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The role of socially responsible business in development of the urban environment

Most people in the world – more than 4 billion people – live in urban areas, the whose mission is to create opportunities for quality of life, improving human capital. Implementation of this mission depends in large part on the capacity of the urban environment – multilevel space of human activity, formed over a long period of time by not formally coordinated actions in the architectural, economic, socio-political, socio-cultural and other spheres.

In view of the fact that the basic elements of the urban environment, as a rule, the centuries evolved spontaneously, to the XX century, problems have accumulated, destabilizing the socio-economic and environmental situation, acquiring a global dimension. These problems are the consequence of man-made processes, hyper machine industrialization, dense mass building land etc., due to the progress of social development of mankind. They cause unevenness in development territories, lowering the threshold of life safety, stratification and marginalization of large sectors of the population, have a negative impact on the image and the rhythm of life, psychological and physical health of the person, that is also an important indicator of the quality of the urban environment. Trends of dehumanization, particularly evident in single-industry towns. This requires adaptation of the morphology of the environment to modern settings of human needs, the formation of the modern urban environment.

The crisis of the concept of "welfare State" and the Socialist mode of production in 1980-1990 showed the failure of national Governments to effectively address social problems and increased the importance of alternative management arrangements with the participation of businesses and local communities. So it is no coincidence that it is in these years there has been a shift to the paradigm of sustainable development, the emergence of various forms of corporate social responsibility agenda, local government reform.

In the aspect of the positive transformation of the urban environment has started a qualitatively new resource – *economic interest business*, vector which aims to maximize the benefits through social investment, as well as to minimize the negative impacts of industrial activities. Its effect is spreading not only shareholders, but also a wide range of other beneficiaries and serves as a source of competitive advantage. Power, in turn, is also interested in improving the business environment, since it is one of the rating indicators of investment attractiveness of the territory.

Various forms of socially-responsible business practices went far beyond philanthropy and how implementation of corporate projects and provide in city and State social programs. In the world practice their development is based primarily on:

- the concept of stakeholders, which include any individuals, groups or organizations having significant influence on decisions made by and under the influence of these decisions (shareholders, partners, consumers, public organizations, authorities, mass media, etc.);

- the concept of corporate citizenship, reflecting a business strategy for cooperation with the community in order to ensure effective and sustainable development and the formation of his own reputation as a responsible "corporate citizen", voluntary and full participant of such development;

- mechanisms of socially responsible investing (SRI), allowing to carry out a voluntary selection based on the investor's personal views on socio-cultural values, objects of investment (energy-saving and environmentally-friendly industries, green investing, affordable housing, facilities and programmes of health, education, etc.), based on social, environmental and ethical criteria (filters) and liable for their consequences. The SRI of special stock market segment, exceed 3 trillion dollars in the United States and 5 trillion euro in the EU, where there are about 900 SRI funds.

For Russia, the socially responsible practices in business until few and far between; the process of institutionalizing CSR, increase information transparency of activity of the companies through the publication of non-financial reporting, but awareness about SRI is obviously insufficient. However, international standards of business are major motivational factor for Russian business to expand social investment, ideology of corporate citizenship. Lack of charitable programs for large companies is seen as a reputational loss, therefore, in one of the two companies of a charity's budget of between is 11 and 17% of net profit.

According to expert estimates the size of the social investment by private investors exceeded the amount of budgetary investment in the development of the urban social infrastructure. This gives grounds for thinking about new approaches to sustainable development of the urban environment and enhance the resource base by promoting socially responsible entrepreneurship, creation of tools coordinate projects of various companies and harmonization with town planning documents. In turn, this will affect technology strategies urban development, which should into account fully the interests and possibilities of the business as a responsible corporate citizen.