

The new challenges of corporate social responsibility: "Sustainable economic development and cultural districts"

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1-Corporate social responsibility is a deeply considered topic, aiming to achieve a better quality of life, in all its economic and social implications. This principle finds multiple applications in commercial companies and enterprises, however also private subjects, distinct from companies, can autonomously intervene in sectors of great social importance, as it is happening in the Italian cultural heritage sector.

Since many years, corporate companies have been concerned about the social impact in the context in which they operate and are getting involved to improve it not only for their employees, but also for the entire surrounding society, through a series of initiatives and actions. This is the "corporate social responsibility", the new frontier of company law, a challenge aiming at a greater and better integration among commercial companies, public bodies, institutions and workers, citizens and the whole society, to achieve a better quality of life in all its implications, both economic and social.

There is no specific **legislation**. For art. 41 of the Constitution, "the private economic initiative is free" but "cannot take place against the social utility".

The European Union, in the Green Book of 18.7.2001 and in Communication no. 681 25.10.2011 defined it as the "**the responsibility of companies for the impact they produce on the society**".

The EU Treaty, art. 3, co. 3, aims to achieve a "sustainable development based on ... a highly competitive social market economy".

In Italy, the Legislative Decree 9.4.2008, n. 81, art. 3, co. 1, lett. ff) defines it as "voluntary integration of the social and ecological concerns of companies ... in their commercial activities and in their relations with the interested parties". Art. 2428, co. 2, c.c. foresees that in the "Report on management", the managers provide "information concerning the environment".

The Legislative Decree 30.12.2016, n. 254, in implementation of Directive 2014/95 / EU of 22.10.2014, introduced the "non-financial reporting", for the groups and for some companies, since 2018, to be presented together with the annual financial statements.

2. The economic development of a Country, of a Region, of a geographical area must take into account also the environment, the environmental compatibility with the territory and with the people who live there, favouring and developing the ability to create spaces for social, artistic and cultural aggregation. Not only the factory, the office and the workplace must become liveable and healthy, but also the external environment in which the individuals and the social community live and operate outside the workplace. It is necessary to create in the territory a condition of environmental compatibility for a harmonious economic development.

3. Sustainable development.

Economic development must be "sustainable", respectful of society and culture, but also of the environment. Economic growth must go hand in hand with the growth of society and individuals, in order not to create social imbalances and tensions, while respecting the environment.

The concept of "sustainable development" was born in 1972, with the UN Stockholm Declaration. In 1997 the "Kyoto Protocol" on climate change was signed, with incentives to forms of sustainable economy, ratified by Italy in 2009.

Environmental sustainability must guarantee availability and quality of natural resources.

Social sustainability must guarantee the quality of life, the safety and the services for citizens.

Economic sustainability must ensure economic efficiency and income for the company.

Thus the need arises to recognize an institutional responsibility of each individual State, which is divided into an economic, environmental and social public responsibility, the three dimensions of sustainable development, included in the Green Book on corporate social responsibility of the E.U. in 2001 and in the Resolution O.N.U. of 2015, "Transforming the World, the 2030 Agenda for Sustainable Development".

Nothing prevents the Institutional Responsibility of the State from being added a Responsibility of private subjects who work alongside the State for the achievement of these purposes.

4. Cultural district.

Italy has an enormous cultural heritage, which includes the cultural districts, territories in which there are numerous cultural and environmental assets, services and traditional production activities in synergy. Besides the State, Regions and local Bodies, also private entities, individual and collective entrepreneurs and individuals with specific skills, who operate inside and outside the company, can intervene in their management and enhancement.

5 - Social responsibility and Cultural Enterprise.

Since many years, corporate companies have been concerned about the social impact in the context in which they operate and are intervening to improve it not only for their employees but also for the entire surrounding society. Corporate social responsibility is projected towards a new dimension, more specifically in the culture sector, through the new legal form of the cultural enterprise, introduced by Law 27.12.2017, n. 205, Art.1, Co. 57, in force from 1 January 2018 but not yet operational due to the failure to issue the Ministerial Decree.

6 - Cultural districts and social responsibility.

What is the link between economic development, corporate social responsibility and cultural district?

The State, the Regions and other local bodies must be the first to intervene, to identify, promote, study, formulate projects, and implement them. However, private individuals, entrepreneurs, companies that operate professionally in other sectors of activity can also intervene.

The Faro Convention, dated 22.10.2005, ratified by Italy on 27.2.2013, "Framework Convention on the value of cultural heritage", and two U.E. documents of 2014 commit to "formulate integrated strategies " and to promote "an integrated approach to policies concerning cultural, biological, geological and landscape diversity", involving "public institutions in all sectors and at all levels".

Italy has a huge cultural heritage, fragmented among several bodies and difficult to manage. The cultural districts have very heterogeneous types, with different characteristics from area to area. The legislation is mainly made up of Regional Laws. The Regions have identified cultural districts, a planning document, projects or tenders. The Regions follow different institutional paths and procedures oriented towards cultural and creative activities, as an active tool for local development.

Cultural assets are almost always the public property of the State and local bodies, so the power of protection, veto or authorization belongs to a government body; they are protected by the Code of Cultural Heritage and all powers belong to the Ministry of Cultural Heritage, which manages them, not always dynamically and efficiently.

In management, one could distinguish between a **Political Power** of a representative of the State, owner of public assets, and a **Technical Power** entrusted with the effective management. Other subjects, such as Universities, Research Centres, individual Scholars, could collaborate with the two top managements for their sectors of competence.

The Technical Management Power could well be entrusted to a **cultural enterprise, namely a juridical entity capable of doing business professionally, but non-profit**, with great advantages for local economic and social development.

7 - Small Villages.

There is a very recent call for the enhancement of small villages, partly into a state of neglect, now rediscovered and enhanced due to the Covid-19 pandemic.

For example, the "Guarcino 2025" Project, for the economic and social revitalization of a small medieval village of 1,500 inhabitants in the Frosinone area, and the Project for Cairano Iripino, a very small village of 300 inhabitants in Iripinia, started in 2017, are at an advanced stage of implementation.

8. Conclusions.

Extending and applying the principle of corporate social responsibility also through autonomous companies and cultural enterprises, distinct from the private company or the public body that owns the assets, and which operate specifically within the cultural district, in a well-identified territory that they intend to enhance, the aim of a better management is achieved, which favours the economic and social development of the territory of the district.