, they must take into account an increasingly politicized market and claiming shareholders. Moreover, if they seem to participate with good grace and even, some say, with suspicious enthusiasm for the co-definition of their social responsibility, they continue to be the subject of demands that do not seem to diminish. To the extent that this is so ineffective in calming the social climate and appeasing the demands of social movements, it may be asked why companies strive to deploy social responsibility measures and structure a discourse the question. So far, it can be argued that a new compromise has sprung up behind the capitalist enterprise, based on two dimensions: ecological consumerism, whereby companies have agreed to meet environmental demands on condition To maintain an economic system based on consumption, and the "democratization of capital", which offers everyone the opportunity to benefit from the profits made by companies. However, this compromise is fragile because it is built on an accounting of wealth being redefined. The environmental crisis thus chairs new social conventions that could shift the primary principle of our economy based on accumulation, to make way for a conservation economy focused on managing environmental liabilities. It is at this changeover that a full internalization of environmental costs could take place.

4. Conclusion

The company has an interest in being involved in the societal field on the one hand. Because social pressures are often a sign of unmet needs or preferences (e.g., cleaner cars or lighter products), the company can benefit from having identified and responded to these needs before its competitors. The company fuels the strategic context of the company, which must, therefore, analyze the priorities and interests of emerging stakeholders or forces. When Coca-Cola aligns the launch of its product with "zero sugars", it claims that it is fighting the plague that obesity, diabetes, that by this code of ethical behavior, moral values of public health And the well-being of the brand meet the concerns of society. From now on, the company can no longer afford to align only good balance sheets to shareholders, but that the creation of symbolic value passes through the definition of a universal service mission. This is how the company proves that it fulfills its duties with regard to society. We have focused on corporate social responsibility and have traced the historical evolution from a passive concept centered solely on the company and its economic and legal responsibilities to an active concept involving all the stakeholders of the company. All of which have a role to play in making the company viable, equitable and viable. Despite all the questions that remain unanswered at the moment, it can nevertheless be considered that, despite its still embryonic state, the concept of CSR is advancing, because companies are increasingly aware of emerging social expectations and their awareness of the "Social dimension of global sustainable development is improving.

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