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It is a great pleasure for me, as a representative of Britain's second largest faith community, to be able to address such an august gathering on this key subject in Singapore. In our growing market economies Corporations – public, private and multinational - are assuming major roles. These naturally bring with it obligations for socially responsible behaviour. Many of our leading Corporations are rising to the challenge. We see this seminar as an opportunity to widen the debate on corporate social responsibility and broaden the scope of the discussion.

I want to make a few observations around CSR from four perspectives:

- The role of the UK and its Corporations as a trading nation
- The management of the UK's growing need for resources from Muslim nations
- The role of our Corporations in empowering the UK Muslim community
- The implications for our Corporations of Britain's role as a leading global arms supplier and the creeping privatisation of key functions of our armed forces

The Role of the UK and its Corporations as a trading nation

Both the UK and Singapore are islands with great traditions of trading around the globe. Indeed, the prosperity of both our countries depends to a large extent on our ability to trade freely around the globe. Our key expertise is in our ability to source, enhance, syndicate and package goods and services that are in demand around the globe. Our prosperity also makes us important

markets in our own right and free access to our markets is a key part of our understanding with our trading partners.

Successful trading requires long term and trusted relationships with our partners. Increasingly, it is not enough to have good relations only with politicians and corporate leaders in these countries. The peoples of our trading partners are also getting better informed as a result of globalisation and the information revolution. They are looking at “fair” and mutually beneficial trading relationships rather than quick profits based on rapacious extraction and exploitation of their natural and human resources. Without their informed consent and ownership of the relationship, the costs of trading would increase as the relationship deteriorates into a coercive resource grab. This, in turn, would become politically and commercially untenable.

In this context Corporate Social Responsibility involves paying careful heed to these issues to encompass transparent and corruption free contracts, acceptable working conditions, fair

exchanges and compensation for natural and human resources, considerations for environmental sustainability and sensitivity to cultural and religious ethos of our trading partners.

Again, as we have seen with difficulties we are having with the Doha Round of trade negotiations, it would be irresponsible of our Corporations to demand subsidies for their products and use these to dump the same on developing countries at the expense of the poor in those countries. The case of the OECD countries agricultural subsidies is too well documented to be reiterated except to say that many of our Corporations have a vested interest in its perpetuation.

Corporate social responsibility also demands that we allow value to be added to products at their source rather than create barriers for processed products and force raw material producers to get the bare minimum for their labour.

We are also seeing increasing demands for responsible pricing behaviour in the case of drugs for life-threatening diseases, especially in Sub-Saharan Africa.

Clearly Corporate Social Responsibility in an age of globalisation takes on an altogether new dimension, and for trading nations like the UK, it is vital to work tirelessly to create a sense of fair play and equity.

The management of the UK's growing need for resources from Muslim nations

Our country has a long history of trading with many Muslim nations over the years. This is going to be enhanced over the next couple of decades. The growing energy deficiency in the UK and Europe and the only large scale tradeable energy surpluses being available in the Caspian Sea and Persian Gulf regions will make the interdependence of the UK with these Muslim nations even more critical.

As we have seen in the case of the war on Iraq, it is very easy to become despised occupiers from our expectations of being accepted and welcomed as “liberators”. If the peoples of our partners perceive us as being only interested in their resources to the exclusion of their welfare and aspirations for establishing representative political dispensations, this can inflict lasting damage on our relationship.

We are already seeing tolerance of questionable environmental and human rights practices in key Caspian Sea countries and in the countries hosting the routes the vital energy supplies are planned to take. Some of our major Corporations are involved in these areas and have encouraged and welcomed these opportunistic developments. We need to make them aware of the long-term implications of such opportunistic behaviour, which alienates the peoples of these countries.

On a wider point, Britain as a key trading nation, has to move away from the present climate of demonisation of Islam and Muslims, if it is to develop sustainable trading relationship with these key energy providing Muslim countries. Again our recent experience in Iraq has shown that the path of forcible occupation of these areas to get access to their resources is untenable. The only viable path is to develop an equitable relationship, which results in a mutually acceptable bargain. Our Corporations have a key role to play in enabling our government to build an enabling framework to make such an exchange possible. The demonisation of Islam and Muslims would have to be replaced by respect and dialogue. Our Foreign Office in its recent Strategy Paper has already recognised this need and we hope that we can build solid implementation policies in this regard with the help of our key Corporations.

The role of our Corporations in empowering the UK Muslim community

Within the UK itself, the over 1.8 million Muslim community can be a great reservoir to facilitate the dialogue with our trading partners and also contribute to the growth of our economy.

The UK Muslim community is a young and dynamic one. Fifty percent of UK's Muslims are born in Britain and over 55% are under the age of 24. It is estimated that in key cities like London Muslims will provide one in four of the labour force by the year 2015. Yet their representation in key government and private sector establishments is well below their potential.

Clearly then, our Corporations need to pay critical attention to the under representation of the Muslim community in all fields. We are working with the government to address some of the short comings of the community in the fields of education and health. However, Corporations need to do much more to ensure that they have

meaningful programmes to tap and empower the enormous diversity provided by British Muslims.

A recent development shows the path forward. The role of London as a major financial centre, and particularly its key involvement in wholesale Islamic financial transactions, was in stark contrast to the total lack of any such products available to the British Muslim community. Responding to advocacy from the Muslim Council of Britain and other organisations the ex Governor of the Bank of England, Sir Eddie George, provided commendable leadership to make the launch of retail Shari'a compliant products possible in the UK. We now have high street banks marketing Shari'a compliant home finance products throughout the country. Soon we expect to see a full range of products fulfilling the major financial needs of the Muslim community.

True to our genius for trading, our banks are already looking at the possibility of using the reputation of these well regulated products in the UK market, as a leverage for launching the same in EU and

other markets like India and Nigeria with significant Muslim populations.

Muslims have much to contribute to the well being of our nation and it is the prime task of our socially responsible Corporations to act as enlightened enablers to tap the creative potential in the diversity we have.

The implications for our Corporations of Britain's role as a leading global arms supplier and the creeping privatisation of key functions of our armed forces

Our role as one of the worlds leading arms supplier has created difficult dilemmas for our government and led to our Corporations being accused of unashamedly profiteering from death and destruction. On occasions arms supplied by our Corporations have been used against our own forces and many a times against our social, political and moral interests. This is a continuous problematic for our government and Corporations.

To this already difficult terrain we have now started to privatise many of the non-frontline roles of our armed forces. In Iraq, for example, private Corporations fulfil many of the security functions. As corporate employees providing these services move closer to the front line and assume semi combat roles in many situations, they are increasingly liable to be viewed as mercenaries.

Our Corporations already under a cloud for arms trafficking are in danger of being cast as providers of mercenary forces. Corporate Social Responsibility demands that our Corporations take a closer look at these developments and do not put their employees in these inextricable dilemmas. The recent case of our tough-talking Home Secretary pleading for the early release of a British arms dealer convicted of “waging war against India”, illustrates the kind of corners our government can be forced into. This will inevitably compromise any claim to the moral high ground we claim to have on global terrorism and other issues.

Concluding Remarks

For trading nations like Britain, with a large Muslim population and vital interests in Muslim countries, it is important to have a long-term equitable relationship with our partners. It is the role of our government to provide the enabling framework for such a partnership. It is the role of Corporations to cement and nurture these partnerships with socially responsible behaviour. It is our role as participants in civil society to ensure that opportunism does not compromise this key long term goal so vital for the thriving of our nation. Corporate Social Responsibility, then, is at the heart of our quest for a building a thriving nation based on fair play and equity; one in which the welfare and well-being of people and their natural habitats is of over-arching concern.