# COVID-19 and philanthropy in Africa: a stitch in time? By Kenneth Amaeshi

Globally, there are concerted efforts by the private sector to find creative ways of contributing to tackling the pandemic. Some businesses are adapting their manufacturing systems to produce some of the essential materials and equipment required to combat the pandemic such as sanitisers, ventilators, testing kits, et cetera. Others, especially those in the biochemical and pharmaceutical industries, have intensified their Research and Development (R&D) efforts towards a solution. It is literally all hands on deck!

The corporate sector in Africa is not left out. Given the paucity of manufacturing and R&D capabilities in the continent, local businesses are crowding in their capabilities in different forms through donations of funds, construction of isolation centres, and collaboration with governments and third sector organisations, amongst others. It is literally a matter of life and death and a race against time!

Whilst these good deeds are appreciated, they call for some reflections. Why does it take a crisis of monumental proportion for businesses to truly appreciate that they are part of society and need to contribute positively to it? Why is it unattractive for businesses to collectively contribute to institution building in Africa, instead of spending energy on ad hoc, in some cases tokenistic, individual corporate philanthropic initiatives?

Many more questions could be asked. However, one thing remains unquestionable – the reality that businesses love one thing in particular; more money! And even better when it comes with good reputation. Business leaders understand this and often do their best to protect this interest. This understanding and philosophy is at the heart of the Corporate Social Responsibility (CSR) industry and practice – especially in Africa, where CSR is still mainly seen as voluntary corporate philanthropy (Adeleye et al., 2020[1]; Ezeoha et al., 2020[2]).

As the name suggests, corporate philanthropy is mainly “*an act of giving back to society at large*” (Amaeshi, et al., 2006[3]). This has included donations to schools, hospitals, local communities, prisons and orphanages; construction of roads and decoration of public spaces; economic empowerment and poverty alleviation.

However, the other side of the equation that is not often explored in the CSR debate is the idea that CSR should be a business philosophy, which takes the private governance of externalities seriously. Externalities here connote the positive and negative impacts arising from corporate entrepreneurial activities that are borne by some third parties who are unconnected to the business. This could be at the production, sale or consumption point.

Traditionally, the burden of governing corporate externalities has always been borne by the State. In order to curtail negative externalities, the State uses such regulatory mechanisms as taxes, subsidies and quotas. But institutions in many African countries are weak, hence the inefficiencies in the system. A classic case is the apparent revelation of the poor health system in many African countries in the evolving face of COVID-19. As the rich and poor confront their common demons, it makes much sense to now appreciate that we are all victims of the system. Unsurprisingly, these institutions need to be strengthened; and this is where true CSR comes in. This will require more collective action than isolated corporate initiatives.

CSR post-COVID-19 will need to be radically different. It should focus on addressing the root causes of many of the inefficiencies in Africa, which are strongly linked to bad governance and weak institutions. To meet this goal, Corporate Social Responsibility, as corporate philanthropy, needs to become Collective or Collaborative Social Responsibility, where businesses will need to work with each other, and other possible partners, to address the weaknesses in the system.

The focus should primarily be on strengthening the public service in most African countries to function effectively and efficiently. And businesses will have to learn to overcome this challenge and find new ways of extracting value from collective or collaborative social responsibility.

By implication, the dominant view of CSR as corporate philanthropy amongst most African businesses needs to be seriously challenged. And there is no better time to do that than now. The good crisis should not be allowed to waste, as they say!

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**[1]** Adeleye, I., Luiz, J., Muthuri, J., and Amaeshi, K. (2020). Business Ethics in Africa: The Role of Institutional Context, Social Relevance, and Development Challenges. *Journal of Business Ethics*, 161:717–729

**[2]** Ezeoha, A., Uche, C., and Ujunwa, A. (2020). Crossing the borderline in strategic corporate philanthropy: Dangote and the construction of cement roads in Nigeria. *Business Ethics: European Review*, 29(1):70-81

[3] Amaeshi, K., Adi, B. C., Ogechie, C. and Amao, O. O. (2006). Corporate Social Responsibility in Nigeria: Indigenous practices or Western influences?, *Journal of Corporate Citizenship* (winter edition) 24: 83-99