

# First person

**David Harvie says that the lack of social responsibility exhibited by major firms is entirely in keeping with the past**



## No surprise in ways that big business acts

**T**here was something cathartic about the grilling representatives of Amazon, Starbucks and Google received from MPs on the House of Commons Public Accounts Committee. The politicians, led by committee chair Margaret Hodge, accused them of “evasiveness” and “immorality”.

Stirring stuff from our elected representatives – and it’s nice to see “greedy” corporate types called to account. But while it’s easy to point the finger at corporations for minimising their tax payments, why should we expect them to behave in any other way?

As neo-liberal economist Milton Friedman, proponent of economic “shock therapy”, argued half-a-century ago, “there is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game”.

Get used to it: businesses are feral.

So perhaps we should be turning the tables. Not letting tax-avoiding corporations off the hook, but pointing the finger at politicians for allowing just this to happen.

### RESPONSIBILITY

Amazon, Starbucks, Google and their kind have been benefiting from the UK’s “competitive” tax environment for at least a decade – and successive UK governments have done nothing to prevent this. Indeed, this tax environment, like “liberal” employment laws, is one of the appeals of doing business in Britain.

The Chancellor, George Osborne – clearly struggling to respond to the challenge of groups such as UK Uncut – is now talking of “getting tough on tax dodgers”.

This is mostly talk and, in a deliberate attempt to distort the nature and consequences of the present social and economic crisis, Government ministers have suggested tax dodgers to be the moral equivalent of benefit cheats.

The reality is different. While Workfare and other policies attacking the poor, the disabled, single parents, the unemployed are rolled out, Osborne has just reduced even further the corporate tax rate – at 21 per cent it is now as low as Luxembourg’s – and has cut jobs at HM Revenue and Customs, undermining attempts to tackle tax evasion.

Friedman’s dictum regarding the social responsibility of business has become famous.

Less well known are the lines that follow: “Similarly, the ‘social responsibility’ of labour leaders is to serve the interests of the members of their unions. It is the responsibility of the rest of us to establish a framework of law” such that the interests of society are promoted.

If the present crisis has taught us anything it is that neither business leaders nor politicians feel responsible towards us and our needs: if we want to live good lives, fulfilling and secure, then it is our “social responsibility” and ours alone to make this happen.

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