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"SOCIO ECONOMIC PROBLEMS OF SUSTAINABLE DEVELOPMENT"  
BAKU, 14-15 FEBRUARY 2019



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*Mahammad Aliyev*

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■ THE ROLE OF THE BUSINESS IN THE PROVISION OF SUSTAINABLE SOCIO-ECONOMIC DEVELOPMENT



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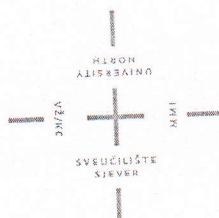
# Economic and Social Development

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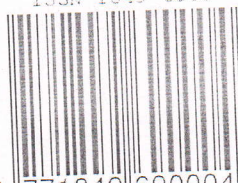
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## THE ROLE OF THE BUSINESS IN THE PROVISION OF SUSTAINABLE SOCIO-ECONOMIC DEVELOPMENT

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### ABSTRACT

*In the article, the role of business in ensuring sustainable social and economic development and the idea of the concept of corporate social responsibility in large companies are analyzed not only by standard commercial and financial indicators. The broader request of the public and its potential sustainability, as well as compliance with business development, has been studied. The possibility of solving the problems of sustainable development of society in the context of contradictions between the tasks of economic, ecological and social development has been studied. The importance of developing a more progressive theory of development and existing opportunities for using the concept of corporate social responsibility to address the social and economic problems of the regions was underscored. In the article the current status of the concept of corporate social responsibility and ways of its adaptation to the conditions of the Republic of Azerbaijan are considered. In the existing political and economic pressure condition the importance of ensuring the state security and mainly the security in the economic field increases day by day in Azerbaijan Republic. Given the fact that economic security is the large-scale concept based on some principles (developed socio-economic system, ensuring the sustainability of the national economy etc.) we can observe that several internal and external factors highly affecting on the economic security of a state. From this perspective the role of business for ensuring the economic security and sustainable socio-economic development is that it facilitates the influence of the firm and companies on development of socio-economic development and the stability of the national economy. Business activity of the firm and companies on sustainable socio-economic development is important on the development of the state's economic system and maintaining of the employment of people, meeting the needs of people by goods (services, jobs), taking part in creating a competitive environment and forming the existing budgets are important subjects and they have been discussed in this paper. In this paper approaches analysis of the author for business concept on ensuring of socio-economic development are introduced, the important role of the business for socio-economic development is described, socio-economic development dynamics of the business is researched, and problems of business experienced on this way are investigated.*

*Keywords: concept of social responsibility, priorities of sustainable development, the scope of business opportunities*

### 1. INTRODUCTION

In the context of contradictions between modern economic, environmental and social development goals, the provision of sustainable development for the society is very important. In order to provide strong social development (economic, environmental and social), it is necessary to build a strong relationships between all aspects of business and to identify priorities for achieving goals set. The concept of CSR, which is already formed in the world, is still not being used efficiently in the business world of Azerbaijan. Though the concept of corporate sustainable development have been widely accepted in the world, social responsibility criteria is not correctly applied in Azerbaijan, and both government and population do not approach business in a right way. In the domestic practice, the implementation of the CSR concept requires the transformation, taking into account the characteristics of transformation, the mentality of the population, public perceptions, and the peculiarities of the organization of the



economy in different regions. It includes ways of environmental regulation based on economic activity, and particular ecological conditions of some regions that have a controversial impact on socio-economic development. On the one hand, it is necessary to preserve unique natural conditions, through restricting the development of industry near certain territorial units. On the other hand, a new sustainable economic development course, focused on tourism development and direct use of natural resources, can have a positive impact on the environment and the living standards of the population.

## **2. THE REGIONAL SOCIAL AND ECONOMIC PROBLEMS**

It is important to determine the more progressive development theories and available capabilities for usage of the corporate social responsibility concept to address the social and economic problems of the regions. Determination of sustainable development priorities requires the consideration of the need for modern economic practice, that is, the importance of corporate social responsibility. In order to achieve targets based on economic mechanisms that choose the objectives of sustainable socio-economic development, it is necessary to prioritize and select the right direction. Elimination of the existing contradictions and solving problems on the basis of mutual responsibility at any level is the requirement of the modern era. In the modern period, there are certain companies that are dealing with the development of theoretical background of the sustainable development, and these companies must act in that direction. The current status of the Corporate Social Responsibility Concept and the ways of co-ordinate the activities of companies operating in the Republic of Azerbaijan with this concept should be analyzed and studied. In recent years, the attention of scientists has been focused on the solution of both national and regional levels of sustainable development and corporate social responsibility. However, we stay on the opinion that, the aspects of the corporate social responsibility theory should be reflected in practical life. As it is quite difficult to define priorities, the responsibility and the role of business increases in ensuring the sustainable development of the society. As a result, the concept of Corporate Social Responsibility (CSR) increases not only the standard commercial and financial performance, but also the broader public interest and sustainable development requirements, the business development, and the actual problem of the day [1.p.159-160]. In particular, it is important to study the possibilities of regional business in solving these problems in modern scientific literature. There are numerous publications of academicians and professionals across the world dedicated to the theory of sustainable socio-economic development and corporate social responsibility. Undoubtedly, there is no systematic approach to the scientific debate, which is based on the sustainable development of the economy. The concept of transition from a particular region, based on relevant normative-legal acts. All these problems should be solved using modern methods of empirical and theoretical research, economic and statistical analysis.

## **3. THE PRINCIPLES OF THE CORPORATE SOCIAL RESPONSIBILITY**

Addressing socio-economic development of the Republic of Azerbaijan based on social responsibility should be disclosed in the context of scientific approaches. Observations and analysis show that the business should be characterized by the current state of social responsibility, so that the definition of social, business, financial and social responsibilities should be defined in a single approach. In line with the objectives of sustainable socio-economic development, it is important to prepare a package of proposals for the development of social responsibility of businesses, which is the actual problem of the day. In modern conditions, clarification of the corporate social responsibility principles should be based on existing approaches to the analysis of business, business ethics, stakeholders, corporate sustainability, corporate approach and sustainable development concepts. From this point of view, the existing contradiction between economic, social and environmental development goals should be



economy in different regions. It includes ways of environmental regulation based on economic activity, and particular ecological conditions of some regions that have a controversial impact on socio-economic development. On the one hand, it is necessary to preserve unique natural conditions, through restricting the development of industry near certain territorial units. On the other hand, a new sustainable economic development course, focused on tourism development and direct use of natural resources, can have a positive impact on the environment and the living standards of the population.

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## 5. CONCLUSION

All above discussed analysis bring to the conclusion that, studying the theoretical and practical aspects of the level of assessment by engaging employees in social and environmental projects by providing sustainable development in a certain region is not in the right direction to develop. These requirements are urgently needed to study key corporate social responsibility issues in sustainable regional development. These requirements can be listed as mentioned below:

1. Theoretical approaches to the development concept should be systematized to understand the concept of sustainable socio-economic development and corporate social responsibility;
2. Identify ethical issues, corporate sustainability, and issues that are of interest to citizens at corporate level, justified by corporate social responsibility and relevant incomprehensible concepts;
3. To analyze socio-economic development of the region to identify problems;
4. To accelerate socio-economic development of the Republic of Azerbaijan, social sustainability and behaviors of the companies must be analyzed through increasing social responsibility in companies;
5. In order to ensure sustainable development of the Republic of Azerbaijan, it is necessary to formulate basic recommendations for the development of social responsibility of the business.

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