The Common Good and Economia Aziendale theory: insights for corporate social responsibility from the Italian perspective

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Abstract
This paper focuses on corporate social responsibility and examines the notional and analytical synergies between the Catholic Church’s Common Good and Economia Aziendale theory. The purpose is to present an argument concerning the possible theoretical and practical contribution of the Economia Aziendale theory in pursuing the aims of the Common Good to encourage social action. Moreover, this study emphasises several lessons from the theory for the international community concerning the explanation for and implementation of corporate social responsibility practice.

Keywords
Corporate Social Responsibility, Economia Aziendale, Common Good, Catholic Church, Italy, Azienda
1. Introduction

This paper focuses on corporate social responsibility (CSR) and examines the notional and analytical synergies between the Catholic Church’s Common Good and Economia Aziendale theory. Although the concept of CSR is widely discussed in theory and practice, there is no general agreement about its definition (Dahlsrud, 2008). However, as this research focuses on a theory founded on the typical economic environment of continental Europe, CSR is defined according to the European Commission as ‘a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment […] by integrating] social and environmental concerns in their business operations and in the interaction with their stakeholders’ (COM, 2001, pp. 4, 6). The Common Good approach aims to involve additional entities in the adoption of an accountability perspective in management and development of a socially responsible and environmentally sustainable program. Hence, this paper presents an analysis and argument concerning the possible theoretical and practical contributions of Economia Aziendale theory in pursuing the aims of the Common Good as a condition which encourages socially and environmentally responsible action.

The concept of the Common Good emerges from Platonian and Aristotelian philosophies and its nuance has been variously interpreted over the centuries (Garriga and Melè, 2004). The Common Good is also the underlying philosophical conception of Catholic social doctrine; the Roman Catholic Church uses this conception to express ‘the overall conditions of life in society that allow the different groups and their members to achieve their own perfection more fully and more easily’ (Second Vatican Council, 1965, p. 261). In this respect, it is important to recognise that several authors have applied the Catholic Church’s conception of the Common Good as a key for business ethics (Alford and Naugthon, 2002; Argandona, 1998; Kosłowski, 2006; Melè, 2002; Sison, 2007). Although in the accounting literature a number of theories have been used to attempt to explain CSR – among some of the most commonly used being stakeholder theory (Roberts, 1992; Ullmann, 1985), legitimacy theory (Guthrie and Parker, 1989; Lindblom, 1994; Patten, 1992) and political economy theory (Cooper and Sherer, 1984; Guthrie and Parker, 1990). Garriga and Melè (2004) categorise the Common Good as an ethical theory, less consolidated than the stakeholder approach, but with considerable potential as a theoretical foundation that permits the circumnavigation of cultural relativism, which is frequently embedded in the theories cited above.

Economia Aziendale is the leading Italian normative entity theory that has been originally developed in Italy during the early 20th century and the work of Professor Gino Zappa and has been refined since. Zappa was Professor of Accounting at the University Ca’Foscari of Venice. Zappa
stands as the founder of the Economia Aziendale theory which offers an effective and dynamic explanation of the azienda, a coordinated and unitary economic system, held to undertake its operations in a manner highly coordinated in both time and space that has an in-built tendency to continue in the future (Capalbo and Clarke, 2006). In particular, the azienda is regarded as an autonomous holistic system separate from its owners, managers, workers, assets, and so on, and claimed to possess norms of its own (Viganò, 1998; Viganò and Mattessich, 2007). These elements perpetually interact in such a way that the azienda might aim to create value for itself and its members, the environment and socially recognised stakeholders (Cavalieri and Ferraris Franceschi, 2010).

The aim of the research presented here is to identify and explicate, from the Italian perspective, the role that the Economia Aziendale theory could play for the international community in the process of explaining and implementing CSR practices. This study of CSR with reference to the Catholic Church’s philosophy of the Common Good and Economia Aziendale theory, offers a foundation for theorising social and environmental responsibility that has not previously been available in the accounting literature outside Italy. Since the second half of the 20th century a lengthy debate on corporate social responsibility has been taking place in the international accounting research literature, giving rise to a proliferation of theories, approaches and terminologies, however there remains a need for further empirical evidence, and room for additional theorising (Carroll, 1999; Parker, 2005). There has been a call for a systematic approach to CSR (Garriga and Melè, 2004) which could overcome limitations associated with most groups of CSR theories, that is, the issues related to specific groups of theories are not considered in other groups. In this last respect this paper demonstrates that the Economia Aziendale theory, not well known outside the Italian context, may provide a new and systematic approach to corporate social responsibility having both theoretical and practical usefulness.

Therefore we aim to answer the following research questions:

- What are the synergies between the Catholic Church’s Common Good and the Economia Aziendale theory?
- What contribution can be offered to the international community from the viewpoint of Economia Aziendale theory concerning its explanation and implementation of CSR practices?

The remainder of the paper is organised as follows. The second section provides an explanation of the background for this research; the third section explains the concept of Common Good. The fourth section focuses on the main characteristics of the Economia Aziendale theory. The fifth section highlights the synergies between the Common Good and Economia Aziendale theory. The last section focuses on the conclusions of
the study, emphasising several lessons from the Italian theory for the international community.

2. Background

CSR can be regarded as a cluster concept overlapping with such diverse notions as business ethics, corporate responsibility, corporate citizenship, sustainability, environmental responsibility, and corporate philanthropy (van Liedekerke and Dubbink, 2008). All of these areas have increasing importance which according to Werther and Chandler (2006) is due to:

- general affluence that allows consumers to pay more for socially and environmentally responsible products and expect more from the companies that manufacture those products;
- reduced trust in the activities undertaken by firms and governments;
- rapid flows of information that disseminate good news and bad news related to firm behaviours; and
- growing public attention to human rights and environmental sustainability.

Moreover, it is argued that CSR is a central issue, in theory and practice, not only for business but for law, politics and economics (McKie, 1978). Indeed, over the last few decades, phenomena such as globalisation and liberalisation of markets, as well as rapid technological and scientific developments, have dramatically changed the perception of social life and economic functions, in both time and space. Thus, concerns about corporate social responsibility have grown significantly during the last few decades. The issue of CSR has become commonplace in the business press, among business and political leaders (Campbell, 2007), and in academic literature (Margolis and Walsh, 2003; Walsh et al., 2003). Indeed, the literature highlights that a basic premise is that business cannot exist without society and that society cannot go forward without business. Hence, business ought to acknowledge society’s existence and society’s increasing demand for more ethically, socially and environmentally responsible business practices (Joyner and Payne, 2002). From a societal point of view, CSR represents a fundamental evolutionary mechanism to increase and enhance accountability (Gray et al., 1996).

With specific reference to the Italian context, CSR issues are becoming increasingly important because of ongoing institutional and political change processes, cultural transformation, and challenging national economic circumstances which call for social solidarity and the promotion of economic expansion, especially in the less developed southern regions. Indeed, the Italian Episcopal Conference has examined the main social and economic issues of these underdeveloped areas and suggests actions via the Common Good principles (CEI, 2010). It is worth noting that Pope
Benedict XVI evokes the fundamental principle of the Common Good in the encyclical *Caritas in Veritate* (Benedict XVI, 2009) and Catholic social doctrine analyses the economic life of entities, stating that they should serve the Common Good (Papal Council, 2010).

It is important to note that the Catholic Church’s conceptions, as well as the pressures in relation to cultural and scientific issues, have always played a leading role in Italian thought and society. According to the Catholic Church’s beliefs, family is the centre of social life. Family also represents the core of the Italian economic context and the typical proprietary structure of the Italian *azienda*, particularly at the time when the Economia Aziendale theory was established. In English-speaking countries the archetypical entity is medium or large, with many shareholders (where it is a public company). In continental Europe, however, the entity is typically medium or small in size and often a sole or family proprietorship (Viganò and Mattessich, 2007). The Italian case differs from the other continental European countries in that the Italian economy since the end of the 19th century was strongly influenced by the encyclical letter *Rerum Novarum* (Leo XIII, 1891), calling for Catholics to give life to forms of solidarity aimed at encouraging the development of the rural classes and urban proletariat. The orientation of ideas expressed in the encyclical letter strengthened the commitment to vitalise Christian social life, which evidenced in the birth and consolidation of numerous initiatives with high civic profiles such as groups and centres for social studies, unions, cooperatives, and rural banks (Pezzini, 2006). In particular, the first cooperative banks and rural banks created under this Catholic inspiration supported the development of the Italian economy and the establishment of new entities, influenced by the Catholic approach to business (Maffei, forthcoming; Galassi, 2001). Therefore, Economia Aziendale theory itself, as developed in the early 20th century, has been influenced by the strong presence of the Catholic Church that permeated Italian culture at the time. Since the very beginning, the theory has embodied in its principles Catholic social thinking on Common Good.

It is worth noting that in the Italian context not only the small to medium sized entities and public and non-profit organisations, but also cooperatives represent an important part of the economy, and that since *Rerum Novarum* (Leo XIII, 1891), the Church has consistently mentioned cooperative entities in its social documents. In the encyclical *Quadragesimo Anno* (Pius XI, 1931) recommended the creation of workers’ associations such as trade unions. In his message of September 1944, Pius XII also proposed the creation of cooperative unions for small and medium enterprises in agriculture, arts, retail, and industry. In the encyclical *Mater et Magistra* (John XXIII, 1961) there is a specific chapter on artisans and co-operative enterprises. The Second Vatican Council (1965), in the *Gaudium et Spes* constitution, calls for effective cooperative organisations. Specific references to co-operatives can also be found in the encyclical *Laborem Exercens* (John Paul II, 1981). It is significant that
these documents issued by the Catholic Church use the Economia Aziendale language and concepts to explain how to pursue the Common Good and solve economic, social and environmental issues. Consequently, on this basis we might argue that the Economia Aziendale theory, could give a new and valuable contribution in explaining CSR practices from the Common Good perspective, both theoretically and practically.

3. The Common Good theory

The concept of Common Good emerges from Platonian and Aristotelian philosophy. Aristotle states: ‘it is commonly accepted that every art practised methodically and, similarly, every action accomplished on the basis of a choice, aims for good: therefore, the good is that which everything tends’ (Aristotle 1985, I I 1094a 2-3). Other famous thinkers such as St Augustine, St Thomas of Aquinas, and Locke have also dealt with the concept of Common Good. In particular, Roman Catholic Church thinking has played a leading role in the development of the Common Good concept. The concept of the Common Good as used today by Catholic social doctrine is founded on the ideas of St Francis of Assisi, who focussed on pursuing the principle of solidarity through equality, dignity and rights for all people (Zamagni, 2010).

The Common Good represents a framework that the Catholic Church has developed for the interpretation of social justice. Its approach presupposes both the dignity and sociality of human beings, their rights, the duties on which those rights are founded, and the interpretation of dignity, sociality, duties and rights across the interlocking and reciprocal spheres of religious, political, cultural and economic well-being (Cahill, 1987). However, it should be highlighted that the Common Good has been interpreted by others over the centuries (Mahon and McGowan, 1991; Smith, 1999; Velasquez, 1992).

According to Velasquez (1992) there are two different conceptions of Common Good: the weak conception with the utilitarian notion of Jeremy Bentham who states that the Common Good is nothing more than the sum of the interests of the members of a certain community (Bentham, 1789), and a strong conception of the Common Good in the Catholic Church tradition. The Common Good, as interpreted by the Catholic Church, is clearly distinct from the private good and the collective good: a true Common Good is universal (Wallace, 1977). This means that the Common Good is a general condition that is to everyone’s advantage (Rawls, 1971).

Although there are alternative interpretations of the Common Good – those identified as weaker than that of the Catholic Church – both the weak and strong forms include a common range of concepts including social ties and sustainability that have found acceptance in the literature. As far as this research is concerned, the Common Good is much more than
the simple sum of the good in the single parts; it is inseparable and should be ensured and enhanced by every member of the community. Indeed, the Common Good is fostered when members of a community contribute to improving the community as a whole for the benefit of everyone, including themselves (O’Brien, 2009). In other words, the Common Good refers to the circumstance that all the communities need to share values and habits, as well as mutual rules, which are not only shared by those who are members of a community but created through cooperation (Melè, 2009). Messner (1965) defines the Common Good as the social cooperation that individuals implement as members of society for the fulfilment of their existential ends, i.e. ‘that order of society in which every member enjoys the possibility of realising his true self by participating in the effects of the cooperation of all’ (Messner, 1965, p. 118). On the other hand, Finnis (1986, p. 165) refers to the Common Good as an ensemble of conditions which increases the chance of flourishing for all members of a community. Consequently, it is possible to identify two different features of the Common Good: it is created and shared by all members of a community and it contributes to human flourishing.

From an economic perspective, the Common Good gains validity from the system of favourable conditions that, if enhanced, can better drive economic and political action. For example, we can call on the Common Good for the democratic organisation of the power in the State, the actions undertaken and the institutions created to guarantee environmental protection, as well as the juridical institutions aimed at assuring those human rights such as home, sustenance, employment, education, and so on (Velasquez, 1992; Santesso, 2010). Several authors including Alford and Naughton (2002), Argandona (1998), Koslowski (2006), Melè (2002), and Sison (2007) have applied the concept of the Common Good to business ethics. From this perspective it is worth noting that while there is the demand for efficient and effective production activities to satisfy the goals of the shareholders and stakeholders, there is the need for calling firms’ attention to their social function (Dodd, 1932).

The concept of Common Good is useful for pursuing a deeper understanding of the role of business organisations in the current economic and social context. An entity contributes to the Common Good of society through its activities: offering goods or services, creating and distributing economic value added, work performed within the company, organizational culture and leadership, creating channels of investment, and providing continuity to the company itself (Melè, 2002). Thus, the Common Good of an entity represents an essential orientation for management that should be consistent with the Common Good of society (Melè, 2009). Business entities are assumed to be an integral part of the society, hence they are supposed to contribute to the development of the Common Good. Business organisations can create such value in different ways including efficiently producing goods and services (O’Brien, 2009). This is justifiable as long as human dignity and rights are taken into
consideration and there is an authentic cooperation in order to assure harmonic and peaceful living, for the present and for the future (Garriga and Melè, 2004).

The Catholic Church’s approach to the Common Good as a key reference for business ethics, and which strongly influences the Italian culture, emphasizes different aspects. In Catholic thought, the concept of Common Good implies a sense of social responsibility and requires a person’s ability to safeguard someone else’s good as much as their own. People should pursue the advantage for the Common Good rather than the individual good (Papal Council for the Justice and the Peace, 2010). In addition, given that, as previously clarified, the Catholic social doctrine affirms that the Common Good enables both community and individuals to realise their full potential (Second Vatican Council, 1965), it calls for the merging social and economic life (Zamagni, 2010). Indeed, Catholic social doctrine draws attention to the interrelationship of economics and morality, highlighting that they are not conflicting or unconnected. Therefore, in socio-economic life a respect for human dignity and the Common Good should be honoured and encouraged since humanity is the centre and goal of economic life. Thus, the managerial dimension of companies and other organisations should be aimed at dealing with the fulfilment of the Common Good through the production of goods and services (Papal Council for the Justice and the Peace, 2010). As Bowie (1999) states, firms and other organisations are made up of people, so that since people are arguably moral, the organisational structures should be driven by morality as well. The encyclical letter from Pope Benedict XVI (2009), Caritas in Veritate, evokes fundamental principles of the Catholic Church tradition such as subsidiarity, participation and solidarity.

The principle of subsidiarity implies promotion of the dignity of the person through care in different social contexts (family, associations and any other form of economic and cultural aggregation). The principle of participation is a natural consequence of the principle of subsidiarity. Participation implies the civil action of individuals or aggregations and is inspired by a sense of responsibility aimed at housing and developing the Common Good. The principle of solidarity calls for social equality for all people in dignity and rights. In the light of these principles, it is argued that managerial action cannot only be profit driven and cannot refer solely to shareholders. On the contrary, it is essential that the entity acts primarily to guarantee certain advantages to the employees, the local communities, the local institutions, the customers, the suppliers and the community as a whole for the achievement of the Common Good (De Giorgi, 2010).

In this theoretical view, the principles of the Common Good may serve as basic assumptions to clarify the role of the business, given the attainment of the Common Good as the fundamental motivation behind entities’ actions, being aware of a culture of commitment and cooperation and
having a good work climate regarding fundamental elements of the Common Good of the entity.

4. The Italian Economia Aziendale theory

Economia Aziendale is the traditional Italian entity theory which studies issues related to economic administration. It is a normative theory in that it articulates principles for managing organisations with a view to achieving operational purposes valuable to the individual and community as a whole (Cavalieri and Ferrari Franceschi, 2010). The Economia Aziendale places great emphasis on the principle that human behaviour is not motivated exclusively by egoistic and economic reasons, since anyone is primarily considered a member of the human community (Airoldi et al., 2005). From a conceptual point of view, this means that the Economia Aziendale theory is a multidisciplinary theory which encompasses contributions from psychology, sociology and ethics (Zappa, 1927; Santesso, 2010). From a practical perspective, the theory helps to understand what drives economic activity, pulling together the values of individuals and of human societies (Airoldi et al., 2005).

The origins of Economia Aziendale theory date to 1926 and the work of Gino Zappa, who orientated Italian scientific research towards an examination of the azienza by looking at systemic aspects of management, accounting and organisation. At the beginning, the azienza is described as ‘an economic institution aimed at enduring, which, in order to satisfy the human needs, carries on in uninterrupted coordination the production or the acquisition and the consumption of wealth’ (Zappa, 1956, p. 37). Therefore, Economia Aziendale theory attempts to examine the conditions of organisational existence and managerial activities in all types of entities (Amodeo, 1965). The aim of observing complex and structured activities carried out by such systems is to deepen our understanding about the conditions that the azienza should reach in order to ensure the continuing existence of the institution or the achievement of the purposes for which it was created (Sidrea, 2009).

The Italian tradition has long dealt with manifold issues related to the economic system of the azienza. Several studies investigated the questions connected to the processes (Marchi, 2006), explored the measurement of value creation (Catturi, 2007), and others focused on management accounting or the decision-making process (Bergamin Barbato, 1991). However, all these studies share the concept of the azienza, seen as an economic unit made up of persons, characterised by a sum of relationships inspired by human and social values, and regulated through the exchange criterion. Given that the azienza represents one of the elementary units of the general economic system, it is influenced by external factors such as the political system and socio-economic environment (Giunta, 2008).
Another issue arises in the *azienda*. It clearly consists of several technical structures, and the economic activities of the *azienda* aim to satisfy the needs of such persons (Onida, 1971; Ferrero, 1980; Catturi, 2003; Potito, forthcoming). The *azienda* carries out the economic activities to achieve the satisfaction of human needs traditionally divided into natural, those closely related to the basic needs of the human existence, and social, i.e. the ethical, aesthetic, as well as religious (Onida, 1971; Ferrero, 1980; Airoldi et al., 2005). Still, the purpose of the *azienda* does not necessarily coincide with the particular aims of the people involved in the organisation (Cavalieri, 2010). The phenomenon of the *azienda* results from a continuous process of composition amongst particular interests of individuals. The individual involved in the *azienda* has to abdicate their personal positions and wishes in order to realise the life of the community (Zappa, 1956). In fact, the existence and permanence of the *azienda* are due to its ability to perform as an autonomous unit, with different goals from that of the people who fund or work in it. Consequently, given that the activity of the *azienda* deals with the acquisition of resources, and the production and consumption or exchange of goods and services, the purpose of these activities is value creation for the *azienda* itself – and not for the individuals – as well as for different stakeholders involved (Sidrea, 2009). Furthermore, the *azienda* not only takes on social value, but also interacts with its natural environment whose resources continue to fuel value creation processes. This is why the creation of value which benefits the entire community must bring into consideration ecological and environmental variables (Catturi, 2003).

The systematic value creation process entails the achievement of a durable economic equilibrium, which means that the *azienda* is able to preserve or even improve its level of functionality over time (Sciarelli, 2007; Cavalieri, 2010), and attain both financial and strategic equilibrium. This implies the adoption of systematic behaviours aimed at creating and maintaining cooperative relationships with stakeholders based on knowledge exchange, open dialogue and joint efforts toward common and shared aims (Cavalieri, 2010). When the *azienda* is able to reconcile the interests of those who invest and the labour force in common economic activity (Masini, 1976), whilst simultaneously achieving the conditions which assure a durable economic equilibrium, then it has the chance to enlarge its sphere of responsibilities to include social and environmental actions in its strategic planning. Being socially responsible means that the primary focus for the *azienda* is to control and improve the social and environmental effects of its activities (Sciarelli, 2007). Accordingly profit is not the main purpose of the *azienda*; on the contrary, as a social institution, it aims to enhance humanity’s wellbeing. The goal of the *azienda* is to promote the development of individual personality, as well as to achieve ethical community life needs (Onida, 1971). Profit should be pursued merely as *viaticum* to the permanence of the *azienda* in the
economic environment and as an instrument for the azienda to contribute to the human well-being and environmental protection, only then can it be properly understood as an essential element of the Common Good (Coda, 2010; Sciarelli, 2007).

5. The synergies between the Common Good and the Economia Aziendale

On the basis of the argument above is therefore possible to answer the first research question: Which are the synergies between the Catholic Church’s Common Good and the Italian Economia Aziendale theory?

The concept of Common Good, as it is developed by the social doctrine of Catholic Church and Economia Aziendale principles display similarities. In reality, it is possible to argue that the values inherent the concept of the Common Good might find a vehicle for concrete application in Economia Aziendale theory, (Maffei, forthcoming). It is widely recognised that entities are an integral part of society hence they are supposed to contribute to the development of the Common Good which increases the chance of prosperity for all members of a community (Finnis, 1986).

According to Economia Aziendale theory, the azienda is an institution created by and designed for the satisfaction of human needs (Zappa, 1927). At the beginning of its economic life the azienda must focus on economic and financial issues to ensure its existence and durability, i.e. a sustainable economic life in a changing environment (Airoldi et al., 2005). As the azienda becomes stable and reaches an economically durable equilibrium, its expectations and goals should progressively change. As soon as this happens, the aims of economic activity must encompass a broader perspective, taking into account social and environmental matters rather than just the economic (Sciarelli, 2007; Gazzola, 2006). However, it is worth noting that as the azienda becomes stable and evolves, it could limit value distribution only to the stakeholders directly involved in its activities thereby excluding a large number of people and limiting the benefits for the broader community. Economia Aziendale theory strongly emphasizes that the azienda should contribute to the development of the Common Good which consists of creating favourable conditions for the achievement of all the stakeholders’ interests.

It is possible to recognise a theoretical intersection between the two theories: on the one hand, the Common Good is the fundamental motivation behind the entities’ actions and implies a sense of broader social responsibility; on the other hand, according to Economia Aziendale theory, the stakeholders are interested in contributing to the success of the azienda if it is perceived as an institution which ensures improvement for the whole community. The idea underlying the Economia Aziendale theory is that the azienda has the chance to develop due to the community’s commitment. Thus, it has a moral obligation towards the
community itself. Consistent with the reciprocity principle, as the practice of returning good for good, and related practices that are a pervasive feature of human social life (Putnam, 1988) and that the gratuity principle, understood as the practice of gift to fulfil the reciprocity, that characterises the Italian theory, the azienda ought to return to the community more than it has received. In other words, the azienda must contribute to the enhancement of the Common Good. Thus, the culture of the Common Good is largely promoted by the Economia Aziendale theory as a key value which should influence the whole life and operations of the azienda towards the achievement of social and environmental purposes. In this light the azienda is assumed to be accountable to the human community. Such accountability involves either a responsibility for undertaking certain actions or for providing a broader account for those actions. In this respect, the Economia Aziendale theory can be seen as a new tool to either implement or explain corporate social responsibility practices, intended as a transparent behaviour based on ethical values (Crivelli, 2001) and on the respect for persons, community and environment (Borzaghi, 2003).

6. ‘Lessons’ for the International Community

What practical guidance can be taken away from this discussion about the Common Good and Economia Aziendale theory?

There are a number of insights from both the Common Good philosophy and Economia Aziendale theory which are not well known outside the Italian context and that can enlighten a new approach to the corporate social responsibility for the international community.

As already outlined, Economia Aziendale theory has been strongly influenced by Catholic social doctrine and therefore appears to be driven by the Common Good. It can be regarded as a new form of practical guidance for the effective application of Common Good principles in business. From a theoretical perspective, the focus on the Italian Common Good-orientated tradition, as a new way to approach corporate social responsibility, is relevant for a number of reasons.

Since the second half of the 20th century a lengthy debate on corporate social responsibility has been taking place, giving rise to a great proliferation of theories, approaches and terminologies. However, the literature highlights that there is still room for theorising (Carroll, 1999; Parker, 2005) and that there is the need for a systematic new theoretical approach to CSR aspects and practices (Garriga and Melè, 2004). Consequently, from a theoretical viewpoint, the international community could benefit from the adoption of the framework of Economia Aziendale theory. Indeed, it is possible to argue that such a theory is able to cover and systematise CSR in a unique approach: all of the different aspects on which each CSR theory focuses. If we consider the four groups of theories...
as categorised by Garriga and Melè (2004), what appears from a broader perspective is that the main aspects of the CSR deal with:

- objectives that produce long-term profits;
- responsible use of business power;
- integration of social demands; and
- contribution to a fair society.

Concerning the issue of long-term profit orientation, it is notable that the Economia Aziendale theory is based on the concept of durability. The *azienda* ought to endure and reach an economically durable equilibrium (Viganò, 1997), therefore the objectives of the *azienda* are clearly long-term orientated. With reference to the responsible use of business power, it is recognised that the *azienda* is a micro system integrated in a larger economic system that has to consider its stakeholders as opportunities for development rather than as limitations. Consequently, the *azienda* is supposed to exert power in a responsible way, working towards the achievement of goals compatible with those of the stakeholders, and ensure managerial action respectful of social and environmental issues (Schillaci, 1986; Borzaghi, 2003; Salvioni, 2003; Sciarelli, 2007). Since Economia Aziendale theory has been influenced by the strong form of Common Good, it certainly encompasses aspects of integration of social demands and the contribution to the creation of a good society. We can argue therefore that Economia Aziendale theory could be appreciated as a new systematic CSR theory by the international community.

On this basis, it is worth emphasising that the theory has implications for practice. In the literature it is stated that the Common Good of the entity, and indirectly, the Common Good of society should be a fundamental orientation for corporate governance and management (Melè, 2009; Koslowski, 2006). Thus, an effective corporate mission, consistent with the principle of the Common Good, represents a way toward the introduction and implementation of business ethics and CSR practices.

Indeed, the focus on business ethics and CSR practices is particularly relevant because globalisation, liberalisation of markets and rapid technological and scientific developments have dramatically changed perceptions of social life and economic functions. Although corporate social responsibility is an important issue for many organisations, it is too often considered the exclusive prerogative of large businesses (Perrini et al., 2007). However, in an increasingly dynamic context, the fundamental role of SMEs, as well as of public and non-profit organisations (see for example Osborne and Ball, 2010), and their potential contribution to the Common Good of the society through socially responsible behaviours is increasingly evident.

The Common Good approach is significant in an economic context characterised by a large number of SMEs, public and non-profit
organisations, and low economic growth, such as in Italy. It relates also to those countries affected by short-term speculation and immoderate utilisation of resources without any social or environmental protection and offers a foundation for triggering a process of change. The Common Good approach, as it is rendered in Economia Aziendale theory, is closely related to the two founding principles – kyosei and human dignity – of the Caux Roundtable (www.cauxroundtable.org), an international network that works to design intellectual strategies, management tools and practices for strengthening private entity and public governance in order to improve the global community.

Hence, the relevance of Economia Aziendale theory and its principles is not limited to the Italian national context. Its framework may well be exportable and applicable to other countries. The adoption of Economia Aziendale theory values as a general framework for the practical implementation of CSR practices fits a wide range of businesses, sectors, markets and countries. The most important objective of the azienda is to create value for the community and to do this it has to focus on both social and environmental issues (Catturi, 2003). From this perspective, Economia Aziendale theory offers a potentially valuable and practical vehicle for the effective application of the Common Good principles in business, with the aim of achieving socially and environmentally responsible management.

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