

Provision of Public Goods and Corporate Social Responsibility Paradigm: Theoretical Insights

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Abstract- The main aim of this research is to align the theory of public goods, provided by agriculture, next to the paradigms of corporate social responsibility. To reach the aim, holistic approach and systemic methodology was applied. Systematization and interpretation of scientific literature, as well as induction and deduction methods enabled to disclose the main features of public goods provided by agriculture and describe its linkages to relevant paradigms of CSR, emphasized by multidimensional models, from theoretical point of view. It was found, that three-dimensional and stakeholder approaches towards CSR are most promising paradigms to be employed in the analysis of public goods provision in rural areas.

Keywords- *public goods, corporate social responsibility, theories, models*

I. INTRODUCTION

The industrial era is fading alongside the numbers of its limited attempts to prove the need for state intervention in the name of 'market failure' [1], especially in agricultural sector. The latter Common Agricultural Policy (CAP) reform 2014-2020 had been greatly addressed with discussion and intensive negotiations related to a more holistic and integrated approach to policy support. For a long period of time state intervention in agriculture use to be focused on several fields: efficiency increase of agricultural production; protection of farmer's income; national food safety and security, and external effects alongside the provision of public goods [2]. However, the role of agriculture in post-industrial society had extended and calls to go much further its major industrial goal - to increase productivity, i.e. the amounts of primary production. Despite the fact that agriculture, with its expanded understanding including rural development, accounts more than one third of the EU budget [3], and direct payments compose around 70% of CAP expenditure [4], current time's farmers are also responsible for the delivery of public goods on nearly half of the EU's territory [1], thus making a powerful influence on the state of the rural environment. Next to the basic need - to provide healthy, affordable food, - farmers start being supposed to make greater impact on the increase in quality of life to the EU's 500 million people [4].

Public society with empowered consumers more and more often ask for evidence concerning payments received by

farmers for the provision of public goods, since serving the public interest in the 21st century start being considered as self-evident part of everyday activity of any economic entity as well as citizen. Thus the provision of public goods comes closer and closer to the question of farmer's responsibility, which highlights the necessary appeals to appropriate paradigms, able to align farmer's profit aims alongside the moral dimension of his activity, taking into consideration the environment, social issues and many other related concerns. Among these, the greening component, introduced in 2013, which had fixed 30% of CAP direct payments for farmers who act with respect to climate change and the environment [5], might be considered a very small water-drop part of farmer's responsibility in the 21st century. Hence, some latter research had proposed some insights of possible benefits in the issue from corporate social responsibility (CSR) paradigm [6], [7], which might be applied in agrarian sector due to its proved achievements in business.

The main aim of this research is to align the theory of public goods next to the paradigms of corporate social responsibility and discuss its possible applicability in agriculture and rural development. To reach the aim, holistic approach and systemic methodology was applied. Systematization and interpretation of scientific literature, as well as induction and deduction methods enabled to disclose the main features of public goods provided by agriculture and describe its linkages to relevant paradigms of CSR, emphasized by multidimensional models, from theoretical point of view. Discussion proposes to go further in both fields, concerning the observed gaps in recent research.

II. PROVISION OF PUBLIC GOODS

Complex relations between public goods and agriculture had been addressed in numbers of research during the last decade [8]. The term 'public goods' originated in economic literature in mid-50s of the last century after Paul A. Samuelson, and encompass the range of goods, services and other matters of societal interest that are not delivered through the normal interplay of demand and supply in the market [1]. Scientific literature proposes numbers of descriptions and interpretations regarding on the concept of public goods and related concepts. These might be distinguished into the two major approaches: institutional and multifunctional. Both of them give appropriate basis for further analysis.

A. *Institutional and Social Constructionism Approaches to Public Goods*

The classical theory of public goods is commonly addressed to the definition, proposed by Paul A. Samuelson [9]. He described the so-called 'collective consumption goods' as "[goods] which all enjoy in common in the sense that each individual's consumption of such a good leads to no subtraction from any other individual's consumption of that good <...>" [9, p. 387]. The stressed characteristic of a public good, i.e. if a public good is consumed by one person, it does not reduce the amount available for others, become widely known as non-rivalry in later developments of the theory. The second necessary characteristic is non-excludability: it is impossible to exclude any individual from consuming a good as well as receiving the benefits it confers [9]. These two characteristics describe the major distinction between the public and private goods: from the demand side there are no incentives for users to pay for these goods, since they are provided publicly free of charge; from the supply side producers have no incentive to produce goods, since these do not pay back. Thus the theory of public goods comes to so called 'market failure', which is normally given as a major argument for the institutional intervention [10]: an optimal level of demanded public goods, as well as handling externalities, might be achieved with help of appropriate government intervention, and this is called in the theory as 'socially conscious' way.

Later research of the classical theory of public goods found some explicit jurisdictional framework, namely, several types of them, concerning the decisions on public goods' provision [11]. It used to be interpreted as nation-state in Samuelson's mind. These jurisdictional frameworks use to be applied to local public goods and local public finance.

The real existence of public goods and its typology, as well as its characteristics, use to be criticized since the origination of the theory [12], [13]. Sometimes confusion is addressed to the subjective misunderstanding that public goods are the goods provided by the government. It is important to state, that public goods might be naturally available. It might be produced by individuals or private entities, as well via collective or non-state actions, or might not be produced at all.

Institutional research of the issue in recent decade highlights several conceptual and operational limitations concerning Samuelson's definition of public goods [8], [14], [15]. The narrow distinction between private and public goods, stating the non-excludability and the non-rivalry, is based on solely market criteria, whereas in reality public goods are also determined by the general public and the political process. It is suggested considering public goods not only in their original forms, but also as social constructs and as results of deliberate policy choices. Thus public goods might be considered not just market failures, since public and private domains exist on their own, but being goods technically non excludable, which are placed or left in the public domain by policy choice [14].

It is also stated, that while the definition of public and private goods based on non-excludability and non-rivalry is an indirect definition regarding the market conditions, whereas

private or public is mainly considered as market or non-market goods, in reality these characteristics do not specify properties of public goods themselves [15].

The definition of public goods had recently been moved forward from institutional point of view to a more useful conceptual framework [8], for policymakers and the general public. According to the notions of social construction and public choice, public goods might appear in a triangle of publicness with three distinctions [14]: first, publicness in decision making; second, publicness in the distribution of goods' benefits; third, publicness in consumption. Publicness in decision making would take into account the participatory nature of the process to place goods in the public domain and decisions, related to the provision of the good, considering the level and modalities of production of its benefits among users. Publicness in the distribution of goods' benefits is assessed on the equity of benefits, i.e. to what extent various groups of users and consumers derive the benefits from the public good. And publicness in consumption assesses the non-exclusiveness across individuals and groups [14]. This conceptualization would help in increasing the provision of public goods through appropriate policy tools, institutional change and new governance settings [8].

However, the new theoretical analytical approaches, which encompass innovative arrangements and new governance structures for the provision of public goods and commons goods resources, especially in local level, often fails because of different governance challenges, tightly linked to the customary common property-based management of environmental resources. The importance of self-organization of local communities when dealing with industrial heritage of over-exploited common goods resources had been stressed in research from neo-institutional approach [16]. This helped elucidate the need to go beyond the cost efficiency and add equity consideration in public goods provision from both the supply and demand sides. It is suggested to broaden understanding of public goods and develop advanced frameworks for policy tools in the provision of public goods.

The question of optimal supply of public goods remains unsolved, especially in the EU [8]. Implemented corrective actions in a form of new regulations and standards, subsidies and direct payments, different capacity building initiatives unfortunately proves the institutionally supported viability of principles from the industrial stage of development with cost-efficiency and productivity goals ahead. Thus the existing considerations on the concept of public goods and its provision from institutional approach call for the urgent further investigations in the field.

B. *Multifunctional Agriculture Approach to Public Goods*

Since the late 1980s agricultural policy had been aligned with the conceptions of multi functionality and sustainability, originated from the context of forest management [17]. Despite both terms emphasized vulnerability of ecosystems and multiple gains from sustained resource management, epistemological foundations of both concepts are rather different. Hence, both terms have particular causality to public goods and its provision.

Multiple roles, performed by agriculture are named after particular characteristic of a production system. Multi functionality is defined as the existence of multiple commodity and non-commodity outputs that are jointly produced by agriculture. And the fact that some of the non-commodity outputs exhibit the characteristics of externalities or public goods, results that markets for these goods do not exist or function poorly [13]. This stands for the positive supply-side of public goods provision.

Conversely, the demand side of agriculture comes along the number environmental and socio-economic benefits: recreational amenities, aesthetic values of rural landscapes, non-use values of biodiversity, habitat protection, intrinsic values of ecosystems, watersheds and natural resources of their functions, concerns about food security and safety, animal welfare and cultural heritage, rural employment and viability of rural areas. Reflection of 'non-user values' or 'option values' as interests of citizens in securing the provision of public goods emphasize the characteristics of non-rivalry and non-excludability of public goods, provided by agriculture [8].

Provision of public goods from supply-side and demand-side differs mainly for the implicit treatment of externalities. Positive and negative externalities as good and bad outputs are treated equally in the supply definition, whereas the demand approach stress favour to positive contributions of agriculture to public goods [8]. Aiming to internalize the external costs and benefits, established regulation and transfer payments constitutes to the existence of aspects of welfare economics from equity-based point of view. Further, it provides a strong welfare economic argument for government support to farmers, which depends on the normative framework applied, i.e. assignment of property rights and policy entitlements [19]. Sustainability, as a normative conception, is concerned with a continuous evaluation of trade-offs across the various system goals and thus has never been restricted to agriculture and rural development [6]. However, the modern welfare foundation of multi functionality is not sufficient for the goals of sustainable development. Therefore, a long-term and capital-theoretic perspective needs to be a basis of benefit assessment and policy design, as required by the sustainable development conception.

The third holistic interpretation of multifunctional agriculture, next to the supply-side and demand-side approaches towards the provision of public goods, stress the result of a transformation process in the relationship between agriculture, rural society and society at large [8]. Thus multifunctional agriculture start being considered as "a consequence of the changing needs and demands of consumers and society in combination with the failure of conventional, productivist farm development models" [8, p. 7], instead of viable considerations addressed to 'market failure'. The disclosed interpretation of multifunctional agriculture as transformation gives emphasis towards the territorial provision of countryside goods and stresses the need for innovative institutions or new self-organized structures, which are able to provide a diverse range of particular environment-specific public goods under specific societal demands in that particular territory. In some interpretations, this comes close to the 'new rural paradigm' [19].

A wider theoretical framework of multifunctional agriculture with institutional relations of the farm with social networks, markets, consumer groups and policy frameworks enclosed gives a sound conceptual basis for further research in exploring the role of collective action in the provision of environmental as well as non-environmental goods associated with agriculture [8].

III. MULTIDIMENSIONAL MODELS OF CORPORATE SOCIAL RESPONSIBILITY

CSR arrived to business research nearly at the same time like public goods [9], [20]. Surprisingly, discussions concerning direct interrelations between the concepts had not been keenly addressed in scientific literature yet. Several attempts had been made in relating the profit motive and public goods in economic literature [21], but it seems far from the context discussed in this paper. CSR is topical in this research due to its multiple tools which are promising to be applied in the provision of public goods in agriculture, and, accordingly, its effects on rural development.

Different views on CSR agree on one main issue - CSR might be implemented through a particular set of elements of socially responsible activity. Altogether, from various sources of literature, these elements most often include: organizational governance, labour conditions, community involvement and development, ethical behaviour, compliance, assessed external impacts, stakeholder adherence, human rights, etc. According to the particular context, CSR elements might be described more focused with help of functional multidimensional models of CSR. The following overview is aiming to present possible sets of dimensions of CSR and find the most appropriate model to be empowered in research of public goods provisions in agriculture and rural development.

A. Socio-economic Model of CSR

The social and economic dimensions of CSR are summarized under the socio-economic model of CSR, by distinguishing two basic groups of arguments [22]. The first group represents the orthodox paradigm which maintains social responsibility of business as a single-dimensional activity in which business has the only responsibility of supplying goods and services to society at a profit [23], [24]. These classical models of CSR have a quite narrow focus of the role of business in modern society; still, such models could exist before the other ones developed. They also put much emphasis on the cost of social involvement of business and consider profit as the only criterion for judging the efficiency of business operation, thus ignoring the reality that business is a part of the larger society with a wider responsibility reaching beyond the narrow perspective of profit [22]. On the other hand, the second group of models allocates business in a social matrix contributing to the welfare of society as a whole and supports the view that business is a part of the greater society and it has responsibility reaching beyond the narrow perspective of profit maximization in the short term [22]. These models recognize the fact as in order to understand the complexity of social responsibility in modern economic entity, a second dimension of contemporary views of social

responsibility is urgent. This urgent need for a broader dimension is justified by rational assumption with regard to decision-making and profits. This means, that managers not only make decisions that reflect their assessment of the role of the company, but they also make judgments as to whether there will be net benefits or net costs to the company associated with the exercise of social responsibility. This model of CSR stands for the productivity paradigm; its application to the theory of public goods provision seems to be inappropriate.

B. Two-dimensional Model of CSR

The two-dimensional model of CSR [25] has two axes which distinguish two major dimensions: first, the span of corporate responsibility, which may vary from narrow to wider perspective; and second, the range of outcomes due to the social commitments of businesses, namely encompassing cost to benefit driven perspective.

More detail, the horizontal axis of the model has two extremes of responsibility: narrow (on the left side) and wide (on the right side); and vertical axis emphasize CSR in terms of long term benefits (on top) and costs (on the bottom). The narrow view of social responsibility is emphasized where business responsibility is perceived in the classical sense that of supplying goods and services which lead to profit maximization within the “rules of the game”, i.e. regulation. Therefore main emphasis here is on profit maximization in the short term. In contrast, the left extreme considers CSR in a much broader context, reaching beyond regulation to serve the wider expectations of society in areas such as environmental protection, community development, resource conservation and philanthropic giving. On the vertical axis there are two extremes represented, encompassing the perceptions to the consequences of social action of businesses range from concern with the cost of social commitment to a focus on the benefits of social involvement: the left end emphasize concerns regarding cost of social action (the main consideration is expenditure for exercising CSR in the short term; i.e. social costs in the short term); and the right end demonstrate long term benefits from CSR (potential benefits outweigh costs for CSR in the long run). The developed questionnaire with twenty-five statements help measure the attitudes towards CSR of particular entity, using a Likert-type scale. The developed four-fold distinctions between different attitudes towards CSR are represented in four distinct quadrants [25]:

1. Classical view represents narrow view on the final aim as profit maximization; CSR activity is understood as generating net cost to the company.
2. Socio-economic view represents a narrow view of social responsibility but accepts some benefits from adopting several CSR-related activities (e.g. building good customer relationships with reduced costs; avoiding costly and embarrassing regulation, etc.)
3. Modern view normally represents kind of contemporary responsible business, which deserves good relationship with broad society (stakeholders) due to their everyday responsible activity and understands CSR as beneficial in a long run.

4. Philanthropic view emphasizes those businesses, which take part in charitable activities (mainly due to the altruistic character or ethical beliefs) even though this is perceived as a net cost.

Validity of the model was empirically tested in the context of two dissimilar cultures - Australia and Bangladesh. Test results confirmed the validity of the two-dimensional model of CSR in different environments, leading to the conclusion: CSR is two-dimensional and universal in nature; and that differing cultural and market settings in which managers operate may have little impact on the ethical perceptions of corporate managers [25].

C. Three-dimensional Model of CSR

The provision of public goods in overviewed research (see section II) is tightly related to the environmental dimension, which is topical both in institutional and social construction approaches, but especially stressed in multifunctional agriculture approach. The environmental dimension of CSR is referred next to the economic and social dimensions in Elkington's conception [26], also known as a Triple Bottom Line (TBL) approach, the three 'E's (Environment, Ethics, Economy) approach, the three pillars or three 'P's (Planet, People, Profit) of the Earth. The conception is often referred next to the abstract goals of sustainability; however from the view of CSR it gives more concrete tools and measures at organizational level. Evidence is given after several reporting guidelines, i.e. GRI G4 and ISO 26000:2010 [27], which list the concrete measures to be applied in socially responsible organizations.

Environmental (Planet) dimension takes into account issues in the main fields of energy sources, carbon and water footprints, responsible exploitation of natural resources and impacts. Direct and indirect energy consumption, energy intensity and reductions, water withdrawal and sources are the main measures in sustainable resource use. Emissions, effluents, waste issues in operations (e.g. production, transportation), products and services deal with the climate change mitigation and adaptation as well as prevention of pollution. Responsible exploitation of natural resources and impacts give feedback in terms of compliance to the rule of law [26], [27].

Social (or Ethics, People) dimension of CSR stresses social equity and ethics as top concerns in fair and beneficial labour practices, human rights, society in the community and region, in which the particular economic unit conducts its activity, and product responsibility. Labour practices and decent work takes into account employment issues, labour/management relations, occupational health and safety system, training and education, diversity and equal opportunity, equal remuneration for women and men, supplier assessment for labour practices and labour practices grievance mechanisms. Human rights are taken into a special consideration when taking investment decisions, non-discrimination policy, freedom of association and collective bargaining, child labour issues, forced and compulsory labour, security practices, indigenous rights as well as human rights grievance mechanisms. Society issues are concerned with local communities in terms of engagement, impact assessment and

development programs, alongside the measures of negative impacts, anti-corruption, public policy, anti-competitive behaviour, compliance and supplier assessment for impacts on society, and grievance mechanisms. Product responsibility refers to the customer health and safety issues, product and service labelling, marketing communications, customer privacy and compliance [27].

And the third Economic (or Economy, Profit) dimension encompasses number of long-term economic issues: economic stability, profit reinvestments and long term returns. Thus economic performance give evidence for economic responsibility in terms of generated and distributed economic value, financial implications and other risks and opportunities for the activities due to climate change, obligations of the benefit plan and financial assistance. Market presence is covered under the ratios of standard entry level wage as well as proportion of senior management hired from the local community. Indirect economic impacts deal with economic, social and cultural rights, community involvement and development, wealth and income creation, social investment, promoting social responsibility in the value chain, respect for property rights, and access to essential services and similar activities. Procurement practices are measured as a proportion of spending on local suppliers at significant locations of operation and, as part of economic responsibility also elucidate promotion of social responsibility in the whole value chain, as well as attitudes towards wealth and income creation, community involvement and development [26], [27].

D. Four-dimensional Model of CSR

The most durable definition of CSR in research [28] was composed as a four-dimensional construct in late 80s of last century [28]. There are at least three well-established interpretations of four-dimensional model of CSR [22], [28], [29], [30], [32]: first, the Pyramid of CSR or Carroll's Pyramid of CSR; second, intersecting circles; and third, concentric circles. The comparative analysis of three conceptual models disclose a very important issue: the same terminology represents different meanings and different approaches to CSR [22]. The difference in the conceptual structure across the three models is based on the nature of CSR, the underlying boundary assumptions, the methodological tools, and the performance assessments [30].

The Pyramid model [31] is understood hierarchically, starting with economic dimension at the bottom, a then (upwards) legal, ethical and philanthropic responsibility, which comes along the expressed economic role as narrow self-interest. The concentric circles stress the economic role as enhancing good of society. Both the Pyramid and concentric circles models allows no interrelation among the four dimensions of CSR, however socially responsible organization must realize all four of them. Interrelations among dimensions, as well as non-existence of them, are allowed in intersecting circles model [33], [34], [35], which has also been presented as three-dimension intersecting cycles [36], since ethical and philanthropic responsibilities might be subsumed under the same ethical dimension. Some additional comments with regard to intersecting circle model are based on the two main aspects: first, recognized possibility of interrelationships

among CSR domains; and, second, rejected hierarchic order of importance.

The role of philanthropy in CSR constraint has been widely discussed from the very beginning [22]. One of the proposed views is based on assuming philanthropy in the context of the pyramid of CSR, which can be discussed from two perspectives: inwards - as compared to other components of CSR, and outwards - as compared to other notions of CSR [30]. Inwards, the question arises whether the philanthropic category can be correctly considered a responsibility itself. To the extent that responsibility is conceived as a normative restraint or an obligation it clearly contradicts the discretionary nature of philanthropy. Aiming to resolve this confusion, it was argued: "in fact philanthropy is highly desired and prized but actually less important than the other three categories of social responsibility." [31, p. 229]. Looking outwards, philanthropy is often regarded as the defining component of CSR.

It is important to stress in this research, that even when the World Business Council for Sustainable Development (WBCSD) defined CSR in 1999 and 2000, the environmental dimension was not included in CSR [22]. For example, WBCSD defined CSR as the commitment of business to contribute to sustainable economic development working with employees, their families, the local community and society at large to improve their quality of life. In 2000 there was a slight shift in the definition: "CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their family as well as the local community and society at large" [37, p.3], by taking into consideration quality of life.

E. Stakeholder Model of CSR

The view on CSR proposed by stakeholder theory [38] is from multidimensional models in its essence. Stakeholder theory proposes to look on the synergy, achieved through acting together, in the same direction, to reach the final wellbeing. In other words, particular entity is considered as a 'black box', which is able to transform inputs from stakeholders - employers, employees, community, investors, public institutions, etc. - into output beneficial to all providers or resources and skills. However, stakeholder theorists argue that the conventional input - output model fails to take into account the complex, two-way interactions between firms and "legitimate groups." They see the business firm as a "constellation of cooperative and competitive interests possessing intrinsic value ... with no prima facie priority of one set of interests and benefits over another" [22, p. 26]. It was found, that business interacts with society in a multiple ways and company's relationships differ with various stakeholders.

The benefits from adapting CSR to the stakeholder framework become evident when looking at the particular definition of CSR composed regarding to the specified company's relations to stakeholder groups. However, some critique had been proposed regarding the application of stakeholder model in CSR research: "Specification of CSR for each stakeholder relation has resulted in broadening of the meaning and scope of CSR. Instead of one aggregate category

of social responsibility, the stakeholder framework induced creation of many new categories of CSR to reflect the wide range of stakeholder relations and interests. With the creation of more and more categories of CSR, such as environmental responsibility, diversity, affirmative action and transparent accounting practices, the meaning of CSR was expanded to account for the new categories as well as new stakeholder relations” [22, p.28]. Nevertheless, stakeholder approach towards CSR had been widely accepted in business and research as one of the most practical models of CSR. Stakeholder approach, together with tools of CSR, composed from adopted multidimensional constructs, helped develop successful CSR programs with targeted gains in numbers of companies and CSR research strategies round the world.

These and many other numerous attempts to clarify the meaning of CSR, normally goes to the common summing up: there cannot and should not exist the only one generally accepted view or definition, conception or the only one right model of CSR in any organization, sector, culture, society, etc. Anyway, many further issues or developments in broadening the conceptualization as well as evolving trends in CSR might benefit from the overviewed theories, approaches and models of CSR. Among the forthcoming attempts is farmer’s social responsibility in the provision of public goods.

IV. DISCUSSION

The discussed definitions and interpretations on the concept of public goods and its provision encompass multiple possibilities and combinations to research the issue using different CSR paradigms (see table I). The two major characteristics of public goods, i.e. non-rivalry and non-excludability, remains durable for years in research; hence in institutional approach it does not give concrete enough basis or descriptions to be assumed under particular multidimensional model of CSR due to the solely market criteria. Socio-economic and stakeholder approaches would seem most

promising in this case. These would help to define actual believes and beneficiaries, and accordingly allow composing appropriate groups of public goods to be examined. Then measuring particular entity’s social responsibility in the provision of defined public goods would become reasonable, since solely market criteria would be supplemented with general public and the political process as well.

Special consideration should be given to the social construction approach, which suggests public goods in general to be valued under the three characteristics: publicness in decision making, publicness in the distribution of goods’ benefits and publicness in consumption. This approach sounds promising in the broadest sense in on-going discussion, where the provision of public goods starts being linked to the moral domain, i.e. CSR. Thus measuring the strength of social constructs seems to be reasonable using all the proposed models of CSR, since all of them take into consideration particular dimensions and accordingly elements of the process of socially responsible activity. The stronger the social construct is - the greater responsibility it confers in particular model of CSR.

The well-known multifunctional agriculture approach in its initial stage had been formulated on the same basis as the three-dimensional model of CSR. Therefore, taking into account particular sector of analysis, i.e., agriculture, it logically leads to the proposition, that multifunctional agriculture would fit best with three-dimensional CSR. Environmental externalities are directly linked to the environmental dimension of CSR, whereas non-environmental public goods would perfectly fit social and economic dimensions of CSR in three-dimensional constraint.

Furthermore, stakeholder approach in composition with three-dimensional CSR, would add value from this point of view. It would help list relevant agriculture’s stakeholders and find local rural areas, settlements with its citizens, local government representatives as crucial stakeholders for building socially reputable farms through the provision of public goods.

TABLE I. POSSIBLE APPLICATIONS OF MULTIDIMENSIONAL CSR MODELS IN PUBLIC GOODS RESEARCH

Basic characteristics / types of public goods		Multidimensional models of corporate social responsibility				
		<i>Socio-economic</i> <i>Zu, 2009</i>	<i>Two-dimensional</i> <i>Quazi and O’Brien, 2000</i>	<i>Three-dimensional</i> <i>Elkington, 1994</i>	<i>Four-dimensional</i> <i>Carroll, 1979</i>	<i>Stakeholder</i> <i>Freeman, R., 1984</i>
<i>Institutional approach</i> (<i>Samuelson, 1954; Cowen, 2002; Sandmo, 2006; Hagedorn, 2008</i>)						
1	Non-rivalry	+ -	-	-	-	+
2	Non-excludability	+ -	-	-	-	+
<i>Social constructionism and public choice approach</i> (<i>Kaul and Mendoza, 2003; Vanni, 2014</i>)						
1	Publicness in decision making	+	+	+	+	+
2	Publicness in the distribution of goods’ benefits	+	+	+	+	+
3	Publicness in consumption	+ -	-	+ -	-	+
<i>Multifunctional agriculture approach</i> (<i>OECD, 2001; Besley and Ghatak, 2007; Hediger, 2013;</i>						
1	Environmental	-	-	+	-	+
2	Non-environmental (social)	-	-	+	-	+

a. Source: own compilation. The meaning of benchmarking: ‘+’ reasonable combinations; ‘+ -’ partly reasonable combination; ‘-’ unreasonable combination.

Thus the three-dimensional CSR with incorporated stakeholder approach would emphasize the holistic judgement on particular rural entity's (e.g. farm's or farmer's) social responsibility - the one which is vitally relevant in post-industrial stage of development.

V. CONCLUSIONS

The initial idea to align the theory of public goods next to the paradigms of CSR proposes several important findings and insights for further research.

First, both concepts - public goods and CSR - had arrived to business and economic literature almost at the same time - around 50s of the 20th century, in times of various civic rights movements, but had never been placed in research one next to another.

Second, public goods from the very beginning use to be associated with externalities and given as an economic argument for normative government intervention, whereas CSR from its initial formulation represents the moral domain of particular entity's activity which goes beyond the laws and regulation.

Third, the initial understanding of confronting theories from economic and moral domains starts fading in the post-industrial stage of development. Public goods defined after social constructionist approach successfully meets all combinations with paradigms of CSR and thus propose a strong conceptual argument for further research in the field.

And finally, the existing issue-specific context, i.e. public goods in agriculture and rural development, is best disclosed and described using multifunctional agriculture approach; in this context, the three-dimensional CSR and stakeholder theories seems to be most reasonable to be applied as social responsibility concerns into the provision of public goods.

The combination is promising for the development of tools which might help measure farmer's social responsibility in the provision of public goods. The developed measures might be applied to meet the concerns of the post-industrial stage of development regarding the distribution and amounts of public support for farmers according to their social responsibility - their reasonable impacts on the increase in quality of life. However, these insights need further investigations in the field.

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