1)

For the arguments against corporate social responsibility, it is arguing that industrial society faces serious human and social problems brought on largely by the rise of the large corporations, and managers must conduct the affairs of the corporation in ways to solve or at least ameliorate theses problems. The first argument’s view for CSR, long-range self-interest, sometimes referred to as enlightened self interest, holds that if business is to have a healthy climate in which to exist in the future, it must take actions now that will ensure its long-term viability. I think CSR cannot move beyond enlightened self-interest because all behavior must be justified economically. This implies that corporate socially responsible behavior will simply cease when it becomes uneconomic, regardless of the impact on interrelated systems which in turn will re-impact the business realm.

There might have some more effective roles for CRS. Usually, the social responsibility of business encompasses the economic, legal, ethical and philanthropic expectations that society has of organizations at a given point in time. It is an idea of corporation’s contribution to society to gain massive profit both company and societiy. Furthermore, the primary activity of CSR(Corporate Social Responsibility) has been illuminated and CSR is now positioned as a measuring device that can evaluate the value and ability of a business entities. World leading companies and multinational corporations operating worldwide have recognized that their future success will be dependent on effective CSR activities and thus voluntarily searching proactive solutions against social problems.

Today, effective CSR activity is an indispensable factor for the success of business firms, and also is an important measure for the sustainable development strategies that can maintain and reinforce relationship between society and business firms. It is difficult to maintain and extend sustainable businesses by the single efforts from business firms through CSR activity and thus positive support by the form of government policy is required to expand the ground of CSR activity. It is also required that the leading companies should take proactive roles to encourage CSR activity in the society together with growing interests.

2)

The stakeholder is defined as individuals and groups with a multitude of interests, expectations, and demands as to what business should provide to society. Also stakeholders have two types of business’s stakeholders. They are primary and secondary social stakeholders and these groups may wield significant power and quite often represent legitimate public concerns, so they cannot be ignored. In my view, I strongly claim that stakeholders have certain responsibilities that are equally important to duties owed to owners.

Each stakeholder brings something different to an organization in pursuit of their own interests, takes risks in doing so and receives certain benefits in return. For example, customers provide revenue in return for the benefits that ownership of the product or service brings but may demand refunds if the product does not satisfy the need and are free to withdraw their patronage permanently if they are dissatisfied with the service. Also, employees provide labor in return for good pay and conditions, good leadership and job security but are free to withdraw their labor if they have a legitimate grievance or may seek employment elsewhere if the prospects more favorable. Lastly, suppliers provide products and services in return for payment on time, repeat orders and respect but may refuse to supply or cease supply if the terms and conditions of sale are not honored or they believe they are being mistreated. There is no doubt that customer needs are paramount as without revenue the organization is unable to benefit the other stakeholders.

All stakeholders seem to have equal duties owed to owner because without customers there is no revenue and without revenue there is no business. Customers are therefore the most important stakeholder. Employees who provide the human resources that power the engines of marketing and production. Without human resources the business is unlikely to function even if there are shareholders and potential customers waiting to buy the outputs. Next in importance are suppliers of products and services upon which the organization depends to produce its outputs. Without suppliers, the engines of marketing and production will run short of fuel. In the text book, CEO of DuPont stated: “We have traditionally defined four stakeholder groups important to DuPont-shareholders, customers, employees, and society” (85). Although CEO stated special four stakeholders as an assistant to the firm, stakeholders as groups to whom the firm has certain responsibilities that are equally important to duties owned to owners.

3)

Business power refers to the ability or capacity to produce an effect or to bring influence to bear on a situation or people. Power, in and of itself, may be either positive or negative. Business certainly does have enormous power, but whether it abuses power is an issue that needs to be carefully examined. We will not settle this issue here, but the allegation that business abuses power remains the central theme behind the details.

Some forces came to bear on business and that faced include governmental actions, such as increased regulations and new laws. Tobacco and desk-top are forces that are used to balance business power. As stated in the textbook, tobacco industry is an excellent example of an industry that has felt the brunt of efforts to address allegations of abuse of power. Complaint that the industry produces a dangerous, addictive product and markets that product to young people has been made for years. FDA has been trying to rein the tobacco companies through aggressive regulation for reducing smoking rates in the United States. The iron law of responsibility is another way. If business has the power, then a just relationship demands that business also bear responsibility for its action in these areas.

The iron law of responsibility is that in the long run, those who do not use power in a manner which society considers responsible will tend to lose it. A firm is not an "island in the sea", but is created to function in a society, among human beings. It is allowed privileges and authority to use for its prosperity almost all the resources which belong to the society, but it is a common ethical practice that one has to give back when one receives. To preach that business is born solely from self-interest and is to act solely in these terms is to tell business to hurt its mother.

4)

A board of directors acts as the shareholders’ agent in charge of running the company. They handle major decisions with several functions, such as hire or fire top management, vote on major operating proposal or financial decision, offer advice, and report to its shareholders. But there are also potential problems in monitoring of board of directors. If an inside director is not independent from CEO, and do not have the time or expertise, they cannot fulfill their role adequately and there is even an agency problem when the directors do not always act in the shareholder’ best interest.

To minimize this problem and to be good board, board has not only an expert who worked in the same or similar industry, but also an independent member and small size of the board in general. If an inside director is a friend or a family of CEO, the board is probably less likely to fire the CEO for poor performance. However, in today’s business world, it is impossible to find people who are entirely independent of the firm’s management. Thus, relationship between independent directors and inside directors are not white and black. We should find the most adequate people to the firm. In addition, if the board of directors is large, it may be more difficult to reach consensus and occur “free-rider”. Therefore, small board may be more dynamic and more active.

In the real world, however, it is not clear that there is a positive correlation between the board’s quality and the firm’s performance. While good board may be good at fixing the problem of the firm, they may not be good at creating value and the board evaluates top management, especially CEO. But, for most firm, the board’s chair is also the firm’s CEO or ties to CEO. Also, directors typically receive all information form management, so this information is controlled by CEO. In this situation, directors of the firm cannot observe the operating procedure of the firm effectively. There is even an agency problem because sometimes it might be better to act for building good relationship with CEO than shareholders. So, nowadays, some firms are setting stock for their directors. In addition, some directors do not have expertise and time to be a good board member and firms with many directors have less effectiveness.