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RESEARCH ARTICLE

CSR FOR SUSTAINABLE DEVELOPMENT AND PEACE.

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Abstract

Corporate Social Responsibility (CSR) is nothing but, providing or paying some compensation in the form of both cash and kind, to the Society for the damages caused by the installation of industries in the area nearby villages. As the result of globalizing trade, there are mushroom growths of industries in the sub-urban areas of metropolitan city like Chennai. The present study aims at to find out the extent of damage caused to human capital, natural capital, and finance capital of the people in the village where the industries are located.

Major findings reveals that significant amount of damages caused and conflict created to the above capital and the conflict was resolved by providing employment, creating water facilities, Medical aid, Skill development training etc. However, it is appreciated that the efforts of companies taken through CSR stages for solving conflicts and trying to create sustainable development and peace in the villages where their industrial units are located.

This research study titled 'CSR strategies for conflict resolution through sustainable livelihood and peace' analyses the projects undertaken by Corporate sectors on the basis of empirical evidences and put forth aspirations of the communities which reflect the felt need of the communities. The research study focuses on CSR and its strategies for improving the livelihood and harmony of the communities living around before the advent of the Corporates. **CSR** is a new program devised by the Companies in brief known as MNCS and also mega companies as compensation to the capitals damaged by the corporates namely Social capital, Financial Capital, Natural capital, physical capital and human capital to the communities..

Globalization is not a recent phenomenon but it is as old as human civilization. Since 1990s globalization has been triggered by four types of changes which accelerated the change. They are stretching social, political, and economic activities beyond national and continental frontiers, intensification, revolution in communication which made the time and space within no time, and local development affected by global impact. Intensification means the growing magnitude, of interconnectedness and flows of trade, investment, finance, migration, culture, etc. On the macro level, the liberalization of trade, investments and financial transactions made huge foreign direct investments. The General Agreement on Tariffs and Trade

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(GATT) lead for the liberalization of the world economy. This liberalization was accompanied by a policy of liberalization and privatization in the east and west world. State owned telecommunications, public transport, electricity, education, health sectors, out sourcing of labour in the industries and water were privatized. The downfall of Russia, the end of cold war led to another breakdown of trade barriers and encouraged intensified cross-border trade and investments. While the national frontiers and regional frontiers are going beyond global due to exchange of goods and services are possible and the growth of MNCS and corporate have come to occupy the only important and major determinant of the people living around by a study on the impact of the corporate to the vulnerable communities is more significant. This study will bring out the aspirations of the poor people whose livelihoods had a jerk from the past due to the arrival of the corporate. It has adopted the SLF and Galtungs analysis to measure the impact of the people's livelihoods. It will enable the Corporate to devise mechanisms or in another words strategically planning programs which will address the problems of the communities and their responsibilities towards compensating for the damages they do. As according to the Ministry of Corporate affairs every company having net worth of Rs. 500 crore or more, or turnover of Rs. 1000 crore or more or a net profit of Rs. 5 crore or more during a year shall be required to formulate a CSR policy to ensure that every year at least 2% of its average net profits during the three immediately preceding financial years shall be spent on CSR activities. Since CSR has been made as a mandatory every company has to have a separate wing for CSR activities. This study would enable the corporate sectors to plan which direction they should move to bringing sustainable development among the vulnerable people and also in brining harmony among the communities.

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Topic of the research:-

“CSR STRATEGIES FOR CONFLICT RESOLUTION THROUGH SUSTAINABLE LIVELIHOODS AND PEACE”

Objectives of the study:-

- To identify the conflicts between the community and the corporate companies
- To evaluate the CSR projects by Sustainable livelihood frame work
- To assess the CSR projects in the communities and its relevance to the existing problems
- To evolve suitable strategies to resolve the existing conflicts in the study area.
- To suggest measures to promote sustainable livelihood in the study area.

Hypotheses:-

- Ho1 Growth of industries affects the livelihood of the rural communities.
- Ho2 Rapid exploitation of natural capital which led to conflict in the community
- Ho3 The effect of industrial effluent a threat to the health and hygiene of the community
- Ho4 The CSR strategies have not resolved the conflict caused by the companies

Research Methodology:-

This research design is exploratory in nature. The primary data were collected at the micro level village communities. The sample respondents were selected from two CSR projects operating in ten villages. To fulfill the objectives of the study primary the researcher collected primary data through two case studies (ORCHID CSR, and HYUNDAI CSR) and group discussion among the selected respondents like traditional village leaders and elected

representatives of the local government, farmers. Small farmers, labour both skilled and unskilled, CSR staff of both the companies, Youth, Self Help Group members.

Study area:-

The researcher selected following villages for the study. Five villages from Thiruporur union of Kancheepuram district and five villages around Sriperumpudur union of Kancheepuram district were selected. These villages witnessed sudden changes in their livelihood due to rapid industrialization since 1990.

Sample:-

The researcher selected the two blocks due to the reason that in these two blocks the presence CSR activities of the companies namely ORCHID in Thiruporur and Hyundai in Sriperumpudur are obvious. In Thiruporur panchayat the villages namely Alathur, Pattipulam, Paiyanoor, Tandalam, Thirupour, and in Sriperumpudur block the villages namely Keevalur, Mevaurkuppam, Katrampakkam, Irungatukottai and Thandalam (S) were selected for this study. Convenient sampling method is applied in this study. The researcher selected 20 samples at each villages and as total 200 samples were used.

Sources of Data and Tools for Data Collection:-

As mentioned earlier, both primary data and secondary data sources were used in the study. Primary data were collected from different sections traditional village leaders and elected representatives of the local government, farmers. Small farmers, labour both skilled and unskilled, CSR staff of both the companies, Youth, Self Help Group members. Through case studies through tools like group discussions and required additional information in order to supplement the primary data, secondary data were collected from different sources like records of CSR documents available at the CSR office.. References from documents in different forms, reports and literatures like books, journals, Govt. documents, periodicals, news magazines, un-published research reports, census documents and various international organizations websites and their annual reports. Primary data were collected through a well designed semi-structured interview schedule containing questions on conflicts, impact. output and outcome of the CSR project activities.

Frame work and analysis:-

The industries have the potential to transform environments, communities and economies. Many a times, such transformation may finally end in conflicts or disputes between a resource developer and local communities or the entire community may lead to a crisis. It may be the crisis with the effluent or with any valid reason. The study has taken the strategies the corporate adopt as conflict resolution mechanisms to bring peace. Two frame works utilized to measure the impact of the strategies in the livelihood of the communities and community harmony which lead to peace. One is Sustainable livelihood frame work and the second is Hourglass model of John conflict, violence and peace. The livelihoods framework is a tool to improve our understanding of livelihoods, particularly the livelihoods of the poor. It was developed over a period of several months by the Sustainable Rural Livelihoods Advisory Committee, building on earlier work by the Institute of Development Studies (amongst others). A livelihood is a means of making a living. It encompasses people's capabilities, assets, income and activities required to secure the necessities of life. A livelihood is sustainable when it enables people to cope with and recover from shocks and stresses (such as natural disasters and economic or social upheavals) and enhance their well-being and that of future generations without undermining the natural environment or resource base.

The data obtained for the analysis were qualitative in nature. The analysis is about the changes that have taken place after the arrival of the industries. The conflicts arose and how far the CSR projects have resolved the conflicts were taken in to account. The analysis is about the social, financial, human, physical, and natural capitals of the communities. The analysis of the data obtained enabled the researcher to arrive out at main findings which would prove or disprove the hypothesis. The researcher coded the data and used Microsoft excel program to find out correlations within various variables and factors. After the analysis the main findings were arrived.

Main Findings:-

Social capital:-

- In increasing the leadership qualities net working for development gender development strategy plays a vital role like organizing the women called self help groups and involve women members in micro credit and enabling the women to do entrepreneurs are found among the CSR strategies. The study found that

imparting skill among the women and enabling them to do entrepreneur (72 per cent) occupies the major role of the CSR activities. Increasing the coping mechanism and women participation in decision making get low priority.

- Simultaneously youth empowerment programme plays the second role among young males like involving in micro credit programme and also encouraging sports among them by sponsoring for play grounds, Balls and other necessary tools for games.

Finance capital:-

- The study found that only 1.06 per cent were employed by the company directly. Mushroom growth of companies in the area have not solved the unemployment problem still exists by 48 per cent heavy unemployment.
- Among the total labour 40 per cent are immigrant labour arrived from the northern states like Orissa, Assam, Bihar and north eastern state of India who agreed to work for a lower wage (Rs. 100 to 150 per day) is a threat to the employment of local people as well as their bargaining power.
- On financial capital the people have expressed their highest aspiration as direct employment by the companies (46 per cent) followed by 31 per cent expecting loan from the company for revolving fund to the community to start income generating project. Very less 33 per cent want rice and condiments during the rainy season from November to February during when the people face difficulties in procuring food.

Human Capital:-

- Under this capital conflicts have come with eye irritation, breathing problem, skin problem etc., the conflicts were resolved by medical camps, medical checkups, distribution of free medicines and provision of ambulance.
- Majority of the respondents 65 per cent felt that immigrant labour decrease the job opportunities for the local people even at the contract level. In the ten villages taken for empirical respondents 4524 labour are present in the village in total.
- Majority (65 per cent) of the respondents revealed that diploma in other words Polytechnic qualification is expected for permanent labour by the companies.
- Due to odour spread in the space there is discomfort in breathing. This conflict is resolved by erecting of effluent treatment plant
- CSR have given skill training in Driving, Candle making, Tailoring, Mushroom cultivation, Phenol Soup production, Catering, Paper making, Dairy forming and Nursing assistance.
- While 40 per cent of the village people do not feel any health problem. But the villages located in close proximity revealed the Air pollution and they do not have fresh air and they have breathing problem followed by skill problems and people felt that the companies are the reason behind dust allergy
- People are vulnerable to safety risks and as conflict resolution safety training and first aid training are given.
- Regular trainings are given to youth on leadership skills, communication skills, English proficiency, computer skills etc.,
- The culture among parayar community during funeral procession ends with crackers with drums which is a threat to industrial safety. This conflict is resolved by educating the communities and the compensation of Rs. 3000 – 5000/- is given to the deceased family to conduct the ceremony without crackers.
- During the highly risk months during November and December the area is flooded and this is resolved by giving food and condiments to the households.
- Since cent per cent employment by the population is not possible the CSR does net working with other companies and enhance the local youth to get employment.
- CSR – project have contributed to the children studying in the Government school by providing counseling service to the children, special coaching classes to the students who are going for final examination in 10th and 12th std, supplementary teachers to the school by offering salary from CSR conducting evening tuition centers and sponsoring the poor children education by offering materials, school fee etc.
- The study found that peoples aspiration is high in health and education. Youth felt the need vocational skill training. The women felt the need for skill training in soft skills since companies employ more human resource in male gender for hard labour and also in group income generation ventures.

Physical capital – main findings:-

- CSR – project have contributed to the construction of renovation to the school in the entire ten villages.
- While electrification of road is in the limelight in Sriperumpudur panchayat by Hundai, the construction of bio – gas plants to individual household is in the limelight at Thiruporur panchayat by orchid.
- As conflict resolution strategy to water contamination Ro – system is erected in five village of Sriperumpudur.
- Evening tuition center and community halls are constructed for the communities by orchid and Thirupour panchayat.
- The rural project of donating tractors to Panchayat to clean the sewage is found as a conflict resolution to remove the garbage in the village.
- Enabling the household by sponsoring for toilet construction is found as a worthy rural project by Hyndai in Sriperumpudur panchayat to increase the human capital of health India.
- Sixteen overhead family and 70 syntax tanks were constructed by CSR to enable the communities to procure clean drinking water.
- The villages don't have local transport facility, and the school going children face constraints in reaching the high school nearby and this resolved by company provided free transport services to children.
- People have revealed their highest priority from the company is hospital (39 per cent) followed by road construction (35 per cent) construction of community hall (33 per cent) then by free public toilets.

Natural capital:-

- People have expressed the loosing of grazing land, decimation of water bodies, the defection from the immigrant labour, contamination of water bodies, air pollution and decreasing of cultivation under natural capital.
- Extraction of ground water (60%) effluent in space (30%) and land alienation (10%) are the major conflicts due to the arrival of the companies.
- Water contamination is not much felt by (3%) people living in Thiruporur Town Panchayat.
- Air pollution is felt very high by the people. People long for fresh air.
- Solid waste problem is felt in Sriperumbudurpanchayat due to the presence of more industries followed by pollution of air and is effected in dust allergy.
- Loosing of soil fertility caused by the common pond where the untreated effluent water from the industries are flowing into. Over flowing of this pond enter into the land and thus the soil loses its fertility.
- Decimation of water bodies caused more by acquiring land for housing, followed by occupation of industries for parking. Totally in all the villages the lakes have lost 342 acres. Five big lakes have been totally lost of being occupied for various reasons.
- Extraction of water by the companies is more from the farmers well followed by directly pumping water from the lake.
- People expressed that the cultivable land has decreased by (60%) due to two main reasons. One is the farmers feel that farming is not profitable since the wage is gone high for agricultural labor and low profit from cropping when comparing with the daily wage offered by the companies.
- Cattle population have come down by (80%) due to loss of grazing land and also a quick mode of transferring to non-agricultural labour. Since two decades.
- Village communities common grazing land has been lost from (70%) to (80%) and that reflected in decreasing in cattle population.

Conclusion:-

CSR is a new born baby in Indian scenario. Unlike Canada and other developed countries CSR is growing and getting prominent slowly. From the charity before independence it has steadily grown in implementing welfare and development projects. Still lots of developments have to take place in CSR to make it more effectively which may reflect positively in people's livelihood. The CSR has the duty not just to compensate the damages or in other words finding a immediate solution to the conflict but CSR has to contribute the overall growth of the communities and the eco system around by. This study brings out the overall impact created by the companies and how far the CSR resolved the conflicts and towards where CSR should travel to bring peace and development.

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