Corporate Social Responsibility (CSR)

Why is it important, and is it really happening?

This week's "reading" consists of both a short video (10-15 minutes), and this text. Watch the video first.

For Discussion:

Read the stated corporate values of Dow Chemical (owner of Union Carbide)
Then compare its conduct in the U.S. and Indian chemical plants. What do you notice?

Stated Corporate Values of Dow Chemical

Integrity

The relationships that are critical to our success depend entirely on maintaining the highest ethical and moral standards around the world. As a vital measure of integrity, we will ensure the health and safety of our communities, and protect the environment in all we do.

Respect for People

We believe in the inherent worth of people and will honor our relationships with those who let us be part of this world: … Respect for people is measured by how we treat each other, by the contributions that flow from our diversity, by the productivity of our relationships, and by a job well done, no matter what the job.

Our respect for people also extends to the consumers whose lives we touch. We will strive to answer people's most vital needs: for food, water, shelter, transportation, communication, health and medicine.

Outside-in Focus

We will see through the eyes of those whose lives we affect, identifying unmet needs and producing innovative and lasting solutions. We will bring to this task all of our experience and knowledge as the unique individuals we are.

Innovation

In the name of innovation, we will make science a way of living. We will not only master the science of the physical world, but the science of the mind and heart. Our job is to unlock answers that make a fundamental difference to people's lives. We will use technology to help lead society forward. We will conceive, design, engineer, and execute solutions that remove barriers to human potential and productivity.

Safety measures in Union Carbide Corporation's plants in the USA and India[1]

In testimony before the US Congress shortly after the accident, Rondald Wishart, a Union Carbide Vice-President, said, *"With respect to our safety standards, we meet the higher of the two, whether it be Union Carbide or the local standard."*[2]

DEFINITION: MIC - methyl isocyanate (a type of cyanide)

 Institute, West Virginia, USA	 Bhopal, Madhya Pradesh, India
Capacity High production of MIC matched with high processing capacity. MIC not stored for long periods of time.	High production capacity of MIC but low processing capacity. MIC stored in large quantities for long periods of time.
Emergency scrubbers MIC storage tank equipped with emergency scrubbers (to neutralize any escaping MIC) designed to operate under emergency conditions.	No emergency caustic scrubber to neutralize any MIC leak.
Computerized monitoring Computerized monitoring of instruments (gauges, alarms, etc) and processes to support visual observation.	No computerized monitoring of instruments and processes. Relied solely on manual observation.
Cooling system MIC field storage tanks used a cooling system based on chloroform (inert and non-reactive with MIC)	MIC tanks used a cooling system based on brine (highly reactive with MIC).
Refrigeration unit Refrigeration unit to control temperature in the tanks was never turned off.	Refrigeration unit had been turned off since June 1984.
Nitrogen pressure MIC was always maintained under nitrogen pressure.	MIC tanks had not been under nitrogen pressure since October 1984.
Emergency plan An elaborate four-stage emergency plan to deal with toxic releases, fires, etc, including a general public alert linked to community police, river and rail traffic and local radio stations. Various emergency broadcast systems in place to alert and disseminate appropriate information to the public	No system to inform the public authorities or the people living adjacent to the plant. No emergency plan shared with communities living adjacent to the plant; no system to disseminate information regarding emergency to the public with the exception of a loud siren.

[1] Information drawn from a) Operational Safety Survey, Union Carbide India Ltd. Bhopal Plant, July 1982 b) Operational Safety/Health Survey, Union Carbide Corporation Institute, Virginia Plant, September 1984, c) Testimonies of Bhopal Plant workers in Bhopal, d) Inspection Report of the Union Carbide Corporation Institute West Virginia by Occupational Safety and Health Administration, February 1985, e) Testimony of Ronald Wishart, and f) Bhopal Methyl Isocyanate Incident Investigation Team Report, op cit.

[2] Hearing before the subcommittee on Asian and Pacific Affairs of the Committee on Foreign Affairs, House of Representatives, 98th Congress, 2nd Session, US Government Printing Office, Washington, 12 December 1984, p.56

Institute, West Virginia, USA	Bhopal, Madhya Pradesh, India
Maintenance programme A maintenance programme to determine and evaluate replacement frequency for valves and instrumentation of and alarm systems. Weekly review of safety valves and reviews and maintenance recorded extensively.	No evidence of an effective instrument maintenance programme. Safety valve testing programme largely ineffective and no proper records maintained of reviews of instruments, valves, and alarm systems, etc.
Lab analysis A lab analysis of MIC was conducted to test quality and check for contamination prior to storage, processing or distribution.	No lab analysis of quality was undertaken. MIC stored for long periods without testing for contamination.
Training Extensive employee training programme to ensure high level of training and information among all employees of normal and emergency procedures	Operators put in charge without sufficient training.
Protective equipment Extensive provision of appropriate personal protective equipment to employees including protective clothing, air respirators, etc.	Personal protective gear and breathing air equipment not easily accessible, inadequate, and of poor quality.