

*International Center for Alcohol Policies Series on Alcohol in Society*

# Corporate Social Responsibility and Alcohol

*The Need and Potential  
for Partnership*

*Edited by*  
Marcus Grant  
and  
Joyce O'Connor



*Executive Summary*

## What is the main purpose of this book?

This volume examines the strengths and weaknesses of corporate social responsibility (CSR) and explores ways in which the beverage alcohol industry could contribute to reducing the negative health impacts of harmful drinking patterns.

There are many influences on the relationship between alcohol and society, and although many of these influences interact—there is no single factor that can be said to be dominant in the development of drinking patterns. For that reason, it is clear that no single prescription can be offered to society—any society—on how to address the harms associated with alcohol abuse. Similarly, no single sector can effectively tackle these issues alone.

The beverage alcohol industry recognizes the need and potential for CSR and the imperative for partnerships with other stakeholders. *Corporate Social Responsibility and Alcohol* considers the basic values, ethics, policies and practices of the beverage alcohol industry, and examines the many key issues that are specific to this business, such as: responsible marketing; issues of abuse prevention & education; and research.

Increased scrutiny on the part of the general public, media, health and other advocacy groups, and governments has warranted a reexamination in every industry of corporate responsibilities, standards of accountability, and the role of companies in facing these challenges. This is no less true for the alcohol industry. It is surely possible to move forward partnerships with other stakeholders in the alcohol arena through dialogue and joint action, but this requires that the parties respect one another's positions, believe in one another's good faith, and make a real effort to work through the issues in which industry can make a proactive contribution. In keeping with that theme, this volume explores the *need and potential for partnership*.

## What are the main findings?

Developing an appropriate alcohol policy involves complex health, privacy, revenue, and cultural issues. It is because of this complexity that there can be no one-size-fits-all model of reasonable alcohol policy for every country in the world, thus pointing to the desirability for alcohol policies based on broad stakeholder engagement.

Alcohol beverages provide considerable personal pleasure and social benefits, but they can also cause serious personal and social harm if consumed irresponsibly. All individuals and organizations have social responsibilities. Individuals are responsible to themselves and others for their behavior, but they benefit from information and guidance to help them define the appropriate extent of that responsibility. The beverage alcohol industry can pursue both legitimate profits and promote the public good through the exercise of corporate social responsibility—encouraging consumers to drink sensibly is both ethical and in the long-term economic interest of the companies. Industry efforts directed at promoting more responsible drinking patterns go a long way to demonstrating to other stakeholders, most notably those concerned about public health, that businesses comprising the beverage alcohol industry are serious about contributing to the effort to reduce alcohol misuse and harm.

## How did the book come to be written?

In October 2002 in Dublin, the National College of Ireland (NCI) and the International Center for Alcohol Policies (ICAP) held an international conference on *Alcohol, Ethics and Society*. It consisted of three thematically separate but linked sessions, addressing “Government Regulation, Industry Self-Regulation and Personal Pleasure”; “Research and Education”; and “Advertising, Marketing and Sales”. This volume draws on and expands some of the presentations made during the Dublin conference. At least a third of the material included in this volume was commissioned after the conference and it focuses on the theme of corporate social responsibility and the role of partnerships.

## For whom is the book intended?

This book is intended for all those with an interest in alcohol issues especially in the context how the alcohol business exercises social responsibility. In the academic field, it will be of interest to a range of disciplines including public health, business, and ethics. Politicians and civil servants in the social affairs, trade, and finance sectors as well as government and industry regulators, public health practitioners and those working in the production and distribution of beverage alcohol will also find the book useful.

## How can the contents be summarized?

### The volume addresses five main themes:

#### *1. Corporate values and collaboration:*

Effective partnerships may be the best way to ensure that the interests of all of the relevant stakeholders can be articulated and discussed openly. Being ethical and acting responsibly means being honest, transparent, consistent, and tolerant of those with different values. Only with such tolerance can there be mutual respect among those with different viewpoints. That respect can, in turn, lead to partnerships and to the ultimate goal of sound, effective alcohol policies that balance the interests of all concerned to the greatest extent possible.

#### *2. Defining CSR within an historical context:*

Recent changes in the socioeconomic and political climate are creating growing expectations that corporations behave in a socially responsible manner. The driving forces behind these changes are wide-ranging, from consumers, governments, and employees to civil society organizations and investors. Corporate social responsibility is a broad concept involving corporate activities beyond profit-making, and the term is being increasingly used to describe the role of business in society. CSR involves a broad commitment by companies to social welfare, the public good and to policies that support them.

#### *3. Examining CSR in the context of product safety and risk—a look at several industries:*

If an available product has the potential to cause harm to those who use it, when is there responsibility to inform or remind those who use the product about potential harms? In this section, several products and activities are examined which have varying degrees of risks associated with their use or misuse. Those using these products are expected to know the risks and are expected to learn to use them responsibly, so they can both enjoy them and avoid harm to themselves or others. In addition to examining the role of the corporate sector, this section looks at how much responsibility the state or society should take and how much should be left to the choice of consumers.

#### *4. Perspectives on CSR and Partnership in the beverage alcohol industry:*

The beverage alcohol industry's concern for public health and social wellbeing is founded on the realization that reckless drinking, inappropriate advertising and promotional activities could adversely affect not only health but business and product reputation. This section looks at industry-wide interventions aimed at reducing the misuse of alcohol. While many interventions encouraging more moderate consumption patterns have been initiated by governments, many others have been developed by the industry through partnerships. In this section, interventions, including controls over supply, legislation against unacceptable alcohol-related behavior, regulation of advertising and promotion, and education, are examined.

#### *5. CSR and partnership in practice:*

Partnership is not a goal but a way to achieve a goal. The goal is to define the role of alcohol in a society so benefits can be maximized and problems minimized. Many of the practical actions undertaken by the beverage alcohol industry, particularly in emerging markets, are discussed in this final section which includes a report covering the period 1999-2003 on the ICAP developed "Framework for Responsibility". The Framework identified activities that the ICAP sponsors pledged to undertake in developing countries in an effort to demonstrate how seriously they take the issue of corporate social responsibility.

## Who are the contributors?

Adrian Botha, SABMiller, plc, London, UK  
Chris Britton, Diageo, plc, London, UK  
Hugh Burkitt, Burkitt DDB, London, UK  
Peter H. Coors, Coors Brewing Company, Golden, Colorado, USA  
Peter Cressy, The Distilled Spirits Council of the United States, Washington, DC, USA  
Monica Gourovitch, The Distilled Spirits Council of the United States, Washington, DC, USA  
Marcus Grant, International Center for Alcohol Policies, Washington, DC, USA  
Hurst Hannum, Tufts University, Medford, Massachusetts, USA  
Eleni Houghton, Consultant, Pittsburgh, Pennsylvania, USA  
David Logan, The Corporate Citizenship Company, London, UK  
Mike MacAvoy, Alcohol Advisory Council of New Zealand, Wellington, New Zealand  
Meg Mackenzie, Alcohol Advisory Council of New Zealand, Wellington, New Zealand  
Marjana Martinic, International Center for Alcohol Policies, Washington, DC, USA  
Joyce O'Connor, National College of Ireland, Dublin, Ireland  
John Orley, Consultant, Guernsey, Channel Islands  
Gaye Pedlow, Diageo, plc, London, UK  
Stanton Peele, Psychologist and Consultant, Morristown, New Jersey, USA  
Leanne Riley, World Health Organization, Geneva, Switzerland  
Ann Roche, National Centre for Education and Training on Addiction, Adelaide, Australia  
Daniya Tamendarova, International Center for Alcohol Policies, Washington, DC, USA

## About ICAP

*Corporate Social Responsibility and Alcohol: The need and potential for partnership* was commissioned by the International Center for Alcohol Policies (ICAP). ICAP is a not-for-profit organization whose mission is to promote the understanding of the role of alcohol in society through dialogue and partnerships involving the beverage alcohol industry, the public health community, and others interested in alcohol policy, and to help reduce the abuse of alcohol worldwide. ICAP is supported by major international producers of beverage alcohol. The views expressed in this volume are those of the individual authors and do not necessarily represent those of ICAP or of its sponsoring companies.

For a listing of all the books in the *ICAP Series on Alcohol in Society*, please visit our web site at [www.icap.org](http://www.icap.org)

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