



INTERNATIONAL JOURNAL OF RESEARCH IN COMPUTER APPLICATION AND MANAGEMENT

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CORPORATE SOCIAL RESPONSIBILITY (CSR) OF A TOBACCO COMPANY: A PARADIGM PERSPECTIVE OF AN EXCLUSIVE CASE

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ABSTRACT

BAT has climbed the ladder of success in Corporate Social Responsibility (CSR) and has become a global player in reaching 180 countries. BAT is benchmarked for attending the pinnacles in CSR; being a company with a paradoxical product like tobacco. Corporate social responsibility (CSR) has become an important subject in the recent decade. It has become increasingly significant; because it nurtures the vacillating, volatile and value based social expectations of the people; regarding the company. It has enforced the prevalence of a standard and codes of conduct; to uphold the morals of the company in the eye of public. By creating added value in the supply chain, linkages for building public image, for creating repeat buyer. British American Tobacco Company (BAT) is no exception to adhere to this so-called branding exercise. Many companies resorted to harness the potential benefit of employing CSR in companies. It is fostered by the company for improving the reputation, competitiveness and for the sake of better risk management. CSR is prevalent in international research and it is so because of its comprehending critical approach to human welfare. Social responsibility in business is about utilizing resources available, widening facilities and creating scope to activities reaching out to the extremes. Profit and customer king matter in the process of value creation. CSR is designed to ultimately achieve profit by generating trust in the consumers, equitably share with the stakeholders of the society, at large. It has a Dynamic, ambidextrous and flexible rule of the game; relating to the context of the business, place of business and the business type. It cannot at any point of time, become a fashionable notion of a company; which cannot contribute to deliver long-term benefits.

KEYWORDS

Corporate Social Responsibility (CSR), Ethical Values, Sustainable CSR, BAT (British American Tobacco Company), Social Issues.

BRITISH AMERICAN TOBACCO CO (BAT OR BATCO): A BRIEF HISTORY

British American Tobacco Co. known as BAT or BATCO is mainly based in London-UK. BAT or BATCO is the second largest listed tobacco company in the world with a market capitalisation of over £30 billion. (Kotler. and Lee, 2005) This company was established in 1902 as a joint venture of the Imperial Tobacco Co. and James Duke's American Tobacco Co (a tobacco trade cartel). Later on it grew to be a major cigarette company in around 180 countries of the world. (Pound, 2000) They mutually agreed that in USA and UK, both the partner organisations shall 'not compete with each other'.

However, during the trust-busting era of President Theodore Roosevelt, The American Tobacco Co. was forced to divest and Imperial Tobacco also reduced its shareholdings (Knell, 2006). It acquired American Tobacco Co. of what was left of the company after the anti-trust split-up, in which it was immensely affected. The main assets of this US Company were the brands like, Lucky Strike and Pall Mall. Later on it acquired Brown & Williamson (B&W) which, at that time, was the largest cigarette company in the USA. (Valasquez, 2005) Reminiscent of original companies re-oriented forming a holding company. It was named as BAT Industries in the year 1976.

Resulting which BAT became a relatively independent organisation that out-grew its parents. BAT's US subsidiary retained a degree of independence from the UK, although it report to the London office. They occasionally exert their own pressure.

GLOBAL NETWORK OF BATCO

British American Tobacco Co (BAT) being located in London has its subsidiaries in the UK, Europe, Asia and the old British colonies, apart from other places in the globe. Subsequently, in 1999 it acquired the South African-based company named Rothmans International; after a marathon fight with Philip Morris. Later on it acquired Italy's state tobacco company named as ETI. (Pound, 2000) The company has also diversified into many other industries and owning. They are a major life insurance company, food and beverage companies, etc.

Incidentally this widely acclaimed acronym BATCO is often used when the company is referred to the larger conglomerate or an assembly of companies. (Valasquez, 2005) This company being well known with tobacco is known as a holding company in the USA, named as BATUS having its headquarters in Louisville, Kentucky. Recent revelations of tobacco industry went in for illegal activities, for which B&W has been split off from BAT and has been sold to RJ Reynolds Tobacco. These are obvious to the world of emerging companies of international repute.

WHAT DO YOU MEAN BY CORPORATE SOCIAL RESPONSIBILITY?

CSR issues are peculiar, parametric and pen-chanting. (Kotler and Lee, 2005) They are like tracing corporate loophole under a microscope. They are the ultimate human factors which no company can escape. Different organisations have framed different definitions to express CSR. All definitions being different, yet they have considerable common ground between themselves. (Pound, 2000) A definition can be like, '**CSR is about how companies manage the business processes to produce an overall positive impact on society**'. The '**World Business Council**' for 'Sustainable Development' in its publication titled 'Making Good Business Sense' defines CSR as the '**Continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large**'. In fact, essentially, all companies have to answer a couple of aspects. The main two dimensions could be:

1. The quality of management, in terms of people and processes, which can otherwise be termed as the '**inner circle**'.
2. The quantity of their impact on society in various areas are known as the '**outer world**'. In fact, outside stakeholders do take up increasing interest in the activity of the company. As a matter of fact, most of them look to the 'outer circle' as it relates to more than many.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND BUSINESS ETHICS

CSR in a macro context is defined as the '**ethical behaviour of the company / business towards society**'. This dictum propagates a school of thought, where the '**The business of business is business**' as has been rightly quoted by Milton Friedman. Management lingo 'strategic philanthropy', 'social investment' and 'venture philanthropy' is familiar to the domain of CSR (Knell, 2006). Companies are becoming keen to adopt CSR for enabling better sales; meeting the global standards; for benchmarking themselves with a plethora of social concern.

Economic development cannot happen without social cause and concern. CSR is an aspect of a company's policy. It brings up greater transparency and becomes faithful to the end-customer in the market places (Valasquez, 2005). The **KPMG International Survey of Corporate Responsibility Reporting, 2005** has identified the following drivers of corporate responsibility on the priority.

1. Economic considerations
2. Ethical values
3. Innovative learning
4. Motivating employees
5. Managing risk
6. Increased shareholders value
7. Brand reputation
8. Market share
9. Building supplier relationship
10. Saving cost
11. Developing relationship with government bodies

In fact, it is the enforcement of CSR which improves performance, fiscal spending, reduced operational cost and customer loyalty. It is driven through the 'triple bottom line'. They move through the following parameters to gauge business performance. They are economic, environmental and social factors. (Pound, 2000) The term 'Triple Bottom Line' was coined in 1987 at London. CSR should ensure to abide by the standards applicable to **Social Accountability 8000 (SA-8000)**.

ETHICS IN CORPORATIONS

Ethical values in corporation are an inseparable part of sustainable development. Utilitarian rule on ethics preaches the gospel of best action, provides the best for most people. John D Rockefeller, Jr. says '**Every right implies a responsibility, every opportunity an obligation, every possession a duty**'. (Kotler and Lee, 2005) Corporate governance enforced in the UK's revised combined code took to effect from 1st November 2003; company law reforms fortified the codes. (Knell, 2006) The UK government and London Stock Exchange are pushing sweeping reforms in the combined code and company laws. They have made CSR stringently applicable in the business created in the corporations.

CSR ESSENTIALLY IS A THEORY

It is regarding what the company has actually done, good or bad, wrong or right, smart or ugly. It is in terms of the companies' products and services, in terms of its impact on the environment and on local communities. It is about how it treats and develops its associated workforce. In fact, out of the stakeholders of various kinds, predominantly it focuses on financial performance and quality of management. Incidentally the above two aspects are taken mainly as indicators; for anticipating future performance.

PROMINENCE OF CSR

Increase in the prominence of CSR is possible due to the interest of governments worldwide to restrain cut-throat privatization. European commission formally commented and OECD's guidelines designed for multinational enterprises became a tool for promoting CSR. (Valasquez, 2005) CSR is appreciated, endorsed and recognized at the UN headquarters, UN agencies and World Bank.

In Britain, since 2005 there is a minister especially with the responsibility for CSR. Incidentally the British CSR quoted companies will have to publish the operating and financial reviews highlighting the balance-sheet. However, the US doesn't give that much of attention to CSR and empirically focuses on corporate governance. This attitude of US makes it isolated from the countries around the globe in the scale of

economies. (Knell, 2006) Government's imposition of CSR and companies incorporating government are few issues which are obvious to the business climate.

CSR HAS MAINLY TWO DRIVERS

CSR has mainly 'two drivers' to steer the process in the path of execution. These two are broad based and accurately analysed directions. (Kotler and Lee, 2005) They might not be poignantly fitted but in the macro aspect they shall do so. These two can be elucidated below.

Primarily, it could be a globalization debate, a march for the global Salvationist consensus. It can draw much of its strength, prowess and power from the stubborn arguments, noble ideas and firebrand logic. It is about the multinational business players overpowering the governments of the nation-states.

The 'second driver' of CSR exerts arguments with the idea of government and public opinion. (Kelley, 2001) Being expressed can ensure sustainable development through accomplishment of the business goals. In tune with the goal of the nation, business can contribute appropriately and immensely. Many a time in British American Tobacco Company, both the aspects are taken up.

The only way companies become bigger than countries are by comparing sales with gross domestic product. It is essentially a measure of added value. Bangladesh which ranks about 50th by GDP is actually bigger than General Motors. SAIL and BP are at 61 and 62 respectively, if measured correctly. This is a value proposition for debates to continue and shall combat philosophies.

SUSTAINABLE CORPORATE SOCIAL RESPONSIBILITY

The globalization process in business is galloping at an unbridled speed; seamlessly moving into the world of statesmanship. Any business can sustain through the application of corporate social responsibility and accountability. It has for the employees, consumers and the ultimate stakeholders. (Pound, 2000) It is bestowed with a comparative sense of care and caution.

Goals designed by the business houses for grappling with competition have to mould itself in the track of sustainable growth and development. Sustainable development is fundamentally significant for the nation to achieve its ultimate goal. (Kotler and Lee, 2005) It is ultimately paramount for government agencies worldwide and across the frontiers of nations; dotting the planets of civilization. Businesses create values by enhancing the attribute of the product and services and contribute to help and achieve the equitable margin for the stakeholders. They largely contribute to the economic welfare, stimulate innovation, wealth creation and ensure better living conditions.

SUSTAINABLE DEVELOPMENT

Sustainable Development is a universal phenomenon and is ardently wide-ranging in its vistas. (Kelley, 2001) The modern management in its path for creating value-chain has reposed faith in addressing the cumbersome issues through partnership and custom-marrigisation. It absolutely intends to contribute to the welfare of the society at large. Teaching a retailer the evils of youth smoking to prevent the menace of tobacco smoking is paradoxical to the processes of business. Yet, the social responsibility of a retailer is important for educating the end-customers. The process requires partnership approach to create balanced solutions to public smoking to banish the smoke.

CSR IN TOBACCO INDUSTRY IS A CONTRADICTION

CSR is of particular importance for the Tobacco industry. The word 'Tobacco' and 'responsibility' cannot appropriately stand hand in hand. (Kotler and Lee, 2005) In order to create corporate reputation; companies in the 'gambling industry' also advantage out for positioning the name of the company. Sharp US regulators have been dodged by some US companies. Similarly Harrah's Entertainment in US managed to forge good reputation and in that case why cannot tobacco make a name for it self. Modus operandi of execution can be need based and oriented to situational context. As a matter of fact, Harrah's Entertainment as a company 'refuses to award welfare benefits' but 'guides the compulsive gamblers and addicts to 'Helpline' for counselling'. It also discourages youngsters from gambling. (Kelley, 2001) The paradox of CSR in this controversial business can be relevant for 'trapping irrelevant people' for philanthropy.

British American Tobacco (BAT) is gaining momentum in business continuously unchecked. It became a free-standing tobacco company in 1998 at a recognized pace. It became just because the business was relatively of low value, and didn't seem to be sustainable. Businesses that are sustainable have to be high-value and of everybody's concern. (Valasquez, 2005) The challenge is to balance our commercial objectives with a reasonable and logical expectation and lookout of the society. This process is constructive and is to bring the outside in. It has to be consistent with our communication that we promote. If the organization cross-promotes, say something and do something else, company's image and reputation will be jeopardized.

DIFFERENT DEFINITIONS OF CSR IN DIFFERENT COUNTRIES: EUROPE IS UNIQUE

CSR is defined in Ghana as the 'Capacity building for sustainable livelihoods which respects cultural differences and finds the business opportunities in building the skills of employees, the community and the government'. In Philippines it is defined as the 'Business of giving back to society'.

In fact, the European model adopted by BAT is much more focused and it lay stress on the operational aspects of core business; in a socially responsible way. It advocate, complement and facilitates by making philanthropy, help lines and investment in communities, bounded by the all round business forces. (Pound, 2000) This European model adopted by BAT is more sustainable because, herein 'social responsibility' becomes an integral part of the process of wealth creation. It adopt process driven modalities to exploit the available opportunities by creating a value chain (Valasquez, 2005). The cardinal believes is that, if this gets managed properly; it shall enhance competitiveness of business and maximise the vital core values for creating wealth in the society. It therefore, becomes a boon, impetus and incentive to the practice of CSR in BAT.

The BAT-CSR process is being based on the collective activities of communities; of human beings. Having 180 companies across the globe; there is no 'single size that fits all'. It is because of that reason in different countries, there will be different priorities, and the values of that country shape the business.

SOCIAL ISSUES DEVELOPING

Pacing social issues are evolving with changes in the social texture. CSR orientation commensurate with industry specific approaches, and corporate ethics in alignment with the social issues of development. BAT has ethical values quite poignant and has to abide by the scope of social marketing plans. (Kotler and Lee, 2005) Incessant pressure on business; for playing a role in the social issues are continually growing due

to privatization euphoria. (Kelley, 2001) Social actors are actively operating. Over a decade it has been seen that, the organisations which are growing in power, penetration and influence; have been operating effectively in the global sphere.

The corporate like BAT which are predominantly tied to the nation state are finding themselves increasingly adapting to the national agenda, police and judiciary. (Valasquez, 2005) Over the years, it has been seen that, there is a growing interest in businesses players for taking lead in addressing those issues of national government. (Knell, 2006) The focus of Unilever in supporting a sustainable fisheries approach is one such example of the kind.

EXTERNAL CRITICISMS: NEWS PAPER HIGHLIGHTS ON CSR OF BAT

BAT has been commented by many news papers, magazines, press and critics in manifold ways. Corporate governance and ethics are most important angle to adjudge a company's concern for the people and society, apart from business. Corporation not abiding by the standpoints of human values are criticized for their avarice and greed for profits. (Kotler and Lee, 2005) Developed nation like UK has provided a set of values for making the corporations responsible for human welfare. In fact, violation of the rules, concern for people and various derelictions are ventilated by the press, from time to time; to enable the organizations take up corrective measures. Few of the captions which are connoting worthy are being given below. (Knell, 2006) They have in a way highlighted the quintessence of the ethical properties of companies and the adopted value systems. The news items are mainly:

"British American Tobacco under fire for practices in Africa", "Nigeria: British American Tobacco faces accusations of targeting the young", "US: Tobacco firms lose lawsuit on fraud", "Canada: Imperial Tobacco accused of involvement in smuggling", "British American Tobacco gives up on Burma", "South Africa: BAT donation controversy for Cape Town University", "Australia: Government to intervene in British American Tobacco case", "British American Tobacco pressured to withdraw from Uzbekistan", "British American Tobacco under human rights pressure", "British American Tobacco pursuing the dream of low-risk tobacco:"

UNPRECEDENTED MASTER SETTLEMENT AGREEMENT AT USA: ETHICS WATCH

Manipulations, decoy PR and duping advertisements are unethical. (Pound, 2000) The Master Settlement Agreement signed in 1998 at USA by all US tobacco companies and BAT's then subsidiary B&W to not to become involved in science manipulation, underhand PR and lobbying activities have been historic an agreement. BAT presently sold B&W to RJ Reynolds, and feel that it is not required to abide by the rules agreed earlier (Kelley, 2001).

BAT FRAUDULENT CAMPAIGN BY UNIVERSITY RESEARCH FUNDING

BAT deployed millions of pounds for funding university grants to research. It was to back the sensational issues relating to 'genetic predisposition'. It argues with the logic that; certain people are vulnerable to lung cancer than other people; because of 'bad genes'. 2004 unfolded that it the design of BAT. The environmental group named as 'Gene Watch' had confirmed BAT the reason of 'bad genes'. (Kotler and Lee, 2005) This was the BAT's biggest university project in the 1990s. Being ordered three times by U.S. District Court of Columbia to release the 1990 memorandum, BAT refused legally. This 'Foyle memorandum' by the British lawyer signifies the 'document retention policy' of the company.

In one other case, U.S. government lawyers contend that it contains evidence of BAT and associated tobacco companies 'took steps to destroy, suppress or otherwise shield the internal research documents relating to smoking and health'. U.S. in the government was employing the document for a \$280 billion lawsuit against big tobacco, alleging tobacco companies for having defrauded the public by hedging health risks of smoking for five decades and above'.

BAT'S PLANT IN NORTH KOREA: A SECRET BUSTED

It was reported that BAT, the second biggest cigarette company in the world, has been secretly operating factory in North Korea for four years. This report was hosted in 'The Guardian', which was mentioned in the annual accounts. At that point of time, North Korea's human rights violation; on the torture and execution of detainees, Amnesty International commented on the 'basic absences of political freedom' in North Korea. (Pound, 2000) BAT's reluctance to intervention in the governments though look unethical, being a partner in business, BAT was accused for the lack of social responsibility. He was thought to be 'lead by example' by promulgating and international corporate social responsibility. This complicated the political life Kenneth Clarke's candidacy, as a British politician; to head the Conservative Party because, Clarke worked in BAT in 1998, by chairing corporate social responsibility committee. BAT confessed that Clarke was aware regarding the North Korean factory.

BAT'S BUTT LITTERING CAMPAIGN IN AUSTRALIAN

An organisation named 'Butt Littering Trust' (BLT) was funded substantially by BAT for organising a battery of education campaigns to clean cigarette butts and build awareness. (Kotler and Lee, 2005) It made partnership with few local councils for the campaign. BLT declares that it is an independent organisation, and has volunteered the cause having no reference to BAT Australia. Irony of the incident is that, the main sponsor was Mr. Valerie Ritchie, the Head of Public Relations at BAT Australia, a board trustee. Similarly, 'North Sydney Council' (NSC) started an anti-littering campaign; partially funded by BAT Australia via NSC. This campaign was engaging protesters clad in dresses portraying marine animals threatened by cigarette butt pollution. They eventually approached smokers in the streets. Members of the protesters were asked to fill in questionnaires said, 'The Herald'.

CSR OF BAT AT BURMA

British American Tobacco (BAT) launched the 2nd corporate social responsibility report. In doing this Chairman Mr. Martin Broughton vented his companies 'rancour' against the UK government for urging the company to withdraw from Burma. BAT has been under huge pressure, for being the last UK Company to remain presence in Burma, ever since the arrest of the opposition leader-AungSanSuuKy. Mr. Martin Broughton said that the BAT is still looking in to the formal request by the government to retreat and go back. Government later on decided to take it on to itself. Many companies are becoming responsible for human rights in workplace and territory of activities. (Kotler and Lee, 2005) Matters of 'Macro Human Rights Issues' are the matter of concern for the Governments.

BAT'S CSR REPORTS

BAT's first CSR report was launched and was being awarded ACCA's 'Best First Time Reporter' award. All CSR report covers all round aspects of the company's approach to product responsibility, supply chain management, environment and workplace. It reveals the company's broad framework for corporate social responsibility. CSR report is produced in collaboration with the Institute for Business Ethics (Pound, 2000).

British American Tobacco in 2004 sponsored its first Corporate Social Responsibility Conference in Kuwait. British American Tobacco announced its sponsorship and participation on the social responsibilities of companies and corporations. It was organized by 'Multaq Media Group' in cooperation with TRACCS Public Relations Network; supported by UNDP.

CSR SOCIAL REPORTING AND COMMUNICATION PROCESS

CSR of BAT is a world repute phenomenon. It is doing social work on many of the necessary divisions of social concern. Areas of voluntary actions are spontaneous to the place specific and are varied in nature. (Holtz, 2007) The aspects that have been dealt in the CSR of BAT are important for the company to implement. They have been elucidated below and explained on the requirement.

BAT COMMUNICATION AND ADVERTISEMENTS FOR GENERATING TRUST

In order to promote BAT, the company developed 'myth-dispelling website' with a dialogue facility for an approach to CSR. (Csorba, 2006) In order to trust the company, stakeholders were invited to lodge themselves in a dialogue process. Stakeholders relied on the process created for interaction with the company folks. The process was verified by Bureau Veritas, a consulting organization of world repute. BAT website was 'ranked as the best' in the FTSE by a leading independent surveyor. (Kotler and Lee, 2005) This candour, simplicity and initiative prompted the organization to access for maintaining an international marketing standard. Advertisements were to appear in printed publication where 75% of the readership is adults and are not influenced by smoking. BAT voluntarily withdrew from TV and radio in different parts of the world where it was still permitted; and also from Formula One sponsorship.

BUSINESS PRINCIPLES, COMMUNICATION AND BUSINESS ETHICS

Eventually surprising questions, interviews and rounds of dialogues are being faced by British American Tobacco (BAT) on the basic principles. Slowly, BAT developed an explicit set of business principles to promote and protect its own interest for observing business ethics (Holtz, 2007). Stakeholders essentially do not bother about the views on effects of smoking on health and who produces the product.

The basic principles of British American Tobacco were could be mutual benefit, responsible product stewardship and good corporate conduct (Csorba, 2006). It can be a corporate credo for the modern version of the company (Pound, 2000). BAT has created governance system at local, regional and PLC level and has created main-board

CSR SOCIAL REPORTING PROCESS

BAT's dialogue process with various partners in the value chain; starting with retails. They are being questioned through the social reporting process. It is taken up by the company through the PLC level and in the 37 market places covering two-thirds of sales volume of the company (Kelley, 2001). People from tobacco control associations and public health communities and stakeholders' groups have taken part in the countrywide campaign. Despite the prerogative of the government BAT had to face the pressure groups revolting, articulate and save the public's minds effectively. Pressure groups influence more than the government on the license to operate.

FORMAL LEVEL RESPONSIBILITY

British American Tobacco (BAT) as an integral part of the strategy is showing responsibility at the formal level. The formal levels are building shareholders value, growth, and productivity as a winning organization (Holtz, 2007). Research reveals that 80% of UK investors in 2007 believe that BAT is committed to Corporate Social Responsibility and 70% thought that BAT is making some progress. PLC committee level has a framework for corporate social responsibility (Pound, 2000).

CSR AND EMPLOYEES WELFARE AT BAT

EMPLOYEES OF BAT ON CSR

Corporate and Regulatory Affairs Manager Northern, Gulf Eric Jones said, 'Social Responsibility as a concern is a part of BAT's strategy and plan. It has been so for quite some time. It aims at reinforcing company's social role that it plays in different countries worldwide. Social responsibility is not only considered as an inseparable part of the Company's strategy; but lies on top of its priorities. It is treated as paramount during planning and formulating strategies'. Employees confirm that there are principles and values which the Company adopts as a part of its 'social responsibility' (Holtz, 2007). It includes combating underage smoking, environmental protection, fighting against child employment. BAT has executed since last few years; a number of joint projects; with a number of entities to confirm and deepen the concept of social responsibility. Program with Kuwaiti Teachers' Association entailed a huge campaign against juvenile smoking.

WHAT EMPLOYEES FEEL

Perception and feeling of employees on the business is essential for internal marketing and enhancing CSR values. (Holtz, 2007) The employees acclaim the commendable contribution of BAT to transparency upholding the ethos of CSR. They boast of the confidence and pride of answering the legitimate concerns to the questions which are often concealed as an anti-business agenda. It includes the core of the fiscal implications relating to the vital aspect of sustainable development.

BIODIVERSITY PARTNERSHIP IN CSR

BAT engages social organisations for the preservation of bio-diversity, flora and fauna. This acclaimed process of persuasion shall produce tangible outcomes for the society to believe in the company.

BIODIVERSITY PARTNERSHIP

Biodiversity partnership involves four conservation NGOs namely Earth Watch Europe, Fauna and Flora International, the Royal Botanic Gardens, Kew and the Tropical Biology Association. They contribute immensely in multi-pronged ways to the biodiversity by virtue of a host of programs like flower Valley Conservation Trust in South Africa.

ELIMINATING CHILD LABOUR

In order to eliminate child labour, the Eliminating Child Labour in Tobacco Growing Foundation was established with International Tobacco Growers Association, the trade unions and the leading tobacco companies.

CANADA TOBACCO CONSUMERS

Moreover, five million tobacco consumers of Canada have been ignored in the regulations and are being helped for a new online smokers' association by BAT. Consumers as citizens and taxpayers can alert themselves. Though UK retailers are a major voice in appealing for legal actions on illegal trade, they invariably support for the programs.

BAT's biodiversity partnership and eliminating child-labour in tobacco growing fields are exemplary in the domain of Corporate Social Responsibility (Kelley, 2001). Both the aspects have been elucidated below on the context.

COMMENDABLE ACHIEVEMENT OF BRITISH AMERICAN TOBACCO (BAT)

British American Tobacco (BAT) is the world's noted international Tobacco group. It is the second largest stock market listed tobacco group by global market share. They essentially hold strong market positions around the world; and have leadership dominance in over 50 markets, with over 300 brands in the portfolio. BAT aims to enforce CSR through the method of constructive dialogue with stakeholders. It ensures reinforcement of the principles of corporate social responsibility in BAT; throughout the British American Tobacco Group. (Kotler and Lee, 2005) It intends to be recognized as a responsible company in the industry. It is seen as controversial company preaching charity. In the GCC, BAT is the second biggest tobacco company with a market share of 27 percent. It has the best of the brands like Dunhill, Kent, Rothmans and John Player Gold Leaf.

ACCLAIMED PRIZES OF BAT FOR CSR

BAT was awarded with a number of commendable prizes to commemorate the quality of its CSR work. For BAT to adopt; Corporate Social Responsibility was a commitment to improve community wellbeing through discretionary business practices and contribution of corporate resources. BAT took up various initiatives for the upliftment of the people. Corporate Social initiatives are the major activities undertaken by BAT as a corporation to support the social causes and to fulfil commitments to Corporate Social Responsibility. (Kelley, 2001) BAT was recognised for the yeomen service rendered.

BAT was awarded with '**Price Waterhouse Cooper Building Public Trust Award**' for 'Stakeholders' Communications' and the 'Electronic Media Category' in the 'Sustainability Reporting Awards' run by the 'UK Association of Chartered Certified Accountants' and was awarded the 'Best First Time Social Report' in 2006.

In 2004, 2005 and 2006 BAT was in the premier league of companies scoring more than 95% in the business in the community index of corporate environmental performance and engagement. BAT is the first tobacco company which was listed in the '**Dow Jones Sustainability World Index**', and has been winning since last three successive years. Price Waterhouse Coopers Building Public Trust commented in its report on corporate governance and executive remuneration in the 2006 annual report calling BAT 'Bold and Innovative' (Valasquez, 2005).

CSR of BAT is a journey for keeping the company sustainable and bringing change in the government for building bridges with the private players.

WORRYING NOTIONS AND PARADOX OF COMPANIES

Can companies become capable of resolving the world's most concerned social and environmental problems that are offing? The views that emanate from the business houses from the aspects of social development are imperatively to look to be philanthropic. Some critics say that, British American Tobacco has the motive of making money and incorporates CSR to make more money (Kneil, 2006).

Additionally, BAT as a company provides and contributes enough to the sustainable development and ensures that their own businesses are sustainable. CSR is the way to sustainable future because it helped to align the population with the society's expectation. (Kelley, 2001) It enhanced competitiveness, built reputation and integrated risk-management comprehending the path to business. British American Tobacco believes in an ideology quite close to the essence of business for the sake of business.

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