

Study on the role of the Civil Code in promoting the legalization of corporate social responsibility

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Abstract

The promulgation and implementation of the Civil Code of the People's Republic of China provides important legal guarantees for corporate social responsibility (CSR), marking a key process in the transformation of corporate responsibility from moral constraints to legal norms. This paper takes the Civil Code as the core to explore its role in promoting the legalization of corporate social responsibility. First, by analyzing the provisions related to corporate responsibility in the Civil Code, this paper reveals its requirements for the standardization of corporate social responsibility. Secondly, this paper points out that the Civil Code promotes enterprises from self-discipline to external discipline through institutional innovation and responsibility balance mechanism, and promotes the balance between economic development and social interests of enterprises. At the same time, this paper analyzes the impact of the Civil Code on corporate social responsibility and the challenges faced by enterprises in the process of implementation, such as the lack of awareness of legal obligations by enterprises and the legal risks when fulfilling their responsibilities, etc. Finally, this paper puts forward countermeasures and suggestions for further improving the legalization of corporate social responsibility, including strengthening legal supporting measures, improving corporate responsibility awareness and government-driven policy support, in order to provide theoretical support and practical reference for promoting the legalization of corporate social responsibility in my country.

Keywords

Civil Code, Corporate social responsibility, Legalization, Balance of responsibilities.

1. Introduction

1.1. Research background and significance

As an important achievement of China's rule of law construction, the Civil Code of the People's Republic of China was officially implemented on January 1, 2021, marking the high degree of perfection and systematization of China's civil law system. The Civil Code is not only an important legal basis for regulating the rights and obligations between civil subjects, but also provides legal protection for many issues in social and economic life. With the global economic integration and social development, enterprises, as the core subjects of economic activities, are no longer just pursuing the maximization of economic benefits. Fulfilling social responsibilities has become the key to winning social recognition and long-term development. Corporate social responsibility (CSR) is not only an important part of corporate self-regulation, but also a new requirement for enterprises in a modern rule of law society.

1.2. Research Questions

While regulating civil behavior, the Civil Code also provides an institutional basis for the legalization of corporate social responsibility. Against this background, this article aims to explore how the Civil Code can promote corporate social responsibility through relevant provisions and legal mechanisms, and gradually elevate corporate social responsibility from traditional moral responsibility to legal responsibility. Specific research questions include: Which provisions in the Civil Code involve corporate social responsibility? How can these provisions effectively promote the legalization of corporate social responsibility? What legal challenges do companies face in the process of fulfilling their social responsibilities? By exploring these issues, this article attempts to analyze the specific impact of the Civil Code on the legalization of corporate social responsibility.

1.3. Research methods and structural arrangements

This paper adopts a method that combines literature analysis, legal research and case analysis. First, by reviewing relevant literature, the legal basis and development context of corporate social responsibility are sorted out; second, combined with the specific provisions of the Civil Code, its binding force and influence on corporate responsibility are analyzed; finally, through typical case analysis, the actual situation and problems of the legalization of corporate social responsibility in the implementation of the Civil Code are demonstrated. The structure of this paper is arranged as follows: the first part is the introduction, which outlines the research background, problems and methods; the second part explains the legal development of corporate social responsibility; the third part analyzes the relevant provisions of the Civil Code and its role in promoting corporate social responsibility; the fourth part discusses the problems and challenges in the implementation of the Civil Code through case analysis; finally, countermeasures and suggestions for improving the legalization of corporate social responsibility are put forward.

2. Overview of the Legalization of Corporate Social Responsibility

2.1. The connotation of corporate social responsibility

Corporate social responsibility (CSR) refers to the responsibility that companies take on towards stakeholders such as society, the environment, and employees while pursuing economic benefits. Its connotation includes not only compliant operations and fulfillment of legal obligations, but also voluntary actions that go beyond legal requirements, such as environmental protection and public welfare. The concept of CSR originated in the mid-20th century. With the development of the global economy and the prominence of environmental problems, companies are required to assume more responsibilities at the social level. As the public and stakeholders have increasingly higher requirements for corporate behavior, CSR has gradually become a key factor in the sustainable development of companies.

In legal practice at home and abroad, the status of CSR is constantly improving. Internationally, many countries have guided enterprises to fulfill their social responsibilities through legislation or policies. For example, EU countries have long integrated CSR into corporate management and required them to disclose their social responsibility performance through corporate reports. In China, CSR has gone through a process from voluntary advocacy to gradual institutionalization. Laws such as the Company Law and the Environmental Protection Law have already involved corporate social responsibility to some extent, but lack systematicity. With the promulgation of the Civil Code, CSR has gradually changed from moral responsibility to legal responsibility, promoting its legalization process.

2.2. Necessity of legalizing corporate social responsibility

The transformation of corporate social responsibility from moral requirements to legal norms is an inevitable trend of economic and social development. First, the legalization of CSR can solve the problem that companies cannot fully fulfill their social responsibilities by self-discipline alone. Although companies have gradually realized the importance of CSR in market competition, the voluntary implementation method has great arbitrariness and uncertainty. Clarifying corporate social responsibility through legal means can ensure its effective implementation and provide legal protection and accountability mechanism.

Secondly, the legalization of CSR has a profound economic, social and legal basis. From an economic perspective, the fulfillment of corporate social responsibility helps them establish a good social image and improve their market competitiveness; from a social perspective, the legalization of corporate social responsibility is conducive to solving social problems such as environmental pollution and labor rights protection, and promoting social sustainable development; from a legal perspective, the law makes corporate social responsibility operational through institutional design and coercive force, avoiding companies from shirking their responsibilities or taking economic interests as the only guide. In short, the legalization of corporate social responsibility is an inevitable requirement for the development of a modern rule of law society and a legal guarantee for the balance between economic and social interests. The Civil Code clarifies the legal obligations of companies in terms of social responsibility through clauses, making the legalization of CSR a reality.

3. Relevant provisions of the Civil Code on corporate social responsibility

3.1. Analysis of relevant provisions in the Civil Code

As a systematic legal document, the Civil Code of the People's Republic of China involves civil rights and obligations in many aspects, including indirect provisions on corporate social responsibility, especially in the provisions of the Property Rights Code and the Contract Code, which are closely related to corporate business activities. In the Property Rights Code, when using resources owned or occupied by enterprises, enterprises must comply with legal provisions such as environmental protection and public interests, which reflects the social responsibility of enterprises in the use of property. For example, when enterprises use natural resources for business activities, they should follow the principle of "not harming the interests of others and the public interest", which requires enterprises to assume more social responsibilities in environmental protection, energy conservation and other aspects in practice. The Contract Code further clarifies the good faith obligations of enterprises in transactions, requiring enterprises not only to abide by the basic principles of contract law, but also to assume responsibilities to stakeholders such as consumers, employees and suppliers. These provisions have established a more standardized legal framework for enterprises in market economic activities, and promoted them to pay attention to social benefits while fulfilling contracts.

In addition, the introduction of the Personality Rights Code adds a new dimension to the social responsibility of enterprises. This code stipulates the respect for citizens' personality rights, involving privacy rights, reputation rights, portrait rights, etc. This puts forward new requirements for the business behavior of enterprises. Especially in the Internet era, enterprises need to pay more attention to data protection and consumer privacy protection, which reflects the social responsibility of enterprises in the digital economy. Therefore, enterprises must fulfill their obligations to protect the public interest under the premise of complying with legal provisions.

3.2. The balance between corporate responsibility and social interests in the Civil Code

While clarifying the rights of enterprises, the Civil Code also provides legal protection for social responsibilities, and strives to establish a balance between corporate operating interests and social public interests. Corporate rights and social responsibilities are two important aspects of the law. The Civil Code sets specific legal obligations to ensure that while enterprises realize their own interests, they must not harm social public interests. When pursuing profit maximization, enterprises need to abide by the corresponding laws and social ethics, especially in terms of environmental protection, labor rights, consumer rights, etc., and they need to assume corresponding social responsibilities within the legal framework.

Under the framework of the Civil Code, corporate social responsibility is not only a moral obligation, but also a legal obligation. For example, in terms of labor relations, companies must protect the legitimate rights and interests of workers, including wages, working environment and labor protection. The establishment of such legal responsibilities ensures that companies not only fulfill their obligations under economic contracts, but also assume social responsibilities in terms of employees, consumers and the environment, reflecting the role of the Civil Code in balancing corporate rights and social interests.

In short, the Civil Code incorporates corporate social responsibility into the legal system through specific provisions, promoting enterprises to take into account social benefits while fulfilling their own economic functions, reflecting the high attention paid by modern law to corporate social responsibility. Under this framework, enterprises must not only operate legally, but also take the initiative to fulfill their social responsibilities to meet the requirements of both legal and social standards.

4. The role of the Civil Code in promoting the legalization of corporate social responsibility

4.1. Regulating corporate behavior and enhancing responsibility awareness

The Civil Code regulates corporate behavior by setting a clear legal framework and enhancing corporate awareness of fulfilling social responsibilities. Before the implementation of the law, companies relied more on self-discipline or external pressure to fulfill their social responsibilities, but the establishment of a legal framework has given companies a clear legal basis for fulfilling their social responsibilities. Through the provisions of the Property Rights, Contracts, and Personal Rights of the Civil Code, companies must comply with relevant legal obligations when producing, trading, and handling stakeholder relationships, such as protecting the rights and interests of workers, respecting the legitimate rights of consumers, and assuming environmental protection responsibilities. These legal provisions not only enhance companies' awareness of compliance in daily operations, but also promote companies to incorporate social responsibility into their strategic development plans, and enhance their initiative and enthusiasm in fulfilling their social responsibilities.

4.2. The Civil Code promotes CSR from self-discipline to external discipline

The Civil Code promotes the transformation of corporate social responsibility from self-discipline to external responsibility through the legal mechanism. In the early days of corporate social responsibility, enterprises mainly relied on the principle of voluntariness, and the degree of fulfillment of social responsibility varied from enterprise to enterprise, resulting in different fulfillment results. With the implementation of the Civil Code, the legalization of corporate social responsibility has been further strengthened. Enterprises must not only voluntarily comply with their social responsibilities, but also use legal coercion to ensure the standardization and consistency of responsibility fulfillment. The Civil Code also introduces an

external supervision mechanism, allowing stakeholders to pursue accountability through legal means, and enhancing the external constraints of the law on corporate behavior. This transformation from self-discipline to external discipline has promoted the mandatory fulfillment of corporate social responsibility, especially in the fields of environmental protection, consumer protection, and labor rights protection. Through legal coercion, it ensures that the social responsibility of enterprises in economic activities is more effectively implemented.

4.3. Impact on corporate management model and legal risks

After the implementation of the Civil Code, the management model of enterprises needs to be adjusted accordingly to cope with the new requirements brought about by the legalization of social responsibility. First of all, enterprises need to clarify the legal obligations of social responsibility in the internal management system to ensure that the provisions of the Civil Code can be followed at all levels from strategy to operation. For example, enterprises need to consider factors such as labor rights protection and environmental impact assessment in the management process, and establish corresponding compliance systems to deal with potential legal risks. In addition, enterprises need to strengthen the prevention of legal risks to avoid legal consequences due to violations of relevant provisions on social responsibility. The Civil Code gives stakeholders the right to pursue accountability through legal channels, which means that enterprises may face litigation, compensation and even reputational losses when they ignore or fail to fulfill their social responsibilities. Therefore, enterprises need to establish a special legal risk control mechanism in management to reduce possible liability risks and ensure that their social responsibilities are fulfilled legally and in compliance with regulations.

5. The current status and challenges of corporate social responsibility legalization in the implementation of the Civil Code

5.1. Analysis of Typical Cases in Practice

Since the implementation of the Civil Code, the performance of corporate social responsibility (CSR) has gradually been legalized, and some companies have shown significant awareness of compliance and responsibility under this framework. Taking a large manufacturing company as an example, after the implementation of the Civil Code, the company strengthened environmental protection measures in the production process and conducted a systematic review and rectification of labor rights issues in supply chain management, showing that the company has a strong legal framework. Actively fulfill social responsibilities. In comparison, some small and medium-sized enterprises show great differences in fulfilling their social responsibilities due to limited management resources or insufficient understanding of relevant provisions of the Civil Code. For example, some small businesses still fail to protect labor rights and interests in terms of employment management, and even face legal proceedings for violating relevant provisions of the Civil Code. These actual cases demonstrate the impact of the Civil Code on enterprises' fulfillment of social responsibilities, and also reflect the implementation differences between different enterprises in this process.

5.2. Current Problems and Challenges

Although the Civil Code provides a clear framework for the legalization of corporate social responsibility, there are still some problems and challenges in its actual implementation. First, there is a certain gap between legal norms and corporate practices. Some companies, especially small and medium-sized enterprises, lack sufficient legal knowledge and enforcement capabilities, and have insufficient understanding of the social responsibility clauses involved in the Civil Code, resulting in imperfect response measures when they fulfill their social responsibilities. Secondly, companies lack awareness of the legalization of CSR and still regard

it as a voluntary act rather than a legal obligation. Due to the lack of systematic legal training and compliance system construction, some companies have not fully realized the legal risks that may arise from failure to fulfill their social responsibilities. In addition, the legal supervision and enforcement mechanisms are still imperfect, resulting in insufficient standardization and mandatory nature of companies in fulfilling their social responsibilities. These problems have all had an impact on the actual effect of the Civil Code.

5.3. Enlightenment of international experience on the legalization of CSR in Chinese enterprises

Globally, many countries have incorporated corporate social responsibility into the legal framework of corporate management through legal means. For example, the EU's Non-Financial Reporting Directive requires large and medium-sized enterprises to disclose their performance in social responsibility, which provides an important basis for stakeholders to monitor corporate behavior. The US Environmental Responsibility Act imposes mandatory requirements on corporate environmental responsibility and promotes companies to fulfill their environmental protection obligations. Drawing on these international experiences, China can further improve relevant measures for the legalization of CSR and optimize the supervision and enforcement mechanisms. By establishing a stricter legal accountability system, improving corporate transparency, and introducing third-party supervision, China's corporate social responsibility legalization can be more effective, ensuring that companies not only meet domestic legal requirements in global competition, but also meet international standards, thereby promoting the in-depth development of CSR.

6. Suggestions on improving the legalization of corporate social responsibility

6.1. Strengthening supporting legal measures

In order to better promote the legalization of corporate social responsibility (CSR), the supporting laws and regulations in the Civil Code need to be further improved. At present, although the Civil Code provides a legal basis for enterprises to fulfill their social responsibilities, the specific implementation details in some areas are still unclear. Therefore, the legislature should issue more targeted supporting regulations to clarify the responsibility boundaries of enterprises in environmental protection, labor rights and interests, consumer rights protection, etc. For example, we can refer to international experience and formulate a corporate social responsibility reporting system to require enterprises to regularly disclose their CSR performance. In addition, the legal responsibility investigation mechanism also needs to be further strengthened to ensure that enterprises can bear the corresponding legal consequences when they fail to fulfill their social responsibilities. By improving the supporting legal system, the operability and mandatory nature of the legalization of corporate social responsibility can be enhanced to promote the implementation of CSR.

6.2. Enhance corporate social responsibility awareness

The effective fulfillment of corporate social responsibility not only depends on the coercive force of the law, but also requires the improvement of the company's own sense of responsibility. Therefore, companies should integrate CSR into corporate culture construction and combine it with the company's long-term development strategy. In daily operations, companies should not only pursue economic benefits, but also focus on the positive impact on society and the environment. In this process, the government and relevant agencies can enhance companies' understanding of CSR by strengthening legal publicity and education. For example, through industry associations or corporate training, the legal provisions related to CSR in the Civil Code can be popularized to help companies understand the connotation of legal

responsibility and social responsibility. In this way, companies can more consciously fulfill their social responsibilities and avoid legal disputes due to improper behavior.

6.3. Policy recommendations for promoting the legalization of corporate CSR

The process of promoting the legalization of corporate social responsibility requires joint efforts from the government and enterprises. When formulating policies, the government should focus on encouraging enterprises to voluntarily fulfill CSR, go beyond the legal bottom line, and take on more social responsibilities through incentives. For example, tax incentives, financial subsidies, or priority opportunities to participate in government projects can be provided to enterprises that perform outstanding social responsibilities. At the same time, the government should also establish a more complete supervision and evaluation mechanism and work with enterprises to promote the legalization of CSR. In addition, we can learn from international experience and guide enterprises to comply with higher social responsibility standards in the global market by establishing industry standards and certification systems. Through these policy measures, we can not only ensure that enterprises fulfill their basic responsibilities within the legal framework, but also encourage them to take on more social responsibilities, thereby promoting the sustainable development of society.

7. Conclusion

7.1. Main research findings

This article analyzes the role of the Civil Code in promoting the legalization of corporate social responsibility (CSR) and draws some important research findings. First, the Civil Code provides a strong institutional guarantee for the legalization of corporate social responsibility, especially in the sections on property rights, contracts and personal rights, which clarify the legal responsibilities of enterprises in environmental protection, protection of workers' rights and interests, protection of consumers' rights and interests, etc. Second, the Civil Code effectively promotes the transformation of corporate social responsibility from theory to practice. Under the constraints of the legal framework, enterprises no longer regard social responsibility as a moral requirement, but gradually internalize it as a legal obligation that must be fulfilled. This not only improves the sense of responsibility of enterprises, but also encourages enterprises to pay more attention to social benefits and long-term development in economic activities.

7.2. Research Prospects

In the future, research on the legalization of corporate social responsibility can be further deepened and expanded. First, with globalization and technological progress, the connotation and extension of CSR are constantly enriched, especially in emerging fields such as digital economy, data protection and artificial intelligence. How to improve the legal system to cope with these new issues will be an important research direction. Secondly, how the legal system adapts to the new trend of social responsibility development, especially the coordination and integration of the CSR legal framework in the context of internationalization, deserves further discussion. In addition, future research can also pay more attention to the specific practical effects of enterprises fulfilling their social responsibilities during the implementation of the Civil Code, analyze the implementation of CSR legalization in different types of enterprises and its long-term impact on corporate operations and social benefits.

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