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Reconciling profit and social development in Osigwe Anyiam-Osigwe's business ethics

Adebola B. Ekanola

Department of Philosophy, University of Ibadan, Ibadan, Nigeria. E-mail: debekanl@yahoo.com.

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The idea of corporate social responsibility (CSR) emerged to reconcile the apparent tension between the primary objective of business industry which is profit maximization and the essential goal of the economic system, of which corporations is a component, which includes sustainable economic growth and sustainable social development, interpreted as the enhancement of the wellbeing of members of society. This paper examines how the tension described above can be reconciled from the perspective of an African sage philosopher, Osigwe Anyiam-Osigwe. The paper argues in line with Anyiam-Osigwe's cosmopolitan ideal that business corporations, as a key player in the economic sector, should transcend the "subjective or personal" and "limited vision and perception" of profit maximization as their ultimate objective and mediate their activities with an adequate consideration for the growth of the economic sector and sustainable social development.

Key words: Business, global economic order, Osigwe Anyiam-Osigwe, profit, social development, social responsibility.

WHAT IS BUSINESS?

The word business is quite ambiguous. In its ordinary and most general usage, the term connotes what an individual or entity is concerned with or interested in. It implies a state of being busy carrying out an activity (Hornby, 2000: 170). However, it is often employed within the realm of economic discourse to denote either any activity that involves the provision of goods or services to consumers with the ultimate goal of earning a livelihood or profit. Alternatively, the term, business, might refer to an organization which engages in such activities. In the contemporary global economic order, which is predominantly capitalist in orientation, business is mostly privately owned and formed, primarily, to earn profit (Karaibrahimoglu, 2010: 383) that will increase the wealth of its owners and grow the business itself. Thus, the major objective of the owners and operators of business is the receipt or generation of a financial return, called profit, in exchange for work and acceptance of risk. This is what distinguishes business, properly called, from such organizations as cooperative enterprises and state owned enterprises that have alternative or additional goals aside from maximizing or turning a profit.

TRANSNATIONAL CORPORATIONS

Today, there are different forms of business organizations, but the one that is most prominent is the transnational business corporations (TNCs). They are defined basically in terms of the fact that their operations transcend national boundaries to cover several nations. This form of business organizations emerged as a result of internal developments in the capitalist economic order. An important aspect of this is described by Marx as the process of "the concentration and centralization of the capital" (Heilbroner, 1980: 124). It is the process by which giant companies become the typical operational units of mature capitalism, as successful businesses generate additional capital from their sales and also acquire the assets of weaker competitors during periods of crisis. As businesses compete for the factors of production and also markets for their finished goods and services, they struggle to expand their activities beyond national boundaries, with this resulting in the internationalization of capital (Heilbroner, 1980: 132-133). The existence of transnational corporations confirms Karl Marx's prediction

that capitalist business entities would eventually take up a transnational structure as they competitively seek for new sources of the means of production and new markets for their products.

THE STATE AND THE GLOBAL CAPITALIST ECONOMIC ORDER

Traditionally, the state was construed as sovereign, having complete control over the entire internal affairs in its area of jurisdiction. This includes the political, economic, legal and every other sphere of social existence. The state was meant to facilitate sustainable social development in its territory, with this now understood, in the final analysis, as a complex of increase in GNP per capita, the level of life expectancy, access to education, health care, housing, sanitation, drinking water and food (UNDP, 1997: 142-143).

However, with the global expansion of capitalism through the activities of transnational corporations, the global economic order began to take its present shape of a well knitted integration of virtually all the national economies of the world (De Rivero, 2001: 25-26).

Indeed, "today, the greater part of the goods, services, financial transactions, entertainment and publications is produced by transnational enterprises" (De Rivero, 2001: 25-26). States no longer have a sovereign control over national economies as the activities and decisions of transnational corporations taken outside national territories define not only the economic condition but also the general social condition prevalent in virtually all nations (De Rivero 2001: 26-27).

Through the process of globalisation and the operation of the free-market principles, which require states to withdraw from core economic activities through the processes of deregulation, privatization and commercialization, states have greatly lost control of their national economies. A key aspect of this process that has weakened the influence of the state in economic and developmental matters is the globalisation of the financial world. With this, "the destiny of many national economies and culture is being determined not in government offices or parliaments, but in the international financial markets of New York, Chicago, London, Singapore, Hong Kong, Tokyo, Frankfurt or Paris, and in the boardrooms of the transnational corporations" (De Rivero, 2001: 46).

THE CURRENT GLOBAL ECONOMIC CRISIS AND THE JETTISONING OF THE PRINCIPLE OF THE FREE MARKET

As is evident in the present global economic crisis, events that occur in a specific national economy consequent of the decisions or actions of transnational corporations have ripple effects, sending shock waves through all the national economies of the world, with the state left largely helpless. The case of the collapse of Lehman Brothers on 15 September, 2009 in the U.S.A is

a very good example. It can be rightly described as the gong that marked the effective commencement of the current global economic crisis. With the bankruptcy of this financial institution came a financial panic that threatened to shatter the global economic order. This was, in turn, followed by an unprecedentedly expensive effort by governments on both sides of the Atlantic to stabilize their national economies and also the global economy.

It must be noted that efforts by many of the governments of the nations of the world to mediate the global economic crisis involve the jettisoning of the capitalist core principle of the unfettered market. Nonetheless, these efforts are consistent with what Alam et al. (2010: 773) describe as the business of the state, which is to ensure the well being of its citizens through the provision of the five fundamentals: food, cloth, shelter, education and health care.

For instance, in an attempt to remain faithful to the business of the state, President Bush in December, 2008, paradoxically affirmed, "I have abandoned free-market principles to save the free-market system" as trillions of taxpayer dollars was approved by different governments in different parts of the world as handouts, loans and guarantees to save the world's largest financial institutions, major corporations from collapsing and reduce the overall negative effect of the economic crisis on citizens. This is indicative of the fact that at least some of the principles guiding the operations of businesses within the capitalist system are flawed, especially if we are to take into consideration the wellbeing of the national or global economy of which business entities constitute an important component.

THE IDEA OF CSR

The issue of social responsibility within the context of business emerged in the USA in the early 20th century (Yang et al., 2010: 406) and has, since then, been receiving increasing attention from various quarters (Karaibrahimoglu, 2010: 382). Karaibrahimoglu rightly observes that issues pertaining to CSR are usually given increased attention in times of economic crisis (2010:

385) and the present period of global economic crisis is no exception. CSR relates to the obligation of business entities and corporate officials to carry out their operations in ways that would maximize their positive impacts and minimize their negative impacts in society (Ferrell et al., 2000: 71). This might be looked at from four perspectives that overlap in some key ways: legal, ethical, economic and philanthropic. The legal dimension of the social responsibility of business entities and their officials consists in their obedience to all the relevant laws and regulations duly established by government to set a minimum standard for responsible behaviour. Indeed, no serious contention can arise over whether or not businesses should conform to legal demands that have

been duly formulated. The prevalent expectation is that business organisations have a responsibility to abide by the demands of the law.

The ethical dimension of social responsibility is informed by the social standards, the norms or expectations reflecting the prevalent concern of major stakeholders in business. These stakeholders include all that are affected, directly or otherwise, by business activities: consumers, employees, suppliers, shareholders and community. Usually, the ethical dimension of the social responsibility of business relates to questions about what moral responsibilities business entities have and also what is morally fair or just in the relationship between business and stakeholders.

The economic aspect of the social responsibility of business, traditionally speaking, is concerned more directly with how resources for production are managed in order to maximize the owners' or shareholders' value or wealth. It is in this regard that it is stressed that the only social responsibility that business has is to make profit. The philanthropic perspective is about the extent to which businesses should contribute to the welfare of society. This is often discussed, for example, in terms of charitable donations and contributions towards such ventures as the improvement of healthcare service delivery and education.

Practically speaking, however, these four dimensions of the social responsibility of business cannot be distinguished in a rigid manner. In the final analysis, they are all about how the decisions and activities of business entities affect social wellbeing, the extent to which and how businesses should pursue social wellbeing. It is in this regard that the issue of the social responsibility of business is marked by a general controversy between those who affirm and those who deny that business has a social responsibility beyond the economic responsibility of managing the resources of production in ways that profit would be maximized for the owners of business. Commenting on this debate, Milton Friedman rightly observes that there is an increasing acceptance that business and its officials have social responsibilities beyond the profit making interest of the owners of business (1988: 349). However, this opinion reveals a fundamental misconception of the nature of a free economy in which the only social responsibility of business is to use its resources and engage in activities that will increase its profits "so long as it stays within the rules of the game, which is to say, engages in open and free competition, without fraud or deception" (Friedman, 1988: 349).

This line of argument is quite prominent among business owners, who maintain that issues of social development are the legitimate concern of government. Indeed, various arguments have been presented in an attempt to establish that much of the social concerns that are raised in the discourse on the social responsibility of business should be and are best left for governments to

handle (Freidman, 1998: 246-251, Smith, 1998: 252-257). The irony of this position, however, is that as business entities, especially the TNCs, enjoy increasing global powers and influence, and as the socio-economic powers of government is being eroded within the global capitalist order, business corporations remain quite reluctant to assume international responsibilities, even with regard to the problems generated consequent of their global negotiations and activities (De Rivero, 2001: 51).

A scrutiny of these contentious social concerns, at least from the moral perspective, would suggest that they are issues which, ordinarily speaking, any responsible social institution or member of society ought to be concerned about and be willing to attend to as much as is reasonably possible. Hence, a question that should be asked amidst the debate over the social responsibility of business is: why do critics of the idea of CSR deny that business has any social responsibility beyond profit maximization for its owners? This question becomes more pertinent if we consider two facts: First is that business entities, through their activities, generate or at least complicate much of these social problems. For instance, "they frequently generate unemployment, cause environmental damage or depend on complicity with oppressive regimes" (De Rivero, 2001: 52). At least, the blame of the current global economic crisis, along with all its attendant socio-political and socio-economic complications can be laid squarely at the feet of a number of business (financial) corporations.

The second consideration is that government, as it exists today within the context of the global capitalist economic order, has lost much of its traditional powers and is today handicapped to directly address some of the relevant social concerns without compromising the ideal of the free-market system. Today, in remaining faithful to the capitalist ideal of the free market system, there is the quest to minimize governmental involvement in the economic sector and any insistence that government should undertake certain socio-economic responsibilities might be inconsistent with the free-market principle as it would necessitate an increased activity of government in the economic sector. This would amount to a move away from capitalism and towards socialism. Former president Bush recognized this given his remark, earlier referred to in this paper, that in an attempt to facilitate a resolution of the global economic crisis, he abandoned the free-market principles through governmental intervention.

TENSION BETWEEN PROFIT MAXIMIZATION AND SOCIAL DEVELOPMENT

Finding an answer to the question on why there is the denial of any business social responsibility beyond profit maximization requires that we understand the tension between the quest for profit maximization by business

and the demand to be socially responsible in ways that would facilitate an overall improvement in the wellbeing of all stakeholders in society. To start with, it is common understanding that people engage in business activities primarily to make money and “will do anything that has to be done to make money. That is the name of the game. That’s what business is really all about” (Primeaux, 1998: 259) . Hence, business is “structured, people are hired, jobs are described, managers are held accountable, raw materials are acquired and technology engaged” (Primeaux, 1998: 259) in ways that would ensure that profit is effectively maximized. Everyone and everything in a business organization is to be directed by and also expected to conform to the demands of profit maximization.

However, today, business organizations are also expected to respond positively to the demands of CSR by attempting to resolve the contemporary social problems of “pollution, adequate wages and benefits, safe, even pleasant working conditions, non-discriminatory personnel policies backed by appropriate recruitment, training and even retaining programs, careful husbanding of non-renewable resources, honest, informative advertising, production of safe and durable products” (Camenisch, 1998: 92). This presents a complication for business as being socially responsible often involves the expenditure of additional funds that would erode profits, which as far as business is concerned, it has a fundamental responsibility to maximize.

Critics present the relationship between the quest for profit by business and the demand that it should enhance social development by being socially responsible as one of acute tension that could hardly be reconciled. They contend that any considerations of issues pertaining to social development by business entities “results in a deliberate sacrifice of profits or muddies the process of corporate decision making so as to impair profitability”, which, according to them business is all about (Smith, 1998: 252). Hence, business entities are usually reluctant to respond to matters of social development as required of them by the ideals of CSR simply because they often see doing so as eroding into the core of their very essence and reason for existence profit.

Other arguments have been presented by critics of the idea of CSR to justify the reluctance of business to use its resources in pursuit of social development. Some are discussed by Smith (1998: 252) under the themes: competitive disadvantage, competence, fairness and legitimacy. Nonetheless, for the immediate purpose, this paper focuses on only issues bearing direct relation to the question of profit.

RECONCILING PROFIT AND SOCIAL DEVELOPMENT

There have been various attempts to show that the quest to maximize profit is not necessarily incompatible with the

demand on corporate organizations to pursue projects of social development. One of these attempts, that is quite convincing, thrives on two important distinctions: First is the distinction to be made between profit in the short term and profit in the long term (Karaibrahimoglu, 2010: 384). Although it might appear to be more profitable, in the short term, for businesses to ignore issues of social development, but addressing these issues are more likely to enhance the reputation of a business entity (Yang et al., 2010: 406) and in the final analysis deliver greater and more sustainable profits in the long term. Indeed, the global reality today is such that factors like unemployment, financial speculation, currency fluctuation, poverty, and environmental disasters that predispose people to violence are becoming more prevalent, especially in developing countries with dire consequences on global peace and stability.

Unless these factors are positively addressed, the global society would become increasingly more insecure and unfavourable for the prosperity of business. As such, business, especially “TNCs should attend to the problems that threaten social stability and peace in order to guarantee the stable order required for their continued existence and prosperity. At least, the principle of enlightened self interest or prudence requires TNCs to promote those social conditions that are favourable to the pursuit of their preservation and flourishing” (Ekanola, 2006:287).

The second distinction is between the profit of individual businesses on one hand and the wellbeing of the entire economic system of which businesses constitute a very important component. This distinction, in turn, depends on the mutually reinforcing relationship between specific businesses, the corporate sector and the economic sector as a whole. The widely acclaimed primary goal of business, as we have stated repeatedly, is to maximize profit, but to effectively do this, without any element of force or fraud, it must effectively meet the specific needs of its customers. The satisfaction of these needs through an efficient production and distribution of goods and services is, truly speaking, the ultimate end of any economic system, be it mixed, socialist or capitalist. Thus, business entities along with their officials must come to terms with the fact that the quest for corporate profit would only be effective and sustainable if they effectively meet human needs which, in the final analysis, is all that issues of social development are about: to ensure that society along with all its social institutions are structured in such a way that human needs are met and human wellbeing is enhanced.

From another perspective, the position that businesses should have no social responsibility beyond profit ignores the very important fact that their prospect of flourishing and making profit is largely determined by the flourishing of the economic system as a whole. The case of the current global economic crisis is again instructive as practically all businesses have suffered, albeit, to

different degrees from the decadence of the global economy. Many companies have recorded a colossal loss with some driven to bankruptcy. Hence, it should be evident to all that the fortune of specific business entities is intricately tied to the wellbeing of not only the entire economic system, but of society as a whole.

RECONCILING PROFIT AND SOCIAL DEVELOPMENT: ANYIAM-OSIGWE'S COSMOPOLITAN IDEAL

Emmanuel Onyechere Osigwe Anyiam-Osigwe was a businessman, philanthropist, politician and sage philosopher of the Igbo extraction, from Ukwuniyi village in Nkwerre in present-day Imo State of Nigeria. He evolved a holistic conception of life which stands on three essential pillars: development of personal values, personal awareness and self mastery; enhancement of socio-political existence and order; economic existence, awareness and responsibility (Ekanola, 2009: 135).

Data on his philosophical positions are largely derived from his original manuscripts as he had no publications prior to his death. However, the Osigwe Anyiam-Osigwe Foundation, Lagos, instituted after his death, has published several of his philosophical speculations in some of its proceedings (Anyiam-Osigwe, 2002, Anyiam-Osigwe, 2004, Anyiam -Osigwe, 2005). Two texts have also been published by the Department of Philosophy on the Osigwe Anyiam-Osigwe Development Philosophy (Oladipo and Ekanola, 2009a, and Oladipo and Ekanola, 2009b).

A careful scrutiny of these texts reveals that Anyiam-Osigwe has a clear ethical position on business, especially as it relates to the supposed tension between profit and social development. This is derived from his general ethical position that moral issues do not begin with social institutions but with individuals, hence his conviction that the very first pillar for a holistic social development is the cultivation of appropriate personal values, personal awareness and self mastery (Ekanola, 2009a: 140). In this regard, it can be said of him that he is in agreement with the position advocated by John Maxwell that a state, business entity or even a family can only prosper on a foundation of moral character, which does not start with the social organization itself but with the individuals that constitute it (2003: 16).

However, while Maxwell advocates the golden rule of morality as the principle that should guide every aspect of life, including business, Anyiam-Osigwe advocates an ethical principle that is cosmopolitan in that it emphasises the overall wellbeing of society, and considers this as providing the context within which all kinds of individual interests, including the profit maximizing interest of business entities, could be effectively enhanced. His position on the relationship between the pursuit of profit and social development is given expression in the corporate philosophy of the Anyiam-Osigwe Group of

Companies. This philosophy holds that beyond profit maximization and increase in shareholders wealth, its corporate goals include giving due attention to the resolution of the problems of poverty, ignorance, neglect and corruption and contributing to the upliftment and welfare of the average individual not only in per capita terms but also in terms of spiritual and moral values (Anyiam-Osigwe, 2007:23).

For Anyiam-Osigwe, all stakeholders in society should adopt the cosmopolitan mind-set for the global society to overcome all social contradictions and develop in a sustainable manner. He contends that "the global eradication of ignorance and poverty, the attainment of holistic development for all humanity, requires the cosmopolitan expression of the group mind principle" (Anyiam-Osigwe, 2002: 8). His idea of cosmopolitanism advances the enormous advantage of community among men irrespective of all prejudicial considerations (Anyiam-Osigwe, 2002: 52). He conceives of a cosmopolitan as "one who conducts himself/herself without the limiting prejudice of religion, culture, demography or any subjective or personal interest that is not integral to the ideals of the common good and collective will of the human community" (Anyiam-Osigwe, 2002: 48). Anyiam-Osigwe avers that each individual, irrespective of position or profession in society, has a responsibility to contribute his/her individual potentials and attributes into a common pool for the common good of all in society (Anyiam-Osigwe, 2002: 7-8, 48).

With specific reference to Anyiam-Osigwe's conception of economic cosmopolitanism, he affirms that a major hindrance in the path of the eradication of poverty and attainment of a sustainable social development is the "social system that is constructed to serve a limited vision and perception" (Anyiam-Osigwe, 2002: 68). Such limited vision and perception, according to Anyiam-Osigwe, is borne out of the ignorance of the fact that "we are all connected" and that "the web of life remains unbroken" (Charles Anyiam- Osigwe, 2002: 16). This limited perception is also oblivious of the reality that "poverty anywhere in the world makes the assumed wealth of a few countries illusory" (Anyiam-Osigwe, 2002: 57). Consequently, Anyiam -Osigwe is of the conviction that to record genuine social development, all stakeholders in society have a responsibility to "moderate the propensity to pursue self -serving goals at the expense of the common good" (Anyiam-Osigwe, 2007: 27).

Anyiam-Osigwe's reference to the social system constructed to serve a limited vision and perception, and pursue self serving goals rings true of the global capitalist system within which it is generally accepted that the basic and direct responsibility of any business entity is limited to maximizing profit for its owners, to the exclusion of any social responsibility to pursue social development as this would encroach into its profit. This position appears myopic from two distinct perspectives: First, the generally accepted role of business within the capitalist order is

based on a limited and illusory perception that the pursuit of profit by individual business entities would somehow translate, by the workings of an invisible hand, into the overall welfare of society, even though this is not part of the initial and direct intention of business (Friedman, 1988: 349).

In truth, no modern society has truly developed in a sustainable way by a strict reliance on the idea of the invisible hand, but by an understanding and exploitation of the interplay of a complex of social, economic and political factors. In this light, Anyiam-Osigwe maintains that holistic development, which is often referred to in contemporary terms as sustainable development, can only be recorded through an interplay of the right personal values, an adequate socio-political order and an efficient economic system (Ekanola, 2009B: 69). The American society and many of the Western European nations did not develop by a strict reliance on the idea of an invisible hand within the free market system. They always took steps to protect their national economies even when this is contrary to the free market principle. This is quite obvious, even now, if we bother to consider the various measures governments in Western societies are taking to mediate the global economic crisis and keep key business entities afloat.

The second perspective from which the idea that profit, to the exclusion of other social concerns, is the only essential concern of business is myopic relates to the fact that it ignores the intricate relationship between the activities of business and existing level of social development: How business is organized and executed ultimately impacts upon the level of social development (employment, social justice, social peace and environmental pollution, etc) just as the level of social development, as indicated by access to such social amenities as electricity, good water and social security, greatly influence the prospects of profit making on the part of business.

Indeed, the position of the advocates of profit to the exclusion of other social responsibilities may be well illustrated using what I call the paradox of the tick that is gradually killing itself while it thinks that it is killing a dog. Ticks are tiny parasitic insects that feed on the blood of several animals, including dogs, and in the process infect the blood. A tick infested dog might eventually be killed by the tick infection. Interestingly, however, ticks cannot survive without a host body and would also eventually die off after the death of the dog. Businesses that neglect issues relating to the wellbeing of society fail to realize that their own well being is tied to the wellbeing of society just as the continued existence of ticks is tied to the existence of the host animal. The point being made essentially is that contrary to the belief that there is a tension between profit and social development; the two are, in a significant way, mutually reinforcing and any business entity that is interested in making profit in the long term and in ways that can be sustained must pay

attention to issues of social development. Without this, the quest for profit by business would eventually collapse. Thus, it is important for business to realize that it cannot afford to ignore issues of social development if it is interested in long term and sustained profit.

To effectively transcend the myopic perception that the only social responsibility of business is profit and embrace a cosmopolitan mindset, Anyiam-Osigwe's notion of reorientation and intelligent re-engineering (Anyiam-Osigwe, 2007: 8) is instructive. This involves a process through which members of society, irrespective of their status or peculiar function in society are expected to internalize the appropriate values that would facilitate holistic development in society. These values, in the opinion of Anyiam-Osigwe, are also expected to guide all organizations and structures in society, as well as the pursuits and goals that are set by all political, economic and other organizations in society. These values include "honesty, dedication, simplicity, selflessness, justice, prudence, temperance and courage or fortitude" (Offor, 2009: 124). According to Anyiam-Osigwe, these values, when they have become internalized and crystallized into an appropriate cosmopolitan mindset in members of society "hold the solution to the many and varied challenges in all spheres of human existence and have through the ages provided man with the inventiveness, knowledge and understanding with which to conquer, subdue and establish dominion over the continent" (Anyiam-Osigwe, 2004: 2).

This cosmopolitan mindset does not pursue just personal wellbeing but the wellbeing of the community. In fact, it embeds the wellbeing of the individual within the development and wellbeing of the community (Anyiam-Osigwe, 2005: 7). When this line of thought is extended to business entities, it suggests that business must recognize that its interest and wellbeing are embedded in the wellbeing of society at large and as such should realize that an effective pursuit of the profit interest of individual businesses is dependent on the effective pursuit of the overall interests of society.

To cultivate and internalize the cosmopolitan mindset, Anyiam-Osigwe prescribes a process of education for all members of society that would achieve the primordial essence of education, which is to instill a moral order in the individual and facilitate the holistic development of the individual, irrespective of the position s/he would eventually occupy in society. An important component of this holistic development of the individual is to make each person a good person and a good member of society that recognizes and acts in accordance with the intricate interplay of individual and social wellbeing.

If the above is brought to bear on both owners and officials of business, the implication of Anyiam-Osigwe's position is that when they have been instilled with the requisite moral order, they would always carry out their business activities in ways that respect and preserve the interplay of the wellbeing of their business and the overall

social wellbeing. They would also engage in business in ways that would enhance economic growth and social development in society with the understanding that it is only by doing so that their own quest for profit could be realized in the long and sustainable term.

A DEFENCE OF ANYIAM-OSIGWE'S COSMOPOLITAN IDEAL

The attempt to reconcile profit and social development using Anyiam-Osigwe's cosmopolitan ideal would have a good number of criticisms. For one, advocates of capitalism and all it stands for would be quick to point out that it is somewhat socialist in orientation. Capitalism is generally acclaimed in contemporary times to be more acceptable than socialism because of the understanding that it has a better prospect of enhancing social development. But, indeed, even the Western societies at the forefront of the advocacy for capitalism have never been consistent in the practice of capitalism. There has never been a strict adherence to the core principles of capitalism in spite of claims to that effect. For instance, there has never been a total reliance on the invisible hand in the regulation of prices in the market place. Rather, various systems of taxation, among other instruments, have been used to regulate prices and also to protect home industries. Besides, if we consider the recent bail-out plans adopted to keep major business entities afloat in the USA and other Western countries in response to the global economic crisis, it is obvious that the notion of a free market is more of a myth than reality. Likewise, the principle of the free market is not employed when it comes to the movement of labour across national boundaries. Rather, it is subjected to strict immigration laws that reveal a paradox inherent in the so called practice of the free market system in Western societies.

What the above points at is that those societies that have attained appreciable level of social development have done so, not on the basis of a strict adherence to the core principles of capitalism but to an admixture of capitalism and socialism. Consequently, criticizing the attempt to reconcile profit and social development by an appeal to Anyiam-Osigwe's Cosmopolitanism by saying it is socialist in orientation cannot stand. As we have mentioned earlier in this paper, former President Bush of the USA was honest enough to admit that he had to abandon the free-market principles in order to stabilize the American economy and the overall wellbeing of members of society that was thrown into jeopardy in the wake of the current economic crisis. In the final analysis, what would determine the plausibility of the effort to reconcile profit and social development using Anyiam-Osigwe's cosmopolitanism is the actual extent to which it is practicable, actually facilitates business profit in the long term and enhances a viable synergy of profit and social development in the long run.

Critics might also attempt to undermine the plausibility

of Anyiam-Osigwe's cosmopolitanism in reconciling profit and social development by a reference to the practice of TNCs to relocate their businesses, especially manufacturing activities, to areas where there is already on ground the kind of social environment and amenities requisite for efficiency in production and finally, profit maximization. The argument would be that rather than allow the challenge of social development in a given geographical location to undermine profit, TNCs are always quick to relocate their core activities to the areas that are more suitable. This practice, critics might say, is relatively easier and cheaper given the contemporary desperation of the world's developing nations and emerging economies to attract foreign investments. In Nigeria, for instance, the fear is rife that many of the industries domiciled there are finalizing plans to relocate to neighboring countries as a result of the insufficient and erratic supply of core social amenities such as electricity, water, good road network and good social security (<http://allafrica.com/stories/200906230402.html>). It appears that in the opinion of business entities, it is more profitable to simply relocate than to deplete their profit in the effort to contribute to social development.

It appears that decisions to relocate production are primarily taken on the basis of a consideration of the availability of factors of production and perhaps accessibility to the market. It also appears that not much consideration is given to the impact of such relocations on existing market for the finished products: As people lose their jobs, consequent of the relocation of industries, they also lose the financial ability to purchase and consume the finished products, resulting in the shrinking of the size of the market and ultimately the level of profitability. This sequence of events is easily understood given that the massive loss of jobs in recent times, consequent of the global economic crisis, has greatly impaired the purchasing capacity of a great number of people and indeed the profitability of a good number of businesses.

The penchant to relocate businesses to areas that offer social conditions that better facilitate profit maximization is premised upon the illusion that it is possible for a business entity to maximize its profit while other sectors in a given society and other societies are bedeviled by various forms of problems. The social reality which might not be obvious to many is that humanity along with all its social institutions are ultimately all connected (Anyiam-Osigwe, 2002: 16) in a way that poverty anywhere in the world makes the assumed wealth of a few countries or the prosperity of some TNCs illusory. In this age of globalisation, with the consequence of the world fast becoming "a global village", the prospects to maximize profit by a business entity would always be affected by the social conditions existing in societies other than the immediate society in which its major activities are domiciled. Again, a consideration of the current global economic downturn gives credence to this fact as what

started as a financial problem in the West, specifically the USA, has generated a wide range of human suffering worldwide, with the worst hit being those working in the export-producing factories, such as mining, textile and textile garments, metals and metal products, automobiles, gems and jewellery, construction, transport and information technology, as well as tourism.

CONCLUSION

We have been concerned with the effort to reconcile profit and social development using Anyiam-Osigwe's cosmopolitan ideal. The thesis of the paper is that profit and social development are not necessarily mutually exclusive but actually complementary. The perceived tension between the two, to employ Anyiam-Osigwe's description, is a product of a limited understanding. A comprehensive understanding of the distinction to be made between profit in the short term and in the long and sustainable term as well as the interdependence between all social structures across the economic, political and even cultural domains reveals that business would only record maximum profit and also be able to sustain this if it gives requisite attention to other social issues pertaining to social development.

At the level of theory, Anyiam-Osigwe's cosmopolitanism holds great promise to reconcile the tension between profit and social development. The challenge before his position, however, is that of how to actually facilitate a paradigm shift in the focus of business entities in such a way that their quest for profit is always moderated by an objective consideration of and a sufficient attention being given to the various social issues that affect the wellbeing of members of society and ultimately their own prospect of maximizing profit.

In this regard, his prescription for a process of education for all members of society that would instil a moral order in the individual and equip each person, irrespective of the position s/he would eventually occupy in society, with the capacity to balance personal interest with the common interests of all in society might be viable. However, it requires a critical examination in order to determine exactly how this process of education should actually be set in motion.

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