Implementation of Javanese traditional value in creating the accountable corporate social responsibility

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Abstract

Purpose – This paper aims to provide an overview of existing condition, rules and implementation of CSR and create harmony models of corporate social responsibility (CSR) between regulation, Javanese culture values and universal principles, to fill the lack of CSR regulation in Indonesia.

Design/methodology/approach – This study is based on sociology legal research. The regulations and principles have been studied by using the approach of law and social sciences. That characteristic is descriptive evaluative. The primary data are taken from interview with the senior source relations of PT Pertamina Hulu Energi (PHE) in Jakarta, President Director of PT Rosalia Indah Group in Surakarta and Your Honour Prince of Surakarta Hanadiningrat Kingdom. Secondary data are obtained from the review of the literatures pertaining to the material. Secondary data consist of legal materials such as regulations, books, papers and other references. Data analysis technique use theoretical interpretative.

Findings – CSR is implemented by company only for lifting the image. CSR fund allocation is still a company’s secret, and it becomes evidence of the lack of transparency for companies to manage and provide social cost to society. It can also be found that some companies collect donations from the public for disaster relief, but in the distribution of aid, they use the name of a CSR company. There is polarization in the implementation of CSR. A government-owned company is already bound by the provisions of the Regulation of the Minister of state-owned enterprises.

Research limitations/implications – This paper discusses the CSR implementation in Indonesia and it creates a model of accountability of CSR to fill the legal vacuum that occurs at this time. This paper formulates a good relation between traditional Javanese value, government regulations and universal CSR principle.

Practical implications – There remains a mismatch between the Javanese values of philosophy with the positive regulatory norms that result in the implementation of CSR only to meet the requirements of the positive regulatory norm and ignore the obligations involved and to aid the prosperity of the public society.

Social implications – Communities around a company have not been able to enjoy the advantages of the company. Communities should fight for their own lives without being dependent on or being supported by a company’s existence.

The authors thank the senior source relations of PT Pertamina Hulu Energi (PHE) in Jakarta, President Director of PT Rosalia Indah Group in Surakarta and Your Honour Prince of Surakarta Hanadiningrat Kingdom, Satryo Hadinagoro.
Originality/value – This research combines the Javanese values with the positive legal regulations in the implementation of CSR in Indonesia. This research has not been conducted by the others. This research will provides benefits on the idea of imposing sanctions on the non-implementation of CSR, not only through positive legal regulations but also through social sanctions embodied in the Javanese values.

Keywords Corporate social responsibility, Implementation, Javanese values

Paper type Research paper

1. Introduction

Corporate social responsibility (CSR) is a famous term used in the corporate world; in the past century, CSR has been discussed as a central issue in business. Shigeki Kusunoki said that Hayek in 1960, in a published study, criticized CSR as a form for economic organization, and he regarded the corporate to be subject to essentially the same moral rules as individual action (Kusunoki, 2015).

In many literatures and research that have been conducted, CSR has been shown to be useful not only for the internal company needs, acting as an instrument for establishing a social responsible organization culture (Erwin, 2011), but also for the public and environment around the company or a government authority where the company is located.

The CSR concept was first proposed by Howard R. Bowen in 1953, in his book entitled Social Responsibilities of The Business Man. Bowen recommended to businessmen that they should consider CSR as part of strategic planning and managerial decision-making (Bowen, 1913), but Bowen still proposes CSR as a moral ethic and not as an obligation.

Although the CSR concept has been adopted from the Western system, actually, in Indonesia, especially in traditional Javanese culture, CSR is known as “pager mangkok”. This term has been used for many years till date. In the traditional Javanese culture, the implementation of social responsibility as a moral ethic, which obligates people who are considered wealthy or economically excessive to give to their surroundings. This means that the rich should provide assistance to those needing help or aid, starting from the nearest one. It is tough as a moral ethic, but the tradition gives full supervision for such implementation. The society will punish the rich one that do not giving or caring.

Therefore, the rich should practice CSR. In tradition Javanese culture, a moral ethic is considered as an obligation. Therefore, the implementation of social responsibility can be the maintenance of social coordination to improve public welfare, create societal harmony and protects citizen’s moral entitlements (Dubbink and Smith, 2011).

CSR is not stand-alone; it includes values and norms (Garsten, 2012). In the modern era, Indonesia uses the unification regulation to set CSR: Act No. 40, 2007, for a limited company is a major regulation. In this regulation, CSR is a legal obligation that must be implemented by a company, as defined in Article 74 Paragraph (1) of Act No. 40, 2007, on a limited liability company. However, the CSR regulation in Indonesia is riddled with many problems in practice and there remains confusion about procedures involved (Waagstein, 2011). There remains a lack of regulations on the implementation of CSR. The regulation obligates implementing CSR, but without supervision and there are no sanctions. There has been no application regulation on government regulation concern against the implementation standard, supervision or impose sanction. This regulation forces the implementation of CSR on the basis of the traditional Javanese culture. So, that supervision of the society becomes weaker. Moral ethics at the CSR regulation are different with respect to the Javanese culture. The regulation is minus supervision and sanction, but not in the Javanese culture.
Society is not happy with the less contribution of company to society and its environment: in the form of providing financial assistance, getting involved in the society’s development or indulging in practices that are environment-friendly. Many corporates still face problems in implementing CSR. Some Indonesian corporations have problems with the public or the community because of the negative effects of corporate activity (Rosser and Edwin, 2010). In this study, the corporations under study are the PT. Freeport (Dan and Zaini, 2008) the PT. Newmont. PT. Newmont has been suspected of causing pollution in Teluk Buyat, Indonesia (Lutfillah, 2011).

The existence of CSR should always be renewed with sustainability development, linking current and future generations. However, today many companies simplify the implementation of CSR, without providing clear guidelines. The implementation of CSR is currently limited or not legally responsible. This paper creates a model of accountability of CSR to fill the legal vacuum that occurs at this time. This paper formulates a good relation between traditional Javanese values, government regulations and universal CSR principle. CSR activities should not lead to only social activities; CSR must be the strategy to improve the image of the company that will inadvertently affect the performance of the company, increase public welfare and create harmony in the society and increase shareholder value along with the sustainable development of the societies in which they operate (Salvioni and Gennari, 2016).

2. Method
This study is based on empirical/sociology legal research. We study the regulations and principles by using law and social sciences (Irianto and Shidarta, 2009). A characteristic is descriptive-evaluative if it provides a systematic overview of the object to be examined (Sunggono, 2005). The primary data are collected from an interview with the senior source relations of PT Pertamina Hulu Energi (PHE) in Jakarta, President Director of PT Rosalia Indah Group in Surakarta and Your Honour Prince of Surakarta Hanadiningrat Kingdom, Satryo Hadinagor. Secondary data are obtained from the review of the literature studies pertaining to the material. Secondary data consist of legal materials such as regulations, books, papers and other references. Data are collected by means of in-depth interviews and document study (Neuman, 2007). The data analysis technique used is theoretical-interpretative. The analysis is conducted by providing interpretation to the data that are collected on the basis of the theoretical background as a frame of thinking. This paper intends to provide an overview of the existing conditions, rules and implementations of CSR and create harmony among models of CSR between regulation, Javanese cultural values and universal principles.

3. The CSR implementation in Indonesia
A CSR practice is a moral responsibility of business ethics, in which the implementations have a different standard between one and the other corporation. John Elkington brings up an ideas through the “3P’s” concept (profit, people and planet) as outlined in his performance book Cannibals With Fork: The Triple Bottom Line of 21st Century Business (Elkington, 1998). The ideas are based on the “triple bottom line” which includes prosperity or economic prosperity for improving the quality of the environment (environmental quality) and social justice that is realized from the implementation of the 3P’s (Hidayati, 2011). The company contributes to national development through the business benefits it gains (Hendarto and Purwanto, 2012) aspects of the economy, people and the planet as social aspects of environmental aspects. This confirms the idea that a company is not only as a business entity/economic profit entity, it should also pay attention and be involved in compliance and...
increase social welfare and should actively contribute towards protecting the environment. In Indonesia, the main foundation of CSR is Act No. 40, 2007, regarding a limited liability company, which recognizes CSR with the term corporate social responsibility and the environment (TJSL), which is a company’s commitment towards participating in sustainable economic development for improving the quality of life and the environment, benefitting the company, the local community and the society in general.

There are several other regulations as a legal basis, including, among others, Government Regulation No. 47, 2012, on Corporate Social Responsibility and Environment Company Limited; Act No. 25, 2007, on Investment; Act No. 4, 2009, on Mineral and Coal; Act No. 32, 2009, on Protection and Environmental Management; Act No. 22, 2001, on Oil and Natural Gas; and Minister of State-Owned Enterprises Regulation No. PER-08/MBU/2013, 2013, regarding the Fourth Amendment to the Regulation of the State Minister for State-Owned Enterprises No. PER-05/MBU/2007 on Partnership Program State Owned Enterprise with Small Business and Community.

Regulations that are owned by the government of the Republic of Indonesia have fundamental flaws, and it lacks of levying penalties on corporations that fail to implement CSR. As a result, most companies take advantage of CSR simply as a marketing gimmick to conduct corporate green washing (SGEM, 2015). CSR is implemented only for imaging company in politics. CSR fund allocation is still a company’s secret, and it becomes evidence of the lack of transparency for companies to manage and provide social cost to the society. It can even be found that some companies collect donations from the public for disaster relief, but during the distribution of aid, they use the name of a CSR company. Many disasters in Indonesia allow these deviations, ranging from floods, earthquakes and forest fires. The burning thousands of hectares of forest in Indonesia threatens the existence of the forest as the lungs of the world, also caused a smoke disaster that polluted the air and it has caused at least 10 deaths and millions of people hit by respiratory infections and lung cancer potentially.

Many oil palm plantation companies in Sumatra extend from 2,000 ha to more than 50,000 ha. Companies that are not committed towards the implementation of CSR exist and some do not even care about the CSR program. Corporations feel that when they are good tax-paying, they can burn forest to open oil palm plantations. Consequently natural disasters are rampant. But many companies do, and they should fight the state in front of the law. For example, one of the subsidiaries of PT Sinar Mas was sued for an amount of Rp. 7.8tn by the Government of Indonesia (Kusumawati and Kusumadewi, 2015).

Actually, there is polarization in the implementation of CSR. A government-owned company, is bound by the provisions of the Regulation of the Minister of State-Owned Enterprises No. PER-08/MBU/2013 Year 2013 regarding Fourth Amendment to the Regulation of the State Minister for State-Owned Enterprises No. PER-05/MBU/2007 on Partnership Program State Owned Enterprises with Small Business and Community Development Program. For example, PT Pertamina Hulu Enegri (PHE), which had set up an average of about 1 per cent of company’s net profit a year earlier, conducted focus programme initiatives in the four pillars (Education, Health, Environment and Community Development and Disaster Relief), known as the Partnership Program and Community Development. In addition, PT PHE has also established internal regulations regarding CSR (PKBL) in the Guidelines for the Management Activity Social Responsibility and Environment. This rule includes regulating CSR goals, scope, references, activity planning, monitoring, evaluation and reporting. Regarding the planning and budgeting programme, a manual book of Action Plan, Budget and Financing of Pertamina CSR was published on an annual basis, which includes a CSR work plan in all areas of operations of PHE. For CSR, there is an already operational working target regarding the conduct of operations. The
determination of the amount of CSR activity plan budget is passed through the General Meeting of Shareholders. To be more focused in implementing CSR programmes, PT PHE formed the Pertamina Foundation (PF) which, although bound in the annual work programme, nevertheless, still opens partnership mechanisms, which is bound with an agreement of cooperation with universities, NGOs, social foundations and various other non-profit organizations to work towards the implementation of CSR.

Different conditions with private corporations, according to Achdiat (2008), and many issues linked to unacceptable company behaviour, are premised on profit rather than engagement with the community. The implementation of CSR is just as moral ethic and it has not become a serious concern, especially for local companies; for example, PT Rosalia Indah, a fleet company of public transport in Karanganyar, Central Java. The implementation of CSR is a job that is not programmed and not sustainable. CSR is implemented during Eid or upon citizens’ request. Regulation by the government does not guarantee the implementation of CSR as a form of programmed, monitored and evaluated activities. The condition is exacerbated by the absence of the government as a catalyst. The government has not been optimal in providing a stimulus program, in the form of strong regulation and stimulus which gives financial benefits to corporations, a tax deduction as an example.

4. Synchronizing Javanese traditional values and universal CSR principles

Company and CSR are always associated with locally ethical standards and international norms (Nangopoulos et al., 2015). CSR is no longer considered as a social gift from the company to the environment, it has, however, become a parameter for improving the company’s performance and reputation in the market. Markowitz (1972) uses company reputation as a measure for assessing its social responsibility. Spicer (1978) also stated that the implementation of CSR by companies can increase public trust in social responsibility that affects the perception and investor decisions. The essence of the universal principles of CSR includes liability, sensitivity and moral ethics.

Substantively, CSR universal principles have been accommodated within the traditional values of Java. Java is not just the name of the island, it is the largest ethnic group in Indonesia. The influence of the ethnicity value is the most dominant in Indonesia and has spread from government officials, political leaders to the community in general in Indonesia (Irawanto et al., 2011). Java as an effect could be identified through a philosophy that is owned and thrives for generations. This philosophy is the core of a culture that reflects the values of decency and morality, belief systems, attitudes and behaviour, social systems, rituals and artefacts as cultural products, which will be ascertained from the manner of an individual’s speech and behaviour (Spencer and Spencer, 1993).

Koentjaraningrat (1985) describes the culture in some aspects, namely, ideas, thoughts, values, norms, activities, behaviours and work. The characteristic of Javanese culture is in its extraordinary ability to survive, but to survive in its authenticity (Franz, 1988), which then form the local wisdom. Local wisdom is a way of life, science and life strategies of intangible activities, carried out by local communities in response to various problems in meeting their needs, including solving the problem of CSR implementation. Local wisdom can manifest as substance greeting and practical life. As the substance of speech, wisdom incarnates as a statement of wisdom in the form of songs, proverbs, sasanti (moto) advice, slogans and messages presented prosaically or poetically (Pujiyono, 2014). But most of them are a form of philosophy. Many still believe that the philosophy of Java is considered old-fashioned and out-dated. In fact, the philosophy goes on and lives throughout the ages. It could even add insight of wisdom in the present context. An example is the implementation
of CSR by companies. Philosophy should inspire, as it is still very relevant. Some philosophies have been detailed in the following sections:

4.1 Ngono ya ngono ning aja ngono
This philosophy means: So is so but do not so!

This philosophy means that basically companies in operations are free to explore the source of income of the economy, with the aim of earning big profits. However, this philosophy stresses that such freedom has certain limits. This limit lies in not only formal rules made by the government but also in politeness, courtesy and decency in the frame of ethics.

Modern business environments include corporate social responsibility, and ethical behaviour plays a crucial role in the success of a corporate. A manager or business leaders must pay close attention to the ethics of their policies and behaviours to avoid a reputation crushing in their corporate. In a simple way, this philosophy can be summed with responsible freedom. Although the companies can achieve the economic potential they want, the values of truth should also be considered; they should not do whatever they want even if that can do it. The message is very precisely socialized to companies that have huge capital resources in the exploitation of nature and the environment. Likewise, in getting the profit, although all the profit can be enjoyed by the company itself, part of the profits should be distributed or returned to the community. Shares or returns are called CSR. The form may be direct grants, community economic development, environmental conservation programme or other forms that are beneficial to the environment and surrounding communities.

4.2 Jer basuki mawa beya
This philosophy means that there is no success without sacrifice. A company as an economic entity must affirm themselves in the society as a social entity. If the company wants its presence in the midst of society to be well received, the company should share benefits with the surrounding community as well. There is no success without sincerity and efforts. Success does not solely come from the sky, but it needs to be pursued with energy and a number of sacrifices. One of the ways is to implement CSR that can benefit the environment and surrounding communities. Wisdom and openness of the company to the society will have an impact on the recognition of the existence of the company in the midst of society. In addition, the company’s CSR activity functions as insurance against the risk of loss of reputation that can harm a company’s profit outlook and values (Hediger, 2010). Success requires costs. According to Sen and Bhattacharya (2001), closure and deadlock in providing information will have an impact on social sanction by society to the companies.

4.3 Bebrayan agung: ing ngarsa asung tuladha, ing madya mangun karsa, tut wuri handayani
Companies that involve society in the implementation of their CSR seems to get a very strong natural guard that can protect from many threats. Companies must be able to set an example in managing the environment and society; this is the meaning ing ngarsa sung tuladha – the front can be an example of goodness. Environment and community management must be programmed as part of a business plan, that is CSR.

While Ing Madya Mangun Karsa means that at the centre, company should be a good mover. Pushing that at in front and pulling that at behind to keep moving. A company as a social entity must understand their role as part of other community members. Therefore,
when amidst a community, the company must move the social dimension of economic activity and the surrounding environment, in order to build value between companies and communities (Sharma et al., 2012).

*Tut Wuri Handayani* means that when at the backfoot, a company should be able to act as, pushing that at ahead to keep moving. There are times when as a member of the public, a company’s existence is not in the front, but behind, just as member. However, when it is behind, the company should not be passive; it must remain active with the empowering potential of economic capital and encourage activities that exist in the society. In the implementation of the concept of CSR, companies only provide direct grants to provide a stimulant and a boost to existing activities in the community.

4.4 *Pager mangkok luwih kuat tinimbang pager tembok*

Fences of bowl are stronger than the wall. *Mangkok* or a bowl is a food container, usually mangkok is a place to put gravy, typical of the Javanese cuisine. Bowls are made of glass which is easily broken when it falls or is hit by a hard object or on collision. But the implication is not that the bowl in made of glass, the philosophy is that the bowl is a food container. One of customs in Javanese community is sharing food. After cooking, food will be distributed to surrounding neighbours. This habit of mutual feeding is manifested in the form of a bowl. This habit inculcates harmony. Food is not an expensive item but it is an everyday need. Therefore, the provision of food in addition to creating harmony instils security and tranquillity, mutual respect, mutual understanding and mutual safeguard, which is built from mutual activity by distributing food among the citizens. Life in the community should be built as it is done in the family. The security of each member of society is ensured and can be realized because each individual regards everyone as family.

Moreover, a fence wall is a wall made of solid concrete and is usually built around buildings. The objective of establishing a solid concrete wall is to protect the security of the inhabitants. To protect the existing assets in a building remains intact and are neither stolen nor threatened by other security disturbance.

According to an architect who designs a towering wall, security is perhaps assured. In philosophy in bowl fence is stronger than the wall fence (*Pager Mangkok Luwih Kuat Tinimbang Pager Tembok*), the value to be conveyed is that the safety of self or company will be realized with the attitude of inclusiveness/openness to share (sharing a meal in a bowl). By building a solid concrete wall does not mean that security will definitely be realized, it will actually create an exclusiveness. A company as an economic entity in the community should portray themselves as a social entity that is honest, reliable and cares about the overall welfare of society (Gossling and Vocht, 2007). Its existence in the society must be proven by contributions, not with luxurious buildings or factories. Contributions should be tailored to the needs and expediency of the surrounding communities. With the measurable and continuous contributions, the residents of the surrounding community will also help maintain security. Even when the companies in certain matters need help from the community, the community will consciously and spontaneously help. Thus, contribution of company towards the society is called CSR.

5. Maximizing the role of Javanese cultural values in the implementation of CSR

CSR is a corporate obligation, so the perception that CSR is charity (Suryasaputra, et al., 2011) or generosity is a mistake. The obligation of CSR has been presented in various regulations. The problem is the management of CSR still encounters many problems. The problem of CSR implementation is accountability. As a result of the lack of accountability, a number of deviations in the implementation of CSR often occur, such as CSR program that is
not on target and makes CSR only as company's promotion program. In fact, according to Hendarto (2008), most companies in Indonesia implement CSR by giving donations; it is difficult to ascertain whether the donation has been given deliberately or it was planned in the program of the company or it was an individual motivation of the corporate executives. To reduce these impacts, some companies have implemented various international CSR standards and guidelines, including ISO 26000, Ten Principles of the United Nations Global Compact, the RSPO (Roundtable for Sustainable Palm Oil), the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, The Equator Principles and the Better Coal Principles.

The use of international standards should be appreciated because in addition, CSR is a voluntary activity, also carried out by a few companies in Indonesia. The rest consider CSR as a burden; it can be considered as charity when there is sincerity. Besides the values of Javanese tradition do not teach that way; concern is not only the call of sincerity, but the Javanese philosophy teaches that awareness is also a requirement. The implementation of CSR should be designed right on target and sustainable.

Therefore, the conditions for effective implementation should be monitored or evaluated. The absence of sanctions in CSR regulation in Indonesia must be bridged with a strong social control. Social control is institutionalized in cultures that are contained in the share of value/philosophy. Basically, the Javanese philosophy includes the values, customs and norms that manifest into the culture in a society which is called culture that ensures balance and harmony. Movement of each entity in the society leads to equilibrium or social order; so, anything that is contrary to or deviates from the norm is considered destructive and anti-social. The balance will create peace for the realization of social order; it is characterized by social cohesion and stability (Swingewood, 1991).

Talcott Parsons put forward ideas about the relationship between an individual and the environment, which are realized on the Functional Structural theory. The social system is made up of individual actions, but the actions of individuals are moving towards balance and stability. Demand or the need for balance and stability makes humans to not entirely be in a free state, but they are conditioned to be bound to the structure in their location. Individuals as members of the community and members of smaller groups always have an interest in the group and togetherness. That is why, personally and socially they are compelled to take part in the social process. A collectivity guarantee provided by the group, group interests above individual interests in order to achieve common goals even subdue under interest group as a whole (Parsons, 1971). Likewise is expressed by Turner (1991).

The fundamental starting point is the concept of social systems of action. The interaction of individual actors, that is, takes place under such conditions that it is possible to treat such a process of interaction as a system in the scientific sense and subject it to the same order of theoretical analysis which has been successfully applied to other types of systems in other sciences.

The Javanese traditional values should be internalized in the implementation of CSR; Javaanese values should be, recognized and institutionalized socially. So the fear is no longer to a legal sanction, but because social sanction. According to Parsons, achieving conditions of social order is not easy because of the presence of many different personality systems that are mutually competitive in a society. For realizing social order, at least two main mechanisms, namely, mechanisms of social control by the norms and mechanisms of socialization, are required. These two mechanisms normatively regulate passion and character of competitive individuals to achieve a consensus (Turner, 1991). The attitude of ego agents will disrupt social order conditions. Thus Turner (1991) states that:
The situation is defined as consisting of objects of orientation, so that the orientation of a given actor is differentiated relative to the different objects and classes of them of which his situation is composed. It is convenient in action terms to classify the object world as composed of the three classes of "social," "physical," and "cultural" objects. A social object is an actor, which may in turn be any given other individual actor (alter), the actor who is taken as a point of reference himself (ego), or a collectivity which is treated as a unit for purposes of the analysis of orientation. Physical objects are empirical entities which do not "interact" with or "respond" to ego. They are means and conditions of his action. Cultural objects are symbolic elements of the cultural tradition, ideas or beliefs, expressive symbols or value patterns so far as they are treated as situational objects by ego and are not "internalized" as constitutive elements of the structure of his personality.

Norms and values of a culture must be obeyed by an individual to achieve the objectives of the culture. Values and norms will be internalized by the actor himself/herself as a process of personality system to form the individual as expected in the cultural system. Parsons argues that the cultural system is the same as other systems of action. Thus, culture is a system of symbols which are patterned, and structured orientation means actors, personalities as internalized aspects of the system and patterns that become institutionalized in social systems. Thus, culture is a system of symbols that is patterned and arranged; it is a means of actors' orientation, internalized aspects of personalities' system and patterns that become institutionalized in social systems. This means that the cultural system can be regarded as a personality system controller (Cohen and Scull, 1983).

Melville J. Herstkovits and Bronislaw Malinowski argue that people with different cultures have the ability to determine, called cultural determinism, meaning that everything in a society is determined by culture owned by society. So culture is a super-organic entity, which has capabilities that exceed the ability of an institution, because culture is passed down from generation to generation and still lives on, even though the number of members in the community increase or decrease owing to birth rate and mortality (Soekanto, 2004), and to streamline the individual morality depends on social conditions around (Gossling, 2003).

Based on the above ideas, researchers can conclude that the existence of a culture cannot be separated from the society, and vice versa. Culture is a reference of orientation values, norms and rules, and it guides the daily behavior of community members when living as a group or as an individual. Culture serves as a tool to monitor and control society all at once. With the supervision and control of the public in the form of such culture, harmony in society can be restored. If members of the public make mistakes or violate rules, they are expected to return back to the society soon. The culture road includes behaviours and norms that are recognized and are existing in the community. Nevertheless, the social control will include sanctions when a member of the public who commits an offense or the guiltiness is not immediately back on the path leading towards the society. Social control is run in the form of restitution and repressive sanctions. It is similar to the implementation of CSR. If the corporate as a social and economic entity is inattentive and indifferent to the implementation of CSR accountability, it can lead to two cultural sanctions, namely, repressive and restitution. Social control is formal and informal. The law norms of formal social control are written and come from parties who have the power and formal authority, while, in the law, norms of informal social control are unwritten, such as, religion education, stories or legends (Pelly and Asih, 1994).

Sanctions against members of the community who deviate is just, like expulsion from the village where he/she lives. Repressive sanctions occur when the society has more
mechanical solidarity. For example, forest burners in Sulawesi were judged by local residents by being stripped naked and expelled. The punishment is meted out to maintain the integrity of consciousness. On the contrary, in societies with organic solidarity, sanctions will be predisposed more towards restitution. A restitution sanction is a notice or warning from the community to its members who deviate, so the members are aware of their wrongdoings. The aim of sanctions is not to punish but to restore normal activity of a complex society. How culture is reflected in the Javanese philosophy to strengthen CSR activities is depicted in Figure 1.

CSR is implemented by a corporation, with improving the welfare of the society being one of the goals. In the Java community that still upholds the values of the Javanese traditional philosophy, the implementation of CSR will be well controlled if corporations that do not carelessly implement CSR will get sanction from society. These sanctions will force corporations to implement CSR well. If corporations implement CSR well, the corporations will have empowered and improved the community. Therefore, the role of the values of the Javanese traditional philosophy is very important to always live and thrive in the Java community.

6. Conclusions
In Indonesia, the main foundation of CSR is the implementation of Act No. 40 of 2007 on a limited liability company which recognizes the term of CSR with social and environmental responsibility, which is supported by various other regulations. The existing regulations have a fundamental weakness, namely, the absence of penalties for corporations that do not implement or do not implement CSR seriously. This regulatory loophole is used by many corporations who implement CSR as gimmick or for imaging. The universal principles of CSR talk about liability, sensitivity and moral ethics. Some Javanese philosophy that is in accordance with the universal principles of CSR are:

- Ngono Ya Ngono Ning Aja Ngono;
- Jer Basuki Mawa Beya;

![Figure 1. Javanese philosophy in implementing CSR](image)
Implementation of CSR will be able to achieve its goal of improving the welfare of society when implementation can be controlled and corrected. Controlling and correcting can be done in the tradition of the Javanese society through the values of the Javanese traditional philosophy with the condition that it should be articulated as an adopted culture and recognized and institutionalized socially. So, it has two influential sanctions, namely, restitution and repression. Thus, the implementation of CSR will always be on track to empower and improve the welfare of the community.

7. Recommendations

- Institutionalization of the values of the Javanese traditional philosophy in regulation is needed to ensure the enactment of the effects positively.
- The government and the legislature must have strong legal politics to dig the values of the Javanese traditional philosophy in controlling and evaluating the implementation of CSR.
- Corporations should also be able to adjust to the culture of the surrounding community to realize the harmony and social order.

References


**Further reading**


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