LET'S TALK ABOUT PROFITS, TAXES, AND HEDGING ON COMMUNITY INVOLVEMENT.

Dear Mr. Doan:

There currently is a great deal of debate about social responsibility in today's society. People have become much more aware of their responsibilities which accompany the many personal benefits in our society. Business firms should be just as aware of their social responsibilities as we can no longer ignore racial injustice, the inner city, pollution of our environment, and the many other problems that face our society. But they would seem to be on the basis of indirect evidence.

For example, increasing local tax revenues is one way to promote local action in solving problem solutions. Why is it, then, that an "attractive" tax base is one of the main selling points for Chambers of Commerce trying to lure firms to locate in a community? The clear implication is that firms want to bypass their obligation to pay for the services they receive from the community. Why should others, who make up the remainder of the tax base, take up slack for business? Firms benefit from the educational system, utilities, roads, and many of the other community services. Even more so, perhaps, than any other single taxpayer.

A better approach would be to see that tax revenues are effectively utilized in the best interest of the community. Businessmen should apply their special abilities to the problem of creating efficiency in both revenue collection and expenditure. Businessmen are in a position to look beyond short-term profit to exploit society in this connection.

Today's student would be much more interested in working for a firm that emphasized providing constructive advice rather than one that is quibbling over a few extra dollars in assessments. An active, sincere interest in society, not just superficial action such as joining the Chamber of Commerce, would do much to change young peoples' view of business and its motives. Profit is a necessary but not sufficient condition for a firm's existence in today's society. Students are as much concerned about how companies utilize their resources to shoulder a fair share of responsibility in society as for the generation of profits.

Sincerely yours,

David M. Butler
Electrical Engineering, Michigan State