Abstract: The concept of CSR is a big challenge for organisations striving for business excellence. Nevertheless, a question should be asked whether achieving excellence is possible? Is it possible to become an excellent organisation in contemporary economic, social and political circumstances? Or the efforts to build an excellent organisation are only a PR trick. Unfortunately, nowadays many facts seem to confirm that, while operating in a very unfavourable environment, the majority of organisations which implement – to the full extent – the CSR concept in their strategies and adopt the model of socially responsible business risk business failure. Such a conclusion derives from two key facts. First of all, the legal environment is not ready for the development of socially responsible companies which results from political hedonism being an innate feature of democratic systems. Secondly, the level of customer social responsibility is not satisfactory and hardly any changes are expected in the short-term perspective, which is the consequence of hedonistic nature of human actions.

Keywords: hedonism, political hedonism, sustainable development, democracy, CSR.
1. Introduction

The concept of corporate social responsibility is more and more widely applied in managing organisations. Such a conclusion derives from reading social responsibility reports. Nevertheless, a thorough analysis and an assessment of business environment unveil numerous omissions, contradictions and even lies. The favourable legal and political environment as well as customers supporting CSR ideas are the prerequisites for successful implementation of the concept. Unfortunately, the reality is different. In all the aforementioned elements of the environment we face human actions, aims and motivations. Socially responsible companies cannot operate without socially responsible customers and the socially responsible state. The aim of the paper is to discuss the contradictions between the nature of human actions leading to political hedonism and the CSR concept implementation. The paper points out incongruity between contemporary organisations and their environment.

2. The nature of human action

It seems that the most accurate description of the nature of human action, based on the principles of praxeology, is provided by Ludwig von Mises in his seminal work entitled Human Action:

There is however no valid objection to a usage that defines human action as the striving for happiness. But we must avoid current misunderstandings. The ultimate goal of human action is always the satisfaction of the acting man’s desire. There is no standard of greater or lesser satisfaction other than individual judgments of value, different for various people and for the same people at various times. What makes a man feel uneasy and less uneasy is established by him from the standard of his own will and judgment, from his personal and subjective valuation. Nobody is in a position to decree what should make a fellow man happier. (…) There are people whose only aim is to improve the condition of their own ego. There are other people with whom awareness of the troubles of their fellow men causes as much uneasiness as or even more uneasiness than their own wants. There are people who desire nothing else than the satisfaction of their appetites for sexual intercourse, food, drinks, fine homes, and other material things. But other men care more for the satisfactions commonly called “higher” and “ideal.” There are individuals eager to adjust their actions to the requirements of social cooperation; there are, on the other hand, refractory people who defy the rules of social life. There are people for whom the ultimate goal of the earthly pilgrimage is the preparation for a life of
bliss. There are other people who do not believe in the teachings of any religion and do not allow their actions to be influenced by them. (…) The idea that the incentive of human activity is always some uneasiness and its aim always to remove such uneasiness as far as possible, that is, to make the acting men feel happier, is the essence of the teachings of Eudaemonism and Hedonism. Epicurean ataraxia is that state of perfect happiness and contentment at which all human activity aims without ever wholly attaining it (Mises, 1996, pp. 14-15).

It should be noticed that, according to Mises, the human action discussed above is a priori axiom. It is supplemented by Bauman’s principle of human’s uncertainty. Bauman claims that “[u]ncertainty is the natural habitat of human life – although it is the hope of escaping uncertainty that is the engine of human pursuits”. Eliminating any uncertainty is an element of happiness. Nevertheless, human efforts to avoid uncertainty and achieve the state of happiness are like travelling in the direction of the horizon. The closer we try to get, the more distant horizon is (Bauman, 2009, p. 41).

Most certainly, the aforementioned principle seems to be true. Humans feel a permanent pressure of uncertainty which forces them to strive for an escaping goal – happiness which can never be fully experienced. Such a situation has some consequences, which according to Bauman, change human efforts for happiness. The changes include shifts from routine to innovation, from maintaining the status quo to creating something totally new, from being pushed to being pulled, from needs to desires, from being motivated by causes to motivation by objectives. Bauman perceives the aforesaid changes as a trend shift from dominance of tradition to rejection of all what is permanent and desecration of all what was considered holly and very much respected. In consequence, meeting human needs is not enough because people generate their own desires (Bauman, 2009, pp. 57–58).

Such a situation results in frequent changes of human needs and desires and the process of their self-creation. Due to the permanent changes in the contemporary world people never reach full satisfaction and the feeling of accomplishment of the majority of their goals. While the huge amount of goods is produced, achieving some of their goals people immediately find the new ones, both material and those of a higher order.

It is worth mentioning that human actions might not be rational and well considered as regards using the most appropriate means to achieve pre-planned goals. Sometimes human actions are influenced by
emotions which has an impact on the valuation of inputs and outputs. Emotions impede a rational assessment. For a human being driven by passion, instead of cool deliberation, goals seem to be more desirable while necessary investments are found to be lower than in the reality. Certainly, even in the state of emotional stimulation, both goals and costs necessary to achieve them are taken into account which shows that costs of emotional actions are higher (Mises, 1996, p. 16). It should be noticed that, from the perspective of a person who acts, all the actions are rational.

The ultimate end of action is always the satisfaction of some desires of the acting man. Since nobody is in a position to substitute his own value judgments for those of the acting individual, it is vain to pass judgment on other people’s aims and volitions. No man is qualified to declare what would make another man happier or less discontented. The critic either tells us what he believes he would aim at if he were in the place of his fellow; or, in dictatorial arrogance blithely disposing of his fellow’s will and aspirations, declares what condition of this other man would better suit himself, the critic (Mises, 1996, p. 19).

The economics writers ceaselessly insist that *homo economicus* is the most widespread model of a human being although such an approach has already been criticized. Both the findings of earlier research and the decisions of the Nobel Prize committee in 2001-2002 confirm that such reasoning is erroneous. Joseph Stiglitz, Michael Spence, George Akerlof, Vernon Smith and Daniel Kahneman, the winners of the Nobel Prize in economics, were awarded to honour their studies on customer behaviours in the conditions of uncertainty and informational asymmetry. They proved that human beings were neither rational nor objective and their decisions were driven by emotions and subjectivity. Similar opinions had been earlier expressed by Mises:

According to this doctrine traditional or orthodox economics does not deal with the behaviour of man as he really is and acts, but with a fictitious or hypothetical image. It pictures a being driven exclusively by “economic” motives, i.e., solely by the intention of making the greatest possible material or monetary profit. Such a being, say these critics, does not have and never did have a counterpart in reality; it is a phantom of a spurious armchair philosophy. No man is exclusively motivated by the desire to become as rich as possible; many are not at all influenced by this mean craving. It is vain to refer to such an illusory homunculus in dealing with life and history (Mises, 1996, p. 62).
Taking into account the aforementioned arguments and own studies, the author of the paper identified the following axioms of the hedonistic nature of human action:

1. Human actions are oriented to achieving subjective and maximum pleasure-benefit.
2. Human beings avoid risk taking – both in the short- and long-term – which is for fear not to achieve pleasure-benefit or to experience unpleasantness.
3. Making a choice between immediate pleasure-benefit and long-term pleasure-benefit humans strive for maximizing outputs.
4. Everyman establishes his own definition of pleasures and benefits in his own and subjective way. Such a definition is changing over his life as a consequence of the environment pressure.
5. Every human action is determined by unconsciousness and consciousness, while unconscious processes have the priority in decision making.
6. Human unconsciousness is always aimed at achieving pleasure-benefit, while human consciousness is shaped by socialization processes such as: culture, religion moral and legal principles, upbringing, education and therefore it can represent attitudes other than hedonistic.
7. Human unconsciousness is determined mainly by drives and instinct, sexual drive in particular, which results in striving for sexual pleasure (Hoppe G., 2014, pp. 17-24).

Imaginations embedded in the system of unconsciousness are not linked to the reality. They are active all the time regardless of the current situation in the environment. It means that some wishes are active all the time regardless of the fact whether it is possible to achieve them in given circumstances and regardless of moral principles or the interest of a given person.

Such principles are in accordance with the laws concerning customer behaviours. They are, to some extent, confirmed by Banfield who claims that time preference causes the differences between social classes and cultures, including differences between a higher class and lower class in particular. The representatives of the former are oriented to the future, disciplined and ready to sacrifice contemporary gratification for better prospects for the future. Contrary, the members of lower classes are characterised by short-term orientation and hedonism:
If [a lower class individual] has any awareness of a future, it is of something fixed, fated, beyond his control: things happen to him, he does not make them happen. Impulse governs his behaviour, either because he cannot discipline himself to sacrifice a present for a future satisfaction or because he has no sense of the future. He is therefore radically improvident (...) He works only as he must to stay alive, and drifts from one unskilled job to another, taking no interest in his work (...) He is careless with his things (...) even when nearly new, they are likely to be permanently out of order for lack of minor repairs. His body, too, is a thing “to be worked out but not repaired” (Banfield, 1974, pp. 61–62).

A similar point of view is presented by Bauman who describes diversified behaviours of different social classes and points out that the worst situation is encountered by the middle class. In his opinion, the middle class constantly faces the uncertainty of its material status and social position. In societies characterised by a high level of stratification and disproportions in an access to tangible and intangible goods, the upper class can easily maintain its position, the lower class has very limited possibilities to improve its existence, while the middle class experiences a permanent threat of losing its status by accidental lack of attention (Bauman, 2009, p. 86)

Another important observation on human hedonism is made by Bauman who claims that humans very rarely give up their pleasures in order to achieve higher-level aims. Bauman notices that human generosity usually does not require people to sacrifice or resign of anything, even if such generosity is a heartfelt feeling. Engaging in the environment protection, we do not agree to sacrifice the quality of our way of living or to give up some pleasures. We do not accept any limitations of our consumption. We are not going to give up our life style and to accept even minor limitation of personal comfort (Bauman, 2009, p. 78)

If all the aforementioned opinions are true and they accurately describe the nature of human actions it can hardly be expected that anyone will behave in a socially responsible way. Certainly, with the exception of people for whom a socially responsible attitude is the aim of their actions. The difficulties in the development of the industry consisting of companies which manufacture in accordance with the principles of sustainable development confirm that the nature of human actions suits well to the characteristics presented above.
3. The nature of actions of the government and politicians

The analysis of the nature of actions undertaken by the government and politicians is limited to democratic social systems. Although such systems are considered to be friendly to their citizens they have not avoided numerous pathologies, some of which could be described as political hedonism. Due to the fact that the government, politicians and public officials are human beings like other people, it can hardly be expected that their actions and goals will be different. It means that their actions are characterised, to a high extent, by hedonism. However, while hedonism of individual persons derives from human nature and it generally results in positive outcomes, political hedonism is a very negative phenomenon leading to numerous pathologies and its negative effects influence whole society. Such a situation is an innate feature of democratic systems. As observed by Hoppe, among politicians may be found individuals who disobey moral principles more than others and who are egoists to a much higher extent:

> Given that in every society more “have-nots” of everything worth having exist than “haves”, the politically talented who have little or no inhibition against taking property and lording it over others will have a clear advantage over those with such scruples. That is, open political competition favours aggressive (hence dangerous) rather than defensive (hence harmless) political talents and will thus lead to the cultivation and perfection of the peculiar skills of demagoguery, deception, lying, opportunism, corruption, and bribery. Therefore, entrance into and success within government will become increasingly impossible for anyone hampered by moral scruples against lying and stealing (Hoppe H.H., 2007, p. 276).

A government official (politician) does not produce any goods and he or she is paid with money collected from taxes. Usually, such an official is not expected to be extraordinary skilled of extremely well educated. Due to the fact that his or her earnings are much higher than an average salary, greed of power and high remuneration for idleness are the main motivations (aims) to become a politician. Certainly, many politicians will protest against such a statement claiming that they work for the sake of society and creating good law is their motivation. In order to validate such declarations, it would be enough to transform parliamentary functions into unpaid positions, abolish MP immunity and to establish full responsibility of politicians for law they made.
Unfortunately, every day mass media inform about the consequences caused by legal regulations of poor quality.

Government officials, like all the humans, are driven by their own interest and they avoid unpleasant situations in their work. Therefore, empowered in exclusive rights to impose taxes they will strive towards increasing budget spending. The more money can be spend and the less effort is needed to produce, the richer one is (Hoppe H.H., 2007). The principles driving behaviours of government officials are also discussed by Mises who observed that:

Unfortunately the office-holders and their staffs are not angelic. They learn very soon that their decisions mean for the businessmen either considerable losses or – sometimes – considerable gains. Certainly there are also bureaucrats who do not take bribes; but there are others who are anxious to take advantage of any “safe” opportunity of “sharing” with those whom their decisions favour (Mises, 1996, p. 735).

The aforementioned remark often depicts the reality and it is validated by numerous media reports. Another interesting analysis of government officials’ behaviours and motivations is provided by Rothbard:

While a private owner, secure in his property and owning its capital value, plans the use of his resource over a long period of time, the government official must milk the property as quickly as he can, since he has no security of ownership (...) government officials own the use of resources, but not their capital value (except in the case of the “private property” of a hereditary monarch). When only the current use can be owned, but not the resource itself, there will quickly ensue uneconomic exhaustion of the resources, since it will be to no one’s benefit to conserve it over a period of time and to every owner’s advantage to use it up as quickly as possible (...) The private individual, secure in his property and in his capital resource, can take the long view, for he wants to maintain the capital value of his resource. It is the government official who must take and run, who must plunder the property while he is still in command (Rothbard, 2006a, pp. 232–233).

The case unveils negative effects of so-called common goods or goods owned by the state, which often are considered as goods having no owner. Their ownership rights are not granted to any particular person, which in consequence results in numerous pathologies. Although made decades ago, Brozen’s remark on hedonistic behaviours of politicians remains still valid:
The state has typically been a device for producing affluence for a few at the expense of many. The market has produced affluence for many with little cost even to a few. The state has not changed its ways since Roman days of bread and circuses for the masses, even though it now pretends to provide education and medicine as well as free milk and performing arts. It still is the source of monopoly privilege and power for the few behind its facade of providing welfare for the many - welfare which would be more abundant if politicians would not expropriate the means they use to provide the illusion that they care about their constituents (Brozen, 1966, p. 52).

The aforesaid quotation unveils the true face of democratic systems which enable few people to appropriate benefits at the expense of the whole society. Mencken is even more critical as regards the activities of the state and its officials. He claims that from the perspective of an everyman, the government is the force operating beyond the circle of his interests and his acquaintances. Such a person perceives the government as an independent entity, and often the hostile force which can harm him or her seriously. To support his point of view, Mencken points out the common opinion that stealing from the government is perceived as a less wrongdoing than stealing from a private person or a company. Stealing from the government means lower spending by government officials who are considered spongers having questionable rights to benefit from money generated by other citizens. Therefore, Mencken supports all actions aimed at lowering the amount of financial resources at the government’s disposal (Mencken, 1942, p. 198).

Lysander Spooner, a great proponent of political anarchism and a lawyer specialised in constitutional issues, expressed his opinions on government officials in a following way:

[Elected officials] are neither our servants, agents, attorneys, nor representatives (...) [because] we do not make ourselves responsible for their acts. If a man is my servant, agent, or attorney, I necessarily make myself responsible for all his acts done within the limits of the power I have intrusted to him. If I have intrusted him, as my agent, with either absolute power, or any power at all, over the persons or properties of other men than myself, I thereby necessarily make myself responsible to those other persons for any injuries he may do them, so long as he acts within the limits of the power I have granted him. But no individual who may be injured in his person or property, by acts of Congress, can come to the individual electors, and hold them responsible for these acts of their so-called agents or representatives. This fact proves that these pretended agents of the people, of everybody, are really the agents of nobody (Spooner, 1870, p. 25).
For ages, the groups of individuals who referred to as a “government” or a “state” have made, usually successful, attempts to establish a monopoly in order to control economy and society. In particular, the monopoly of a state included: the army, the police, the legislative system, the juridical system, issuing of currency, ownership of unused lands, streets and motorways, rivers and littoral waters as well as post services. The control over land and transportation has been an effective way to control the whole society (Rothbard, 2010, p. 268).

Assuming its relentless greed of power, a state and its officials try to increase their power and wealth and go beyond any limits in an unnoticed way. The problem is that, in the conditions of the utopia of a limited state and a laissez-faire philosophy, there are not any institutional mechanisms to limit a state (Rothbard, 2010, p. 286).

The increase in the level of taxes and the number of government officials observed for centuries is the measure of the power of a state. Nowadays, the governments make the majority of customer decisions on behalf of their citizens:

In fact, during the entire monarchical age until the second half of the nineteenth century, which represents the turning point in the historical process of demonarchization and democratization beginning with the French Revolution and ending with World War I, the tax burden rarely exceeded 5 percent of national product. Since then it has increased constantly. In Western Europe it stood at 15 to 20 percent of national product after World War I, and in the meantime it has risen to around 50 percent. Likewise, during the entire monarchical age, until the latter half of the nineteenth century, government employment rarely exceeded 2 percent of the labour force. Since then it has increased steadily, and today it typically is 15 to 20 percent (Hoppe H.H., 2007, pp. 26–27).

There is not a fair and honest method of using a wide scope of rights assigned to legislative and executive bodies in the interventionism system. The aim of the interventionism proponents is to replace the allegedly socially danger consequences of private ownership and consolidated privileges with the freedom of making decisions by a wise and unbiased legislative body and its conscientious and tireless aides de camp – bureaucrats. They perceive a simple person as a helpless child unable to survive without the father’s care protecting them from a treacherous band of black characters. Striving for a higher and noble idea of justice they reject traditional understanding of law and order. They are always right because all of their behaviours are against those
who want to keep for themselves goods which, according the a higher idea of justice, should belong to others (Mises, 2011, p. 620).

Nevertheless, all the politicians forget that an every individual has a freedom of choice. One may express the opinions concerning detrimental effects of smoking cigarettes but people should have freedom to decide about their life. Otherwise, as pointed out by Rothbard:

> we may as well outlaw all sorts of possible carcinogenic agents – including tight shoes, improperly fitting false teeth, excessive exposure to the sun, as well as excessive intake of ice cream, eggs, and butter which might lead to heart disease. And, if such prohibitions prove unenforceable, again the logic is to place people in cages so that they will receive the proper amount of sun, the correct diet, properly fitting shoes, and so on (Rothbard, 2006b, p. 137).

Is there any room for state social responsibility in such a democratic system dominated by overwhelming state interventionism? The answer seems to be simple and unambiguous: no, there is not!!!

The analysis of the legal environment in Poland shows that the issue of sustainable development is included into the constitution (article 5) but it can hardly be found in any executive document of a lower level. It confirms the observation that politicians who officially pronounce lofty statements in everyday business are driven by political hedonism which leads a democratic system to a dead end. Fortunately, more and more citizens are aware of such a situation and one could hope that important changes in the functioning of a state and the scope of its influence will be introduced soon.

### 4. CSR – a true management concept or PR fiction

The analysis of mechanisms governing a state and its officials as well as the description of the nature of human action provide a gloomy picture. Therefore a question should be asked: Is there any room for the sustainable development of an organisation in such circumstances when even optimists become sceptical? Social responsibility of the state seems to be a prerequisite of the success of such processes. As long as political functions are occupied by individuals striving for maximizing their own profits and as long as a state is the owner of numerous common goods, there will not be conditions favourable to sustainable development of
organisations and possibility to create a high level of customer social responsibility.

The pollution of the natural environment is one of the thorny issues of the contemporary world. Nozick is right in his opinions, that such a situation is caused by the fact that the great number of resources does not have their real owner:

But since no single source significantly affects one individual, it still will not pay any individual to sue any individual polluter. It is ironic that pollution is commonly held to indicate defects in the privateness of a system of private property, whereas the problem of pollution is that high transaction costs make it difficult to enforce the private rights of the victims of pollution (Nozick, 1999, p. 80).

A similar opinion is shared by Rothbard:

Thus, when we peel away the confusions and the unsound philosophy of the modern ecologists, we find an important bedrock case against the existing system; but the case turns out to be not against capitalism, private property, growth, or technology per se. It is a case against the failure of government to allow and to defend the rights of private property against invasion. If property rights were to be defended fully, against private and governmental invasion alike, we would find here, as in other areas of our economy and society, that private enterprise and modern technology would come to mankind not as a curse but as its salvation (Rothbard, 2006b, p. 327).

Robert Poole defines pollution “as the transfer of harmful matter or energy to the person or property of another, without the latter’s consent” (Poole, 1972, p. 245). The protection of natural resources is one of the key assumption of the sustainable development concept. Nevertheless, it should be asked how to protect natural resources when there is not a true owner who could demand compensation for damage to the natural environment? The existing system of payments for using natural resources is an additional stream of state revenues rather than a tool to protect and reclaim devastated natural environment. Moreover, those who devastate the environment usually bear no cost for that.

It should be added that the state interventionism does not lever the incomes of society, and the companies linked somehow with the state and its officials are the main beneficiaries of interventionist actions.

It has often been noticed, both by proponents of laissez-faire capitalism and by radicals, that the poor in the United States are not net beneficiaries of the total government programs and interventions in
the economy. Much of government regulation of industry was origi-
nated and is geared to protect the position of established firms against
competition, and many programs most greatly benefit the middle class
(Nozick, 1999).

The aforesaid actions of a state create unfavourable conditions to
the company sustainable development and and the customer social
responsibility. Moreover, we should remember that organisations con-
sist of people whose nature is characterised by hedonism. Why should
organisations have different aims and objectives than their members
and owners. Except for building up a public image, there is hardly any
reason to be different (better), which means that PR is the key motiva-
tion of CSR initiatives.

5. Conclusion

The choice of socially responsible companies made by Rok (2013)
shows that the development of CSR concept is Poland is fiction. The
list includes: GlaxoSmithKline (punished with a 3 billion USD fine
for the biggest corruption in the pharmaceutical industry, Provident
(usurious loans), Totalizator Sportowy (gambling). If such companies
are considered to be the leaders of CSR and sustainable development
much remains to be done about understanding the idea of these
concepts.

Moreover, society is characterised by erroneous understanding
actions undertaken by a state and its potential social responsibility,
which is accurately described by Mises:

Today the majority of the citizens look upon government as an agency dis-
pening benefits. The wage earners and the farmers expect to receive from the
treasury more than they contribute to its revenues. The state is in their eyes
a spender, not a taker. These popular tenets were rationalized and elevated to the
rank of a quasi-economic doctrine by Lord Keynes and his disciples. Spending
and unbalanced budgets are merely synonyms for capital consumption. If cur-
rent expenditure, however beneficial it may be considered, is financed by taking
away by inheritance taxes those parts of higher incomes which would have been
employed for investment, or by borrowing, the government becomes a factor
making for capital consumption (Mises, 1996, p. 850).

Summing up, it is worth quoting Mises’ opinion on true economists
and government executives:
It is impossible to understand the history of economic thought if one does not pay attention to the fact that economics as such is a challenge to the conceit of those in power. An economist can never be a favourite of autocrats and demagogues. With them he is always the mischief-maker, and the more they are inwardly convinced that his objections are well founded, the more they hate him (Mises, 1996, p. 67).

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