BOHR International Journal of Business Ethics
and Corporate Governance
2023, Vol. 2, No. 1, pp. 38–50
DOI: 10.54646/bijbecg.2023.16
www.bohrpub.com

CASE STUDY

# Communicative rationality and the evolution of business ethics: corporate social responsibility and stockowner–employee partnership–An empirical case study in Republic of Korea[1]

**Sang-Jin Han**[1]* **and Young-Hee Shim**[2]

[1]Seoul National University, Seoul, Republic of Korea
[2]Hanyang University, Seoul, Republic of Korea

***Correspondence:**
Sang-Jin Han,
hansjin@snu.ac.kr

**Received:** 09 May 2023; **Accepted:** 09 October 2023; **Published:** 14 December 2023

Communicative rationality and justice, the main objectives of Habermas' reconstruction of critical social theory, can be defined as the fair distribution of opportunities to speak, the inclusive participation of social actors, the accessibility of topics without restriction, the willingness to not only speak but listen, two-way vibrant interaction, self-transformation via learning from others, and reaching voluntary agreements over common goals and values. The concept of communicative reciprocity is essential here. Those equipped with the norm of reciprocity can better comprehend diversities and complexities, as well as the conflict-ridden aspects of social life, and thus can develop a stronger capacity of nurturing sensitivity to live in harmony with other people. This paper attempts to apply the concept of communicative rationality and reciprocity to the areas of business ethics in order to explore the significance of Corporate Social Responsibility (CSR) and Ecological and Social Governance (ESG) as innovations in corporate governance. In addition, this paper will draw special attention to Stockowner–Employee (SOE) partnership as a new experiment of business ethics in Republic of Korea. By doing so, this paper aims to grasp the attributes of those who are more capable than others of understanding the norms and practices of CSR within an economic enterprise, with the view that reciprocal sympathy can serve as a communicative basis for what we might call responsible capitalist culture. The main arguments this paper makes are: (1) the recent change in the value orientations of shareholders in support for CSR and ESG can be interpreted as an expression of communicative reciprocity and justice; and (2) the transformation of business ethics in the direction of CSR and ESG means that classical liberalism has begun to turn to a "responsible" liberalism. Survey data collected from a Korean company will be analyzed to show how the norm of reciprocity is reflected in the relationship between corporations and society on the one hand and between shareholders and employees on the other.

**Keywords:** Habermas, communicative rationality, business ethics, corporate social responsibility, stockowner–employee partnership, Republic of Korea reciprocal sensitivity

[1]This article combines two previous presentations by its co-authors. The first, Communicative Reciprocity and Responsible Liberalism: From Corporate Social Responsibility to Stockowner-Employee Partnership, was delivered at the 18th ESHET conference held in Lausanne, Switzerland from May 29 to 31, 2014. The second, Risk Society and Ecological and Social Governance: Can Economic Enterprise become a Subject for Second-Modern Transformation?, was delivered at the 2022 Tomato ESG forum held at the Press Center of Seoul, Republic of Korea on December 21, 2022. The main results and analysis of the survey data were partly published in Vol. 6 of the Japanese journal *Regional Economy and Management* run by Hokkaido University in 2017. This paper attempts to reconstruct the arguments previously made in order to bring the theoretical work and empirical study closer together.

## 1. Introduction: conceptual clarification

Business ethics refers to the moral codes of conduct regulating the relationships among the stakeholders of an economic enterprise including the stockowners, managers, workers, and consumers. It also refers to the relationships between economic enterprises and their surrounding milieu including the neighborhood community, civil society, legal and administrative institutions, and the ecological system in which they are deeply embedded (1, 2). Finally, business ethics involves the cognitive and normative judgments about what is right and wrong, fair, transparent, and responsible.

Corporate governance, as an institutional embodiment of business ethics, refers to the set of rules, practices, and processes by which an economic form is guided and controlled (3, 4). In some cases, business leaders rely on their own ethical and moral judgments which have something to do with their lived experiences and/or religious perspectives (5). In other cases, they are affected by external social pressures stemming from various sources including consumer movements, civil liberties and human rights considerations, and the legislation and administration of environmental protection (6, 7). Since business is part of society, it is natural for an enterprise to upgrade its corporate governance mechanisms by crafting business codes of conduct that correspond with the evolving expectations from society over how businesses should be run (8–11).

Corporate Social Responsibility (CSR) and Ecological and Social Governance (ESG) refer to the specific forms of corporate governance that aim at guiding and regulating the business activities of production and marketing in a manner that is socially responsible and globally acceptable (12). ESG has evolved out of CSR to enhance social responsibility as well as reflexivity (4). To put it simply, an enterprise can become socially responsible by becoming reflexive. By reflexive, we mean becoming aware of the damages, costs, and destructive consequences that it has unavoidably produced, albeit unintentionally, in its surrounding environment, whether a neighborhood community, society as a whole, or the natural environment (13–17). Thus, becoming socially responsible requires an enterprise to stop externalizing such costs and instead internalize them by way of a new business ethics involving CSR and ESG. Such an approach to business ethics is manifest in the new regulations over greenhouse gas emissions, energy consumption, waste management, employment stability, education and training opportunities, human rights protections, contributions to local communities, information protection, stakeholder rights, the establishment of internal audit procedures, ethical management, and transparency.

The evolution of business ethics toward CSR and ESG has never been a smooth and orderly process. Instead, it has involved great deal of conflict, discontent, and resistance (6, 18–22). Nevertheless, accompanying the process has been a hopeful expectation that these new approaches to corporate governance can pay off in the long run, even if they may involve a short-term sacrifice of profit (23–25).

## 2. Why pursue communicative rationality?

Communicative rationality and justice, as conceptually worked out by the German social theorist Habermas (26–28), is distinguished from purposive-instrumental rationality, which according to Max Weber, has been firmly institutionalized in the capitalist enterprise, above all. From the historical perspective of social development, Weber Max (29) originally treated the action system of purposive-instrumental rationality as part of community-oriented action. But as modernity grew into adulthood, the value spheres that were previously loosely integrated into religious worldviews came to be separated and professionalized [(29): 424, 446], the consequence of which Weber referred to as the modern struggle among independent pluralistic value orientations. When it came to value pluralism, Weber put particular emphasis on the purposive-instrumental rationality that was embedded within capitalist economies, as he put forward in his writings of Economy and Society. This value orientation makes it possible to produce profit in the most efficient way. It is methodologically coherent in the linkage between its ends and means, and it is highly calculative, empirically verifiable, and thus superior to any form of rationality attached to planned economies. In fact, this rationality has become hegemonic, dominating the world. Many of the experts on Weber have confirmed the universal significance of this rationality in capitalist economies (30–32).

A problem emerged, however, because capitalist enterprises became blind of the unintended consequences they produced. Methodologically, purposive-instrumental rationality, though superior in efficiency, has involved short-sighted presumptions because it isolates businesses from society and their surrounding environments as if the business world were separated, independent, and autonomous (33). For liberal capitalism in the classical sense, there was no reason for a business enterprise to be socially responsible other than to maximize profit (34–37). This view can be well illustrated by Milton Friedman's in a 1970 *New York Times Magazine* editorial: "there is one and only one social responsibility of business–to use its resources and engage in activities designed to increase its profits."

In this situation, one case easily observe the tendency of corporations to allocate significant portions of financial resources to increase distributions of corporate cash to shareholders in the form of dividends and thereby drive up stock prices. As a result, they may neglect investing in the productive capabilities of their employees (21, 22). This prioritization of the interests of shareholders and upper-level management has been heavily criticized; for example, by the Financial Stability Board (FSB), which oversees the coordination among the national financial regulators of the G20, has identified "perverse" compensation practices as one of the main drivers of the global financial crisis. The general trend has shifted toward creating shareholder value, rather than shareholder wealth, by implementing practices to improve employee satisfaction, motivation, and work commitment (23, 38). Thus, shareholders are now better positioned than ever before to participate in CSR through the promotion of employee welfare.

More broadly, the market-centered philosophy of business has brought about many unintended consequences that have deteriorated community relationships and ecological-environmental conditions of human life. For this reason, CSR and ESG have become integral components of business ethics. It has become a norm for the NGOs most engaged in promoting consumer protections and human rights, as well as media groups, to call on companies to take part in CSR and ESG while striving to accomplish their business goals (39, 40). Enlightened shareholder activism has continued to grow significantly in support of such a tendency (41–45).

A key question we face in this regard is where we are headed in terms of rationality (46). Purposive-instrumental rationality, though still present and important in many crucial respects, is not enough for grasping the significance of the transformation of business ethics and corporate governance. It is here where we find that the pioneering attempts to bring Habermas' concept of communicative rationality to business corporate organization of CSR and ESG are suggestive (47–54). Furthermore, we can say that we are passing the age of modernity characterized by a forward-looking, optimistic outlook of science and technology and reaching the threshold of a self-reflexive second modernity (14–17, 55–58).

Yet caution is called for to distinguish between two separate issues. The first issue is empirical: how can we identify those actors who are more capable than others of understanding the norms and practices of CSR and ESG? Habermas is important in this respect since we can assume that communicative reciprocity plays an important role in shaping sensitivity to mutual recognition and co-existence. Reciprocity presupposes that multiple actors with different political and cultural backgrounds interact with one other, often resulting in serious conflict and misrecognition (28). In this context, reciprocity entails certain norms of justice. Those equipped with an enlarged capacity for reciprocal communication can better comprehend diversities and complexities as well as the conflict-ridden aspects of our social life. We need an empirical analysis based on survey research to grasp who they are.

The second issue is normative and philosophical. When we think about how an idea of rationality or justice can be brought into the corporative governance notions of CSR and ESG, we need to not only develop an adequate set of criteria for evaluating the performances of these systems, but also must pursue an action-theoretical approach in order to avoid the pitfalls of meritocracy, that is, rule by experts and professionals. No matter how systematic and penetrative it may be, the philosophy of justice often turns out to be normative only in the sense that it presupposes certain actors, such as policymakers, may implement the suggested ideas of justice in legislation and administration. The theory of justice, then, could serve the interests of bureaucrats, rather than strengthening the power of citizens. Whether intended or not, it can actually reinforce state power as the agent of implementing justice.

In contrast, Habermas' theory aims to strengthen the role of citizens, breaking away from all conceivable technocratic pathways. According to Habermas, the roots of justice cannot be reduced to the rule of law, nor identified with any system of distribution technically designed, nor traced back to deductive logic. Justice expresses itself in the communicative arena of deliberative democracy where consensus emerges, however fragile and partial it may be (59–62).

To be sure, economic inequality has exacerbated today for many reasons (63). Yet we are also witnessing significant changes that have taken place in the realm of corporate management with respect to CSR and ESG. These changes indicate greater concern with social responsibility and ecological sustainability. This means that business ethics today has become sensitive, much more than before, to restoring the impaired community relationships with employees, society, and the environment (16). The turn to CSR and ESG, then, may signify an important aspect of corporate evolution (3). In this regard, shareholders have wielded significant pressure on corporations to move in this direction through their investment priorities (41–43, 45). We need to ask, then, how we can interpret the reason and motives underlying this change in values in terms of rationality. Doing so calls for a systematic attempt to apply Habermas' concept of communicative rationality and justice to CSR and ESG.

## 3. SOE partnership in Republic of Korea

Republic of Korea deserves special attention in this paper because a new experiment we call SOE partnership took place in Republic of Korea. The origin of this partnership can be traced back to June of 2012 when one of the shareholders of SsangYong Materials Corporation, located in the southeastern city of Daegu, decided to return part of the gains from his investment in this company by contributing 100,000 shares in the company (worth around $300,000 USD) to the welfare of the employees (*Asian Economy News*, March 14, 2012), and transferring another 100,000 shares to all 283 employees of the company, with each employee receiving 353 shares. The shareholder stated that it was his way of acknowledging that his gains were in part due to the hard work of the employees. The shareholder's decision could be interpreted as a new experiment to form a partnership with the employees. Since this kind of partnership had no historical precedent, no theoretical concept nor empirical study of it was available. Nevertheless, and perhaps because of this lacuna, the decision attracted large-scale media attention.

As a matter of fact, shareholders and employees tend to stand at the opposite ends of a spectrum. Shareholders are omnipresent entities who generally do not directly participate in the day-to-day operations of the corporation and have the right to a certain portion of the company's profit in proportion to their investment. Employees, on the other hand, are the salaried people employed by the company to perform the actual work. The general assumption is that shareholders are entirely profit-driven and seek only to increase the value of their shares. As such, they are presumed to frown upon activities that may be in the interests of the employees (such as welfare programs, more generous compensation packages, etc.) out of fear that such behaviors might adversely affect their dividends. Managers, a subset of employees who carry out decision-making tasks and play leadership roles, serve as the agents of shareholders. Traditionally, managers have served as the middlemen who balance the interests of different stakeholders.

Though there have been many studies regarding the "agency problem" in the context of aligning the interests of shareholders with interests of executive management (i.e., the owners and the agents), few have focused on the actual relationship between shareholders and employees. This may be due to the inherent clash in interests between the two, or due to the fact that these two groups rarely need to interact with one another. In reality, employees do not have a clear idea of whom they "truly" work for, since shareholders are not typically visible to them. For this reason, it has been difficult to stipulate a shareholder–employee relationship because neither party has a substantial role in the organization. Shareholders invest their money to get returns on that investment, and employees invest their labor to receive wages. Assuming that the profit of a company is the "pie," giving higher wages to the employees would mean giving them more slices of the pie and thus leaving less for the shareholders. The opposite also holds true; more of the pie for the shareholders leaves less for the employees. Managers decide how to divide this pie in a way that keeps everyone happy, but because shareholders are the ones who provided the funding to create the pie in the first place, they are often prioritized while the employees who are actually involved in the pie-making process may be neglected.

However, Yan and Wang (38) found that "an increase in shareholder interest appears to decline corporate performance." Their study of 5 years of financial data from 90 Chinese companies indicated that "improved consistency of shareholder investment and workplace policies that benefit employees brought about performance improvement." This suggests that in the long run, coordinating the benefit distribution between shareholders and employees will positively impact corporate performance.

Another argument runs as follows: When employees are recognized and valued by the very people who actually own the corporation, such recognition empowers the employees because they feel "important enough" to receive attention from such important individuals. Because it is difficult for employees to associate corporations with their personal values, having a clear picture of the people that they work for can motivate employees, especially if they know that those people are socially respectable due to their commitment to environmental and social causes.

In addition, shareholder–employee relationships help promote CSR because corporations must consider the interests of all the relevant stakeholders (64). The ISO 26000, which serves as a general set of guidelines for social responsibility, encourages businesses to improve the impact they have on their workers. When employees are personally and meaningfully involved in the organization beyond just doing their assigned tasks, their motivation and production increases (65). Long-term employment relationships instill job security, and efforts to build and maintain group cohesiveness are among the crucial factors of successful employee participation programs (66). When all these factors work together, a shareholder–employee relationship can strengthen the cohesion of various stakeholders in the company and thus lead to long-term financial and non-financial benefits.

There is good reason, therefore, to explore the possibility of the SOE partnership model which started from Republic of Korea and is premised upon the recognition that shareholders' gains are not simply due to his or her wise investment decisions, but rather, from the hard work and effort of employees. Of course, shareholders can use the profits from their investments for philanthropic activities to further social good, and there is no doubt that this brings benefits to society. What emerges from this practice is the concept of *noblesse oblige* (which means "nobility obliges" in French), which refers to persons of such noble status fulfilling social responsibilities and playing leadership roles.

However, the SOE partnership pursues specific rational expectations and synergy within the corporation itself. The network of producing such synergy may start with a shareholder's decision to give back a portion of his or her investment gains to the employees, which can stimulate the latter's motivation for their work and in turn increase their productivity and ultimately the value of the stock. In this way, SOE partnerships can effectively serve the interests of shareholders within the framework of CSR.[2]

## 4. A new look at the roles of shareholders and employees

There appear to be striking similarities between the notion of SOE partnership and Edmans' finding (2011) that "firms with high levels of employee satisfaction generate superior long-horizon returns, even when controlling for industries, factor risk, or a broad set of observable characteristics." Edmans also found that "employee satisfaction is positively correlated with shareholder returns." Therefore, on the surface level at least, there are incentives for every party involved: (1) shareholders who gain the dual advantage of socially responsible investment and increased shareholder value; (2) employees who work harder and therefore become more productive because they are happier overall and feel more fulfillment toward their jobs; (3) corporations who can sustain their competitive advantage and customer loyalty by building a public reputation as an ethical company whose investors care about the well-being of employees, and (4) society overall because these factors contribute to the development of better workplace conditions and a more conducive labor environment for the marketplace. This synergy explains why despite Friedman's declaration mentioned above, CSR has become an integral part of business. It has become the norm for most consumers to demand that companies take part in CSR while striving toward their business goals (67).

Since the 1960s, a substantial number of shareholders have begun to branch out of their traditional roles as profit-seeking partial owners of companies and have become involved in social and ethical aspects of the businesses that they invest in (4, 6, 10, 40). Shareholders now hold the power to influence CSR and may even pressure companies to become socially responsible. A skeptical view also exists, for example, in the frequent occurring of "greenwashing" (68). Confronting with ethical consumerism, Barnea and Rubin (69) argued that shareholders who are directly affiliated with corporations may even overinvest in CSR to seek private gain by improving their reputations. On the other hand, an optimistic view states that capitalism has now evolved to encompass moral aspects (9, 43). In particular, Dunning (41) proposed the concept of "responsible global capitalism," arguing that knowledge and experience from the past have made it possible to overcome the "moral challenges" of global capitalism and improve it through the implementation of ethical standards. Also, the concept of humanistic capitalism, which fuses humanism with the principles of a market-based economy, supports the idea that investors may accept lower financial returns in exchange for an elevation of the social good.

Shareholders today are quite distinctive in that they go the extra mile to become more invested in corporations beyond their mere financial interests. Consequently, there are two main roles for shareholders: the economic role and the social role. In line with this perspective, Glac (42) identified two ways in which shareholders pursue their social roles: an active approach, namely shareholder activism, and a passive approach, socially responsible investment (SRI). Shareholder activism has a long history of legal precedents which demonstrate that shareholders may engage corporations to advance social goals, even if the reasons behind such actions may differ (6, 44). There are many cases that showcase how shareholders are no longer content with superior corporate performance if it comes at the expense of questionable ethical standards. A good case in point is the ousting of Mark Hurd, the former CEO of the computer giant Hewlett-Packard (HP). Though he initially saved HP from financial doom, Hurd did so through aggressive cost-cutting measures which included massive layoffs, pay cuts, and the removal of many benefits. The company's corporate culture, the "HP Way," took a backseat to meeting short-term financial goals, and this volatile environment paved the way for HP's board of directors to fire Hurd after a sexual assault allegation. Even though Hurd managed to achieve a magnificent turnaround for HP and caused the company's shares to soar, the company's shareholders and board of directors were unhappy with his unethical behavior.

An interesting finding in this regard is that firms with higher rates of investment in CSR had less risky stock prices during economic downturns, since customer loyalty helped mitigate stock price instability (70). Thus, corporations with well-established CSR practices can be more attractive to investors. SRI has also been identified as having a positive impact on returns. The conventional assumption was that SRI forces investors to choose between high returns and social responsibility, and thus choosing the latter can jeopardize investment returns. This assertion was backed up by several studies, but later research dispelled this notion and showed that SRI can actually elevate returns. One study by Edmans (71) conclusively demonstrated that SRI does indeed have a positive impact on returns over the long run. His study was prolific because it proved that these findings are consistent even over a long-term period of 26 years.[3]

[2] The SOE partnership is different from conventional models for improving employee engagement such as employee stock ownership plans (ESOP), stock options, and other similar plans that extend ownership to employees. These models cannot promote CSR as effectively as SOE partnerships can.

[3] It should be noted that market forces such as competition, demand, infrastructure, and finite resources make it rather difficult to serve the interests of stakeholders consistently. For example, when a company is in trouble, it may respond by turning to cost-saving measures such as massive layoffs and restructuring or outsourcing. While this may keep share prices afloat (and therefore not scare off shareholders), employees suffer the full force of the consequences, and this results in mistrust and low

There are similar tendencies of transformation in the attitudes of employees. In a 2012 survey conducted by the non-profit organization Net Impact, a majority of respondents said that a job's ability to have a positive social impact is "very important or essential to my happiness," and even a pay-cut would be acceptable in order to work "for a company committed to CSR." A majority of respondents likewise preferred "a job that positively affects society or the environment" and to work for "an organization with values like my own." From an organizational behavioral perspective, these behaviors correlate closely with employees' identification of their membership in the workplace. By associating themselves with ethical and socially responsible companies, employees feel a sense of pride, which gives them a deeper sense of fulfillment in their work and therefore greater job satisfaction (25). In this context, CSR positively impacts employees because it provides them with "(1) a sense of security and safety that their material needs will be met; (2) self-esteem that stems from a positive social identity; (3) feelings of belongingness and social validation of important values; and (4) existential meaning and a deeper sense of purpose at work" (23).

Like shareholders, employees can become more invested in the non-financial aspects of companies, so socially responsible corporations are more attractive to potential employees. CSR encourages organizational citizenship behavior, wherein employees voluntarily engage in actions that go beyond their job descriptions (11), thereby bettering employee performance in the aggregate and ultimately, corporate performance (12, 40, 71). Therefore, corporations that want to motivate employees can leverage CSR to their benefit.

The business ethics of CSR includes "those corporate actions that are in response to society's expectation that businesses be good corporate citizens" through the upholding of their philanthropic responsibilities (3). Though CSR is often associated with environmental awareness and philanthropy, ethical labor practices are important because they demonstrate the corporation's willingness to not only comply with legal regulations but also care about the employees. Holme and Watts (72) defined CSR as "the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well the local community and society at large." In fact, it amounts to rebuilding a community relationship between the company and its employees and between the company and its external environments like society and ecological conditions of human life. In a nationwide survey carried out by the National Consumers League in 2007, it was found that when Americans were asked to define CSR, the most commonly given answer was commitment to employees (73).

motivation. The implication is that a shareholder–employee partnerships are only feasible under a very specific set of conditions.

It is important to note that certain conditions must be met in order for the SOE model to come into fruition. The SOE model hinges on the positive outlook of stockowners and employees with respect to their relationship with each other. In other words, they must see each other as potential partners. Along with Habermas' concept of communicative reciprocity, we hypothesize that those who share the norm of reciprocity and develop a sense of partnership or solidarity may be more sensitive to the ideas of CSR and ESG while supporting the dual reciprocal relationships between the corporation and society, as well as the relationships between the shareholders and society. In order to empirically assess the impact of the norm of reciprocity on these dual relationships, we conducted a survey in Republic of Korea in 2012 and 2014. This survey aimed to analyze whether the SOE partnership is possible, and, if so, what effects it might have on the evaluation of CSR (74, 75).

# 5. Data, method, and findings

In this paper, we will use the data collected from 280 employees of the Korean company SsangYong Materials Corporation in June of 2012. This company was chosen as a potential case of SOE partnership because, as explained above, one of its shareholders gave quite a large portion of his investment gains to the employees as a way to acknowledge that his returns owed much to the hard work of the employees. Thereafter, it was reported that the productivity of the workers of the company had increased (*Joongang Daily Newspaper*, October 15, 2012). With such conditions in place, this company was deemed as the most conducive subject for a study on the dynamic roles of shareholders that extend beyond the conventional sense.

Included in the questionnaire were various items such as the perceived fairness of business administration, job satisfaction, salient items of CSR, attitude toward the shareholders, and *noblesse oblige*, among others. The socio-demographic characteristics of the respondents are shown in **Table 1**.

As **Table 1** indicates, the proportion of female workers is remarkably low and the proportion of workers in their twenties and workers over the age of 60 is also low, especially when compared to the demographic figures from Republic of Korea national survey data. Therefore, it is difficult to generalize the results of this survey as representing the entire Korean nation. Rather, this study should be understood as representing the consciousness of employees in a small business with a high proportion of male workers.

The key task of this survey research was to test the possibility of SOE partnerships and the stockowner–corporation (SOC) partnerships. The latter is distinct from SOE partnerships. Our strategy was to divide shareholders' roles into economic and social roles. The economic role is mainly focused on providing capital to the company

**TABLE 1 |** Socio-demographic characteristics of respondents.

| | | Frequency | % |
|---|---|---|---|
| Sex | Male | 258 | 92.1 |
| | Female | 22 | 7.9 |
| Age | 19–29 years old | 36 | 12.9 |
| | 30–39 years old | 96 | 34.3 |
| | 40–49 years old | 113 | 40.4 |
| | 50–59 years old | 32 | 11.4 |
| | over 60 years old | 3 | 1.1 |
| Education | High school or below | 118 | 42.2 |
| | University or above | 162 | 57.9 |
| Job description | Production work | 169 | 60.4 |
| | Clerical managerial work | 111 | 39.6 |
| Total | | **280** | **100** |

through the buying and selling of stocks, as well as listening to and monitoring the corporation's business administration. Therefore, this role is tied to the relationship between shareholders and the corporation. The social role, however, goes beyond economic concerns and represents the shareholders' interests in the relationship between shareholders and employees.

The initial question was how the employees see the social role of the shareholders. Can they be engaged in a partnership and have solidarity? To answer this question, we differentiated the possibility of a partnership into three dimensions. The first was whether the employees had experience with investing in stocks because we assumed that this would allow for mutual understanding and sympathy to exist as a condition for partnership between the two parties. The second dimension was how the employees perceived the social responsibility of the shareholders. If employees view shareholders as socially responsible, then there is a higher chance for partnership. The third was concerned with the relationship between changes in stock prices and the interests of employees. When the employees are aware that they themselves can benefit from rising stock prices, then it will be easier to achieve an SOE partnership.

More specifically, the three dimensions were measured by answers to the following statements, to which respondents were given options of "yes" or "no": (1) "I have experience investing in stocks"; (2) "I am presently investing in stocks"; and (3) "I am a holder of employee stock associated with my company." Utilizing a scale from 0 to 3, we assigned 1 point to every "yes" answer, and converted the sum into scores on a 100-point scale. The average score was 52.9 points, and we found that among the 280 employees, 162 people (57.9%) had scores of 51 points and above and were therefore deemed to be sympathetic for SOE partnership based on their experiences investing in stocks.

The second condition was operationalized by asking the employees to rate the following statements related to the role of the company's shareholders on a scale from 0 to 5: (1) "They are practicing the spirit of sharing"; (2) "They are contributing to social development"; and (3) "They understand the situation of the employees." We added up the points of all these answers and converted them into scores on a 100-point scale. The average score was 38.1, and we found that 42 people (15.0%) had scores of 51 points and above, and were therefore suitable for SOE partnership.

Lastly, one statement measured the third condition: "Employees benefit if the stock price rises." We found out that the average score was 45.8 points, and 80 people (28.6%) had scores of 51 points and above.

Using these three conditions, we classified four outlooks of the employees concerning the possibility of SOE partnership, as can be seen in Table 2. The distribution of the four outlooks is as follows:

(1) Pessimistic: the group that were not satisfied with any of the three conditions of SOE partnership (25.4%).

(2) Relatively pessimistic: the group that had satisfied with only one of the three conditions (51.4%).

(3) Relatively optimistic: the group that satisfied two of the three conditions (19.6%).

(4) Optimistic: the group that satisfied all three conditions (3.6%).

Taken together, the results indicate that only 23.2% of the employees were found to consider the SOE partnership as somewhat possible or possible. The remaining 76.8% considered the SOE partnership rather impossible.

On the contrary, the possibility of the stockowner–corporation (SOC) partnership, which is based on the economic role of the shareholders, turned out to be very high. The first condition was measured by asking respondents the same questions applied to SOE partnership. But the second and third conditions were measured by a different set of questions. The second condition, regarding the actions of the shareholders, was measured by answers to the following statements: (1) "The shareholders, as sound investors, expand the value of the corporation"; and (2) "The shareholders perform the role of monitoring the business administration of the corporation." We found that 176 people (62.9%) scored 51 points or more and were therefore sympathetic to the possibility of SOC partnership. Concerning the

**TABLE 2 |** Employees' attitudes toward the role of the shareholders [unit :% (frequency)].

| SOC partnership<br>SOE partnership | Positive | Negative | Total |
|---|---|---|---|
| Positive | Optimistic 22.5 (63) | | 23.2 (65) |
| Negative | Optimistic only regarding SOC 57.9 (162) | Pessimistic 18.9 (53) | 76.8 (215) |
| Total | 80.4 (225) | 19.6 (55) | 100.0 (280) |

third condition, i.e., the relationship between a rise in stock price and corporate profits, we offered the following two statements: (1) "If the stock price rises, the business administration of the corporation will get better"; and (2) "If the stock price rises, the image of the corporation will be enhanced" When the scores were converted to the 100-point scale, 196 people (70%) turned out to be sympathetic to SOC partnership.

With all three conditions considered together, the proportion of the employees who considered SOC partnership as "possible" was 33.6% (94 people), and that of those who thought SOC was "somewhat possible" was 46.8% (131 people) of the total sample. Thus, in contrast to SOE partnership, SOC partnership was perceived positively by 80.4% of the employees.

When we cross-analyze the two sets of data, we find three plausible attitudes of the employees toward the role of shareholders: (1) an optimistic attitude that both SOE and SOC partnership are possible (22.5%); (2) a negative attitude toward SOE partnership but a positive attitude toward SOC partnership (57.9%); and (3) a pessimistic attitude that neither SOE nor SOC partnership is possible (18.9%). These findings are presented in **Table 2**.

## 6. SOE partnership and its influence on CSR

Topics on CSR have been actively discussed in Anglo-American and West European studies since the 1980s. We can also confirm the high frequency of such debates in East Asian countries including Japan, Republic of Korea, and even China (38, 76). However, there has yet to be an internationally established universal standard for CSR. The meaning of "social" in "social responsibility" is debatable. Its focus depends on the history of business ethics, the cultures of various economies, and the characteristics of different institutional arrangements. Therefore, discussions of CSR may vary depending on how corporations set their agendas, how social responsibility is socially shaped, and who the responsibility is addressed to, among other variables.

We considered the meaning of corporate social responsibility within the context of its development in Korean and selected 15 items that could indicate it. We asked the employees how important they thought each item was, and to what extent it was realized in the corporation they worked for. As a result, we found that there was a consistent discrepancy between two groups, that is, the "SOE-positive" group, and the "SOE-negative" group, in the evaluation of the CSR performance of one particular corporation (see **Table 3**).

**TABLE 3** | Evaluation of the corporation's CSR performance by two groups of SOE partnership (unit: maximum 100 point).

| Domains of CSR | Positive group | Negative group | Average |
|---|---|---|---|
| Proper economic activities of the corporation | 71.7 | 61.1 | 63.6 |
| 1. Making corporate profits | 74.6 | 63.7 | 66.3 |
| 2. Increasing the gain of shareholders | 68.8 | 58.4 | 60.8 |
| Interests of employees (coexistence between labor and management) | 62.7 | 50.6 | 53.4 |
| Economic goods | 64.3 | 54.7 | 56.9 |
| 3. High wages | 62.7 | 53.7 | 55.8 |
| 4. Welfare benefits | 65.8 | 55.6 | 57.9 |
| Management's respect of employees as human beings | 56.7 | 44.2 | 47.1 |
| 5. Job security | 72.3 | 62.4 | 64.7 |
| 6. Training human capital | 58.5 | 40.9 | 45.0 |
| 7. In-house day care centers | 39.2 | 29.2 | 31.5 |
| Human rights and communication | 67.2 | 53.0 | 56.3 |
| 8. Grievance settlements | 61.2 | 45.7 | 49.3 |
| 9. Prohibitions on discrimination | 68.8 | 56.7 | 59.6 |
| 10. Guaranteeing trade union activities | 71.5 | 56.4 | 59.9 |
| Corporate ethics | 72.7 | 58.4 | 61.7 |
| 11. Transparent management | 68.1 | 52.0 | 55.7 |
| 12. Regulation of environmental pollution | 77.3 | 64.8 | 67.7 |
| Corporation and society (coexistence with the society) | 58.7 | 43.4 | 46.9 |
| 13. Job creation | 56.6 | 39.5 | 43.5 |
| 14. Reinvestment in the community | 52.7 | 39.7 | 42.7 |
| 15 A win-win relationship with subcontractors | 66.9 | 51.0 | 54.7 |
| Average | 64.3 | 51.3 | 54.3 |

**Table 3** clearly demonstrates that those who are sympathetic to the possibility of SOE partnership are consistently and significantly more capable of understanding the norms and practices of CSR. However, the SOC partnership is not correlated with the employees' evaluation of CSR.

## 7. The inter-convertibility of sensitivities to SOE and CSR

Based on the data analysis shown above, we propose that there is inter-convertibility at the level of the employee's attitude between the Shareholders' social responsibility and corporate social responsibility. The SOE partnership involves a high level of communicative reciprocity between shareholders and employees. Just as corporations are evolving from concentrating on profit-making to realizing CSR, shareholders are also evolving from concentrating on investment gains to having interests in social responsibility. In more detail, we suggest the following:

(1) Shareholders who make efforts to express their social interests are striving to realize CSR.

(2) Those who have higher reciprocal sensitivity tend to think more positively of the SOE partnership than those who do not.

(3) In addition, those who have higher reciprocal sensitivity to the SOE partnership show greater awareness of the relation between corporations and society than those who do not. The latter includes a corporation's ethics in dealing with ecological and environment issues, its coexistence with the society at large, and its relationship between labor and management.

(4) The SOE partnership and the SOC reciprocity are inter-convertible and thus mutually provide stimuli to each other.

(5) A synergy effect encourages pride in the workplace. It also forms a responsible capitalist culture.

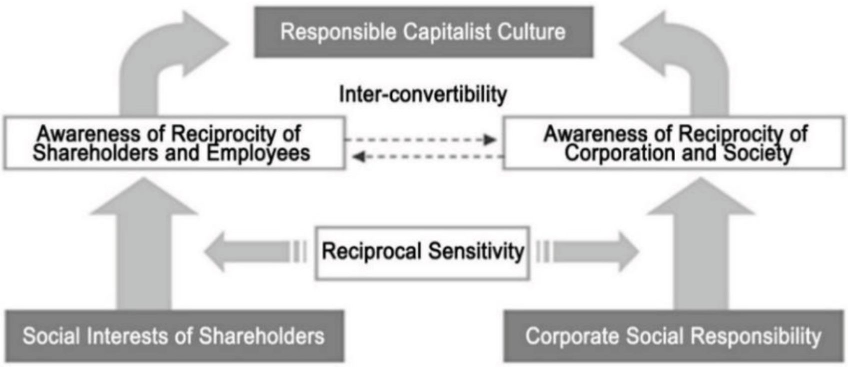


**FIGURE 1 |** Conceptual framework.

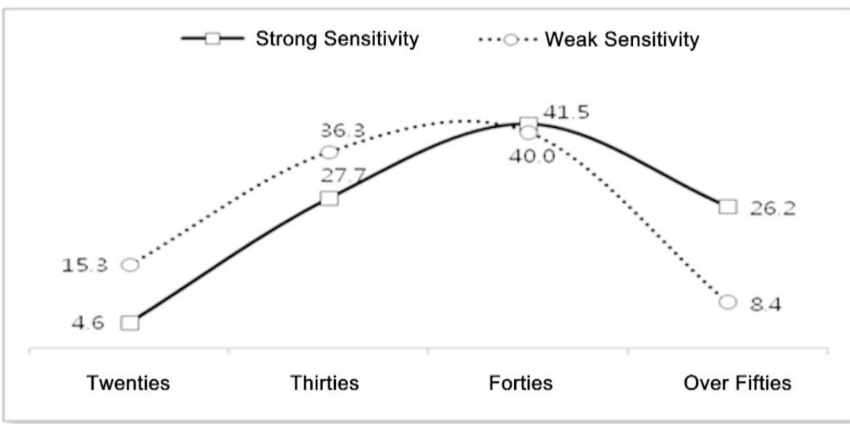


**FIGURE 2 |** Reciprocal sensitivity by age groups (unit:%).

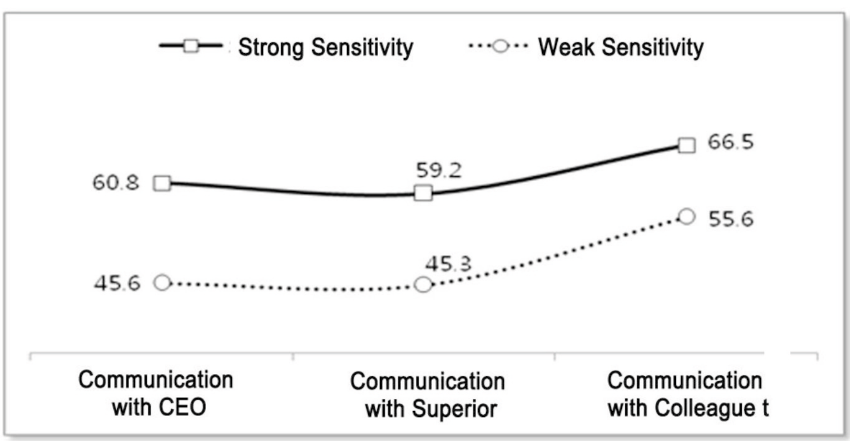


**FIGURE 3 |** Reciprocal sensitivity and communication (max. 100).

**Figure 1** is predicated upon Habermas' conceptual scheme of communicative reciprocity at two dimensions in the cooperation. Empirically formulated, those groups who have high reciprocal sensitivity tend to accept the SOE partnership, as well as the corporation–society reciprocity, by strongly evaluating the corporation's CSR performance.

This leads us to the next questions: Who are the group of 23.2% that exhibit high "reciprocal sensitivity?" What are their socio-demographic characteristics, and what kinds of inclinations do they have?

Reciprocal sensitivity was found to be closely related to the age groups in the corporation, as can be confirmed in **Figure 2**. Strong sensitivity was relatively high in the forties and the fifties and over age groups, and weak sensitivity was relatively high among the twenties and the thirties age groups. The oldest age group showed greater reciprocity than the two youngest ones. However, there was a balance of high reciprocity and low reciprocity among those in their forties.

One of the most important findings of our study was that reciprocal sensitivity was closely related to the communicative interactions among the members of the company. Those who said that they have good communication with the CEO, their superiors, and their colleagues consistently showed strong reciprocal sensitivity (**Figure 3**). In other words, those who got along with everyone well, rather than feeling alienated or excluded, responded more positively to the SOE partnership as well as the corporation–society relationship. Good communication with others means understanding others well, and such understanding is the basis of reciprocal sensitivity.

Reciprocal sensitivity also turned out to be closely related to trust. Those with strong reciprocal sensitivity tended to trust others more than those with weak sensitivity.

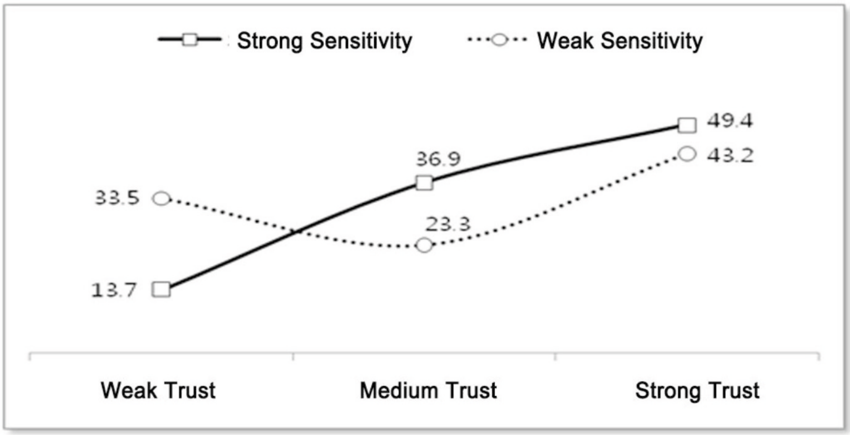


**FIGURE 4 |** Reciprocal sensitivity and trust (unit: %).

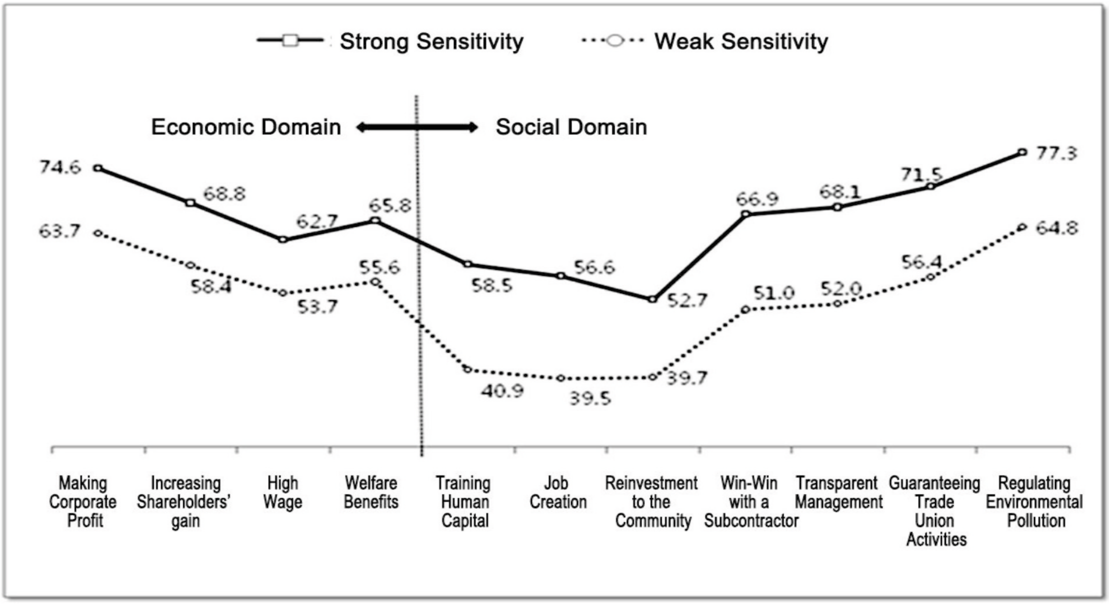


**FIGURE 5 |** The influence of reciprocal sensitivity on the performance of CSR (max. 100).

This supports Habermas' thesis that justice resides in the communicative process of mutual understanding and consensus. As **Figure 4** shows, communicative rationality requires reciprocity, which is possible only when trust is formed among the multiple subjects of a given community.

These findings suggest that the function of reciprocal sensitivity was not accidental. However, we cannot yet say that reciprocal sensitivity is widespread, since only 23.2% of the employees belonged to this category. Nevertheless, reciprocal sensitivity is important since it can make an important contribution to social inclusion and justice.

If we look more closely, we can see that the impact of reciprocal sensitivity on the evaluation of CSR is more remarkable for the "social" items than the typical "economic" ones. This does not mean that the items such as making corporate profits, increasing shareholder gains, high wages of employees, welfare benefits, and so on were not important. Those who showed strong reciprocal sensitivity consistently evaluated the economic issues of CSR performance about 10% higher than those who had weak sensitivity. However, when it came to the social issues of the CSR performance such as job creation, reinvestment in the community, a win-win relationship with subcontractors, transparent management, guaranteeing trade union activities, prohibitions on discrimination, grievance settlements, and training human capital, the gap widened with a difference of 15 to 20% (**Figure 5**).

## 8. Conclusion

This paper has attempted to apply Habermas' concepts of communicative rationality and reciprocity to the domain of business ethics for two purposes. The first is to explore the significance of the evolution of such corporate governance as CSR and ESG from the perspective of historical transformation toward second modernity. Business ethics today is deeply committed to the reconstruction of a community relationship or partnership between the corporation and its surrounding environments. It considers larger social and ecological concerns, on the one hand, and interactions between the corporation and its internal constituencies like the employees, on the other. In this regard, the modern type of purposive-instrumental rationality inscribed in capitalist enterprises no longer serves as the most reliable and trustful framework of business activities. Instead, more and more attention has been paid to the role of communicative reciprocity and rationality as exemplified by CSR and ESG as global regimes that regulate business activities.

The second is to provide an action-theoretical and empirical accounts of the role of those citizens who are deeply involved in this transformation. For this, we have paid special attention to shareholder's activism, particularly those enlightened shareholders who have demanded and supported corporate governance innovations, which may also signify an important aspect of second-modern transformation with respect to the purposive-instrumental capitalist enterprises. Based on a thorough literature review, we have conducted a case study in support of this transformation, focusing on the Korean experiment of SOE partnership and investigated the impacts of this partnership on the evaluation of CSR and the realization of communicative reciprocity as well. Generally speaking, though linking Habermas to empirical research is only in its initial stage (51, 52, 54, 77–80), there seems to be good reason to take his conceptual frameworks of communicative rationality, reciprocity, justice, as well as discourse ethics to promote further researches on CSR and ESG with respect to business ethics (49, 50, 81).

Some of the main findings of our empirical survey research can be summarized as follows:

(1) The possibility of the SOE partnership, as an instance of communicative reciprocity and rationality, was found for only 23.2% of the employees of the corporation under study.

(2) In contrast, the possibility of the SOC partnership, which is quite normal in capitalist enterprise, was found for 80.4% of the employees of the corporation under study.

(3) The SOE partnership was conditioned upon and shaped by the norm of reciprocity in communication. Those who exhibited strong reciprocal sensitivity joined the SOE partnership.

(4) Strong reciprocal sensitivity was found among those in fifties and above age group, while weak reciprocal sensitivity was found among those in the twenties and thirties age groups.

(5) Reciprocal sensitivity grows as it is supported by trust and mutual recognition among the parties involved in communication.

## References

1. Crane A, Matten D. *Business ethics: a European perspective*. Oxford: Oxford University Press (2004).
2. Sen A. Does business ethics make economic sense? *Bus Ethics Q.* (1993) 3:45–54. doi: 10.2307/3857381
3. Carroll AB. Corporate social responsibility: evolution of a definitional construct. *Bus Soc.* (1999) 38:268–95. doi: 10.1177/000765039903800303
4. Dathe T, Dathe R, Dathe I, Helmold M. Corporate social responsibility (CSR), sustainability and environmental social governance (ESG): approaches to ethical management. *Administrative Science Quarterly*. (Vol. 39), Berlin: Springer International Publishing (2022).
5. Groves K, LaRocca M. An empirical study of Leader's ethical values, transformational and transactional leadership, and follower attitudes toward corporate social responsibility. *J Bus Ethics.* (2011) 10:511–28.
6. Pollman E. Corporate social responsibility, ESG, and compliance. In: Van Rooij B, Sokol D editors. *The Cambridge handbook of compliance*. Cambridge, MA: Cambridge University Press (2021). p. 662–72.

7. Davis G, Thompson T. A social movement perspective on corporate control. *Adm Sci Q.* (1994) 39:141–73.
8. De Bakker FGA, Groenewegen P, Den Hond F. A bibliometric analysis of 30 years of research and theory on corporate social responsibility and corporate social performance. *Bus Soc.* (2005) 44:283–317. doi: 10.1177/0007650305278086
9. Berger-Walliser G, Scott I. Redefining corporate social responsibility in an era of globalization and regulatory hardening. *Am Bus Law J.* (2018) 55:167–218. doi: 10.1111/ablj.12119
10. Schueth S. Socially responsible investing in the United States. *J Bus Ethics.* (2003) 43:189–94. doi: 10.1023/A:1022981828869
11. Swanson DL, Niehoff P. Business citizenship outside and inside organizations. In: Andriof J, McIntosh M editors. *Perspective on corporate citizenship*. London: Routledge (2001). p. 104–16.
12. Gillan SL, Koch A, Starks LT. Firms and social responsibility: a review of ESG and CSR Research in corporate finance. Center for sustainable business (CSB) Working Paper no. 2020-02. *J Corpor Finance.* (2021) 66. doi: 10.1016/j.jcorpfin.2021.101889
13. Beck U, Lau C. Second modernity as a research agenda: theoretical and empirical explorations in the 'meta-change' of modern society. *Br J Sociol.* (2005) 56:525–57. doi: 10.1111/j.1468-4446.2005.00082.x
14. Han S-J. *Beyond risk society: Ulrich beck and the Korean debate*. Seoul: Seoul National University (2017).
15. Han S-J. *Confucianism and reflexive modernity*. Leiden: Brill (2020).
16. Han S-J. Risk society and ESG toward second modernity. *Keynote Speech in Korean at Tomato ESG Forum held at Press Center*. Seoul: (2022).
17. Han S-J, Shim YH. Redefining second modernity for East Asia: a critical assessment. *Br J Sociol.* (2010) 61:465–88. doi: 10.1111/j.1468-4446.2010.01322.x
18. Rosen-Zvi I. You are too soft!: what can corporate social responsibility do for climate Change? *Minnes J Law Sci Technol.* (2011) 12:527–66.
19. Unerman J, Bennett M. Increased stakeholder dialogue and the Internet: towards greater corporate social accountability or reinforcing capitalist hegemony? *Account Organ Soc.* (2004) 29:685–707. doi: 10.1016/j.aos.2003.10.009
20. Park SK, Berger-Walliser G. A firm-driven approach to global governance and sustainability. *Ame Bus Law J.* (2015) 52:255–315. doi: 10.1111/ablj.12046
21. Lazonick W. From Innovation to Financialization: how shareholder value ideology is destroying the US Economy. In: Epstein G, Wolfson MH editors. *The political economy of financial crises*. Oxford: Oxford University Press (2011).
22. Lazonick W, O'Sullivan M. Maximizing shareholder value: a new ideology for corporate governance. *Econ Soc.* (2000) 29:13–35. doi: 10.1080/030851400360541
23. Bauman CW, Skitka LJ. Corporate social responsibility as a source of employee satisfaction. *Res Organ Behav.* (2012) 32:63–86. doi: 10.1016/j.riob.2012.11.002
24. Koehler D, Hespenheide E. Finding the value in environmental, social, and governance performance. *Deloitte Rev.* (2013) 12:98–111.
25. Riordan CM, Gatewood RD, Bill JB. Corporate image: employee reactions and implications for managing corporate social performance. *J Bus Ethics.* (1997) 16:401–12. doi: 10.1023/A:1017989205184
26. Habermas J. The theory of communicative action, 1. *Reason and the rationalization of society*. Boston, MA: Beacon Press (1984). T. McCarthy (Translated by).
27. Habermas J. The theory of communicative action, 2. *System and lifeworld*. Boston, MA: Beacon Press (1987).
28. Habermas J. *Rationality and understanding: Speech Act theoretical explanation of the Concept of Communicative Rationality. On the pragmatics of communication*. Cambridge, MA: MIT Press (1999).
29. Weber Max. Über einige Kategorien der verstehenden Soziologie. *Wissenschaftslehre*. Tübingen: Mohr (1922), 403–450.
30. Kalberg S. The rationalization of action in Max Weber's sociology of religion. *Sociol Theory.* (1990) 8:58–84. doi: 10.2307/202195
31. Schluchter W. *The rise of western rationalism: max Weber's developmental history*. Berkeley, CA: University of California Press (1981).
32. Kaesler D. Universal rationalization: max Weber's great narrative. *Irish J Sociol.* (2017) 25:315–23. doi: 10.1177/0791603517710109
33. Polanyi K. *The great transformation*. Boston, MA: Beacon Press (1944).
34. Bratton WW, Wachter M. Shareholder primacy's corporatist origins: Adolf Berle and the modern corporation. *J Corporat Law J.* (2008) 55:167–218.
35. Goldberg J. Liberal responsibility: a comment on justice for hedgehogs. *Boston Univers Law Rev.* (2010) 90:677–89.
36. Friedman M. *Capitalism and freedom*. Chicago, IL: University of Chicago Press (1962).
37. The New York Times Company. *The social responsibility of business is to increase its profits*. (1970). Available online at: https://www.nytimes.com/1970/09/13/archives/a-friedman-doctrine-the-social-responsibility-of-business-is-to.html (accessed September 13, 1970).
38. Yan Z, Wang W. The correlation of benefit distribution between shareholder and employee and its effect on corporate performance: a case study of Chinese 90 listed companies. *Proceedings of the 8th International Conference on Innovation and Management*. New York, NY: ACM (2011). p. 567–72.
39. Brønn PS, Vidaver-Cohen D. Corporate motives for social initiative: legitimacy, sustainability, or the bottom line? *J Bus Ethics.* (2009) 87:91–109. doi: 10.1007/s10551-008-9795-z
40. Chang X, Fu K, Jin Y, Liem PF. Sustainable finance: ESG/CSR, firm value, and investment returns. *Asia Pacific J Financial Studies.* (2022) 51:325–71. doi: 10.1111/ajfs.12379
41. Dunning JH. The moral imperatives of global capitalism: an overview. In: Dunning JH editor. *Making globalization good: The moral challenges of global capitalism*. Oxford: Oxford University (2003).
42. Glac K. The influence of shareholders on corporate social responsibility. *Econ Manag, Financial Mark.* (2014) 3:34–79.
43. Ho H. Enlightened shareholder value: corporate governance beyond the shareholder-stakeholder divide. Virginia. *J Corporat Law.* (2010) 36:59–112.
44. Marens R. Inventing corporate governance: the mid-century emergence of shareholder activism. *J Bus Manag.* (2002) 8:365–89.
45. Rojas M, M'zali B, Turcotte M, Merrigan P. Bringing about changes to corporate social policy through shareholder activism: filters, issues, targets, and success. *Bus Soc Rev.* (2009) 114:217–52. doi: 10.1111/j.1467-8594.2009.00341.x
46. Han S-J. Search for in-between commonality: how to go beyond the hegemonic concept of instrumental rationality through the eyes of max weber, immersing into the old chinese conception of affective-reasonable rationality. *Proceeding of the Conference' Aesthetics, Society, and the Travels of Critical Theory*. Beijing: Beijing Normal University (2019). p. 227–71.
47. Gunderson R. Habermas in environmental thought. *Sociol Inq.* (2014) 84:626–53. doi: 10.1111/soin.12054
48. Hendry J. Universalizability and reciprocity in international business ethics. *Bus Ethics Q.* (1999) 9:405–20. doi: 10.2307/3857509
49. Meisenbach RJ. Habermas' discourse ethics and principle of universalization as a moral framework for organizational communication. *Manag Commun Q.* (2006) 20:39–62. doi: 10.1177/0893318906288277
50. Molnár B. Organization, discourse ethics and the interpretation of "political CSR". *Kome.* (2017) 5:1–23. doi: 10.17646/KOME.2017.11
51. Palazzo G, Scherer AG. Corporate legitimacy as deliberation: a communicative framework. *J Bus Ethics.* (2006) 66:71–88. doi: 10.1007/s10551-006-9044-2
52. Scherer AG, Palazzo G. Toward a political conception of corporate responsibility: business and society seen from a Habermasian perspective. *Acad Manag Rev.* (2007) 32:1096–120. doi: 10.5465/amr.2007.26585837

53. Scherer AG, Palazzo G. The new political role of business in a globalized world – A review of a new perspective on CSR and its implications for the firm, governance, and democracy. *J Manag Studies.* (2011) 48:899–931. doi: 10.1111/j.1467-6486.2010.00950.x
54. Wehrenfennig D. Conflict management and communicative action: second-track diplomacy from a Habermasian Perspective. *Commun Theory.* (2008) 18:356–75. doi: 10.1111/j.1468-2885.2008.00326.x
55. Beck U. Varieties of second modernity and the cosmopolitan vision. *Theory Cul Soc.* (2016) 33(7–8):257–70. doi: 10.1177/0263276416671585
56. Han S-J. Reflexive modernization and the future of East Asia. In: Han S-J editor. *Divided nation and transitional justice*. Boulder, CO: Paradigm Publications (2012). p. 255–62.
57. Han S-J. Second-modern transformation in East Asia. *Socio.* (2015) 6:45–64.
58. Han S-J, Shim Y, Kim JS. Comparative study of neighborhood community reconstruction in Seoul and Beijing: an action-theoretical approach. *Korea J.* (2018) 58:113–40. doi: 10.25024/kj.2018.58.2.113
59. Habermas J. *Communication and the evolution of society*. Boston, MA: Beacon Press (1979).
60. Habermas J. Law and morality. In: McMurrin S editor. *Tanner lectures on human values*. Cambridge, MA: Delivered at Harvard University (1986).
61. Habermas J. *Moral consciousness and communicative action*. Cambridge, MA: MIT Press (1991).
62. Habermas J. *Justification and application: remarks on discourse ethics*. Cambridge, MA: MIT Press (1994).
63. Han S, Shim Y. Economic, crisis, dual polarization, and liberal democracy in South Korea. *Historical Soc Res.* (2018) 43:274–99.
64. Freeman RE. *Strategic management: a stakeholder perspective*. Hoboken, NJ: Prentice Hall (1984).
65. Aggarwal R, Simkins BJ. Open-boon management – Optimizing human capital. *Bus Horizons.* (2001) 44:5–13. doi: 10.1016/S0007-6813(01)80055-0
66. Levine DI. Participation, productivity, and the firm's environment. *California Manag Rev.* (1990) 32:86–100. doi: 10.2307/41166630
67. Epstein-Reeves J. *Consumers overwhelmingly want*. (2010). Available online at: https://www.forbes.com/sites/csr/2010/12/15/new-study-consumers-demand-companies-implement-csr-programs/?sh=2a3f8f1f65c7 (accessed December 15, 2010).
68. Pizzetti M, Gatti L, Seele P. Firms talk, suppliers walk: analyzing the locus of greenwashing in the blame game and introducing "vicarious greenwashing". *J Bus Ethics.* (2021) 170:21–38. doi: 10.1007/s10551-019-04406-2
69. Barnea A, Rubin A. Corporate social responsibility as a conflict between shareholders. *J Bus Ethics.* (2010) 97:71–86. doi: 10.1007/s10551-010-0496-z
70. University of Iowa. *Good for the world, good for shareholders: study finds social responsibility means less risky stock prices*. (2013). Available online at: https://www.sciencedaily.com/releases/2013/05/130528180850.htm (accessed May 28, 2013).
71. Edmans A. Does the stock market fully value intangibles? Employee satisfaction and equity prices. *J Financial Econ.* (2011) 101:621–40. doi: 10.1016/j.jfineco.2011.03.021
72. Holme R, Watts P. *Making good business sense*. Geneva: World Business Council for Sustainable Development (2000).
73. Mallin C. *Corporate social responsibility: a case study approach*. Cheltenham: Edward Elgar Publishing (2009).
74. Han S-J. What Change does the practice of Sharing produce on Economic Firms? Stockholder-Employee Partnership and corporate social responsibility. *Paper presented in Korean at the second conference on the project of SOE Partnership held at Seoul City Hall Workshop Room, February 6*. Seoul: (2015).
75. Han S-J, Shim YH, Park S-S. Corporate social responsibility and Stockowner-employee partnership: an empirical analysis. (2017) 6:43–61.
76. Konrad Adenauer Foundation Seoul. *Corporate social responsibility in Korea: state and perspectives, KAS Journal on Contemporary Korean Affairs*. Seoul: Konrad Adenauer Foundation Seoul (2014).
77. Han S-J. *Habermas and the Korean debate*. Seoul: Seoul National University (1998).
78. Han S-J. *Dialogue with Habermas*. Seoul: Joongmin Publisher (2022).
79. McCormick J. Max Weber and Jürgen Habermas: the sociology and philosophy of law during crises of the state. *Yale J of Law Human.* (1997) 9:297–344.
80. Tong S. Habermas and the Chinese discourse of modernity. *Dao.* (2001) 1:81–105. doi: 10.1007/BF02857465
81. Devenney M. The limits of communicative rationality and deliberative democracy. *J Power.* (2009) 2:137–54. doi: 10.1080/17540290902760915