Strategic CSR in Afghanistan

The Case of Roshan, An Afghan Telecommunication Company

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Abstract: *CSR is a rising phenomena in Afghanistan – but why are firms concerned about CSR in a least-developed context such as Afghanistan, and what are the strategic benefits? This paper is one of the first to explore these CSR issues in a least-developed country. It does so by focusing on CSR in the Afghan telecommunication sector and in particular on 'Roshan' as a case company. The findings of this paper are two-folded. First, it provides an overview of the CSR practices in the telecommunication sector in Afghanistan. Second, it focuses on one case and explains whether Roshan can gain strategic advantages through CSR in Afghanistan, and if so which and how these strategic benefits are gained. The paper shows that the developmental challenges of Afghanistan are the key explanations for why companies engage in CSR. Roshan has engaged in proactive CSR to overcome the contextual barriers for growth. Based on an analysis of five CSR projects, it can be assessed that Roshan enhances its competitive advantage through CSR in internal, external, and wider-society levels. It is analyzed that Roshan influences its competitive context both from inside-out and out-side in dimensions, and that the CSR projects could all live up to the strategic CSR criteria drawn from the academic work of Porter and Kramer, Burke and Logsdon and Blowfield. Finally, the paper discusses how in a context of a weak state and civil society, and massive developmental challenges, CSR is not a matter of an 'add-on choice', but is based on a 'license to operate' motivation, where businesses have free room for maneuvering CSR towards their strategic priorities and business goals. Whether this creates a 'shared value' for both business and in particularly for the society is however still questionable.*

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1. Introduction

In the past decade, corporate social responsibility (CSR) has become a popular buzzword for practitioners, scholars, civil society organizations (CSO), state institutions and the media. The argument is that through CSR business can create a 'win-win' situation, as CSR can generate shared value for both the firm and society (Hart 1995, Husted and Allen 2000, Porter and Kramer 2002, 2006, Zadek 2004). This phenomenon has also reached developing countries. However, interesting issues arise when focusing on CSR in least-developed countries, as Afghanistan for instance differs significantly from BRIC countries and more developed countries in Europe and North America.

Theoretically, a lacuna exists in the CSR literature when it comes to understanding and analyzing CSR in developing country contexts – both from a business perspective and from a developmental perspective. The past decades of the growing literature on CSR has developed several definitions, models, and frameworks for understanding how and why business engages in CSR (Carroll 1991, Mele and Garriga 2004, Blowfield and Frynas 2005, Visser 2006, 2007, 2009, Blowfield 2010) and how CSR has a strategic relevance for businesses (Porter and Kramer 2006, Burke and Logsdon 1996). The literature has also provided several reasons for the rise of CSR throughout the developed or developing countries, and the mainstream argument is that CSR as a phenomenon has increased due to pressures from the major actors in the societies such as governments, national and international civil society organizations and/or consumer groups (Visser 2009, Jenkins 2005, Blowfield 2005). The private sector has deflected these pressures with CSR as a voluntary tool, and has increasingly argued that businesses are not to be separated from the society and vice versa. This has led to the 'strategic CSR' approach, by which it is argued that CSR initiatives by multinational companies (MNC) create the 'win-win' situation where both the business and the society gain from CSR (Mele and Garriga 2004, Blowfield and Frynas 2005, Porter and Kramer 2002, 2006). Based on this approach, an increasing literature has emerged on how and why companies should engage in CSR for the short and long term strategic gains (Hart 1995, Husted and Allen 2000, Porter and Kramer 2002, 2006, Zadek 2004). However, these insights on CSR have primarily been build upon the Western and developing countries contexts, and lack insights on CSR in least-developed contexts (Birch and Moon 2004, Prieto-Carron et al. 2006, Visser 2009). Though the increasing literature on CSR in developing countries has provided useful insights, a lacuna still exists in understanding strategic CSR in least-developed countries.

Least-developed countries are by UN defined by three criteria; low-income, human assets weakness and economic vulnerability (UNCTAD 2011: iix). These criteria are elaborated in section 4 of this paper. What distinguishes these countries is the lack of institutions and high level of unpredictability. This situation creates a CSR ballgame totally different from that of more advanced developing countries. In this paper it is acknowledged that context matters when studying CSR, and that the least-developed country contexts, including the Afghan, provide opportunities but also obstacles for businesses. In general these least-developed countries contain fundamentally different contexts, as they in contrast to developed or developing country contexts are characterized by fragile/weak government and state institutions, less powerful or non-existing civil society movements, and finally suffer major developmental challenges (Del Castillo 2008: 30-31, Andersen 2008: 11). These attributes reshape the contextual understanding of CSR, as CSR in these contexts are apparently not dictated by either strong governments nor by active civil society organizations/NGOs, which is often the case in developed country contexts (Visser 2009: 480-488).

Therefore, though CSR in Afghanistan might sound unexpected and surprising, this paper reveals important insights on CSR in a least-developed context. The focus on strategic CSR in particular, is interesting and relevant for several reasons. First, the notion of strategic CSR literature has been applied to developed and developing countries, but not in least-developed countries with comparably different context as mentioned above. Second, this paper can thereby open up this 'black box' and explain the strategic reasoning of CSR in these contexts. Third, by understanding how business relate strategically to CSR in least-developed contexts, the academic literature might be enriched with new perspectives on how to understand strategic CSR and the contextual pressures, which either might be different or equal to developing or developed contexts. In the case of least-developed countries, the triggering question is whether a least-developed context enables or disables strategic CSR potentials for businesses. This will be addressed in the discussion section of this paper.

Empirically, this paper focuses on CSR in the telecommunication company 'Roshan' as a case in Afghanistan due to two reasons. First, Afghanistan is characterized as one of the world's least developed countries (see the background section for details), and since no research on CSR in Afghanistan exists, the focus is considered relevant and important for the CSR literature. More specifically, the firm perspective is of particular interest in this paper, as CSR practices are increasing in Afghanistan, but practitioners and scholars are yet to understand how businesses gain from CSR in these contexts (Visser 2009: 476, Birch and Moon 2004). Second, Roshan, as a telecommunication company that delivers mobile and Internet services to private and public customers in Afghanistan,

is chosen for the case study. It is one of the largest companies in Afghanistan and is considered to be a pioneering company within the fields of CSR in the country. Therefore, Roshan is useful as a case company, because insights from its CSR projects can explain and provide input for a discussion on whether and how Roshan gains strategically from CSR in Afghanistan. Moreover, such analysis can point out the factors that distinguish Roshan from other telecommunication companies in regards to strategic CSR in Afghanistan and assess the potential strategic gains of CSR in the country. This paper thereby aims to contribute with new insights on CSR in a least-developed context.

From a theoretical point of view, the paper therefore aims to provide a framework that can analyze when CSR can be 'strategic CSR'. Based on this framework, the paper aims to provide insights on whether CSR in least-developed countries can be strategic and if so, what, when and how businesses can gain strategically from CSR. Furthermore, the contextual influence of Afghanistan as a least-developed country will be discussed in relation to CSR and its potential strategic gains.

Due to lack of research on CSR in Afghanistan, there is a need for both explorative and explanatory research. The research questions set for this paper are therefore two-folded. First, what are the CSR practices in the Afghan telecommunication sector, and second, how can businesses gain strategically from these CSR practices by focusing on the Afghan telecommunication firm Roshan. The intention is at first to create an overview of CSR practices within the Afghan telecommunication sector in order to understand CSR practices in a context that is yet to be studied in regards to CSR. Second, the aim is to analyze whether CSR provides strategic gains for Roshan – even in a least-developed country context.

2. Methodology

The empirical data in this paper is based on a case study approach, where Roshan is selected as the case company (Yin 2009). There are several reasons for selecting Roshan as a unique case company (Yin 2009: 47). First, Roshan is one of the largest private companies in regards to number of employees and GDP (Gross Domestic Product) contribution and market share in the telecommunication sector[2]. Second, the telecommunication sector is one of the most developed and fast-growing business sectors in Afghanistan. In this way, the information from Roshan will not only be based

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[2] http://roshan.af/Roshan/About_Roshan/About_Roshan.aspx

upon a large and relevant company, but will also entail insights from of the most significant business sector in terms of employment and economic growth (World Bank Economic report 2011: 2). Third, Roshan is a pioneering company in relation to CSR and has won several international awards for its CSR projects[3]. Fourth, Roshan's developmental legacy as a partly owned investment of the Aga Khan Development Network, also adds a unique feature of the company for analytical purposes[4]. Fifth, Roshan has shown a more open approach for the author to gain information and data than the competing firms, which has enabled in-depth data collection on Roshan. Based on these considerations, it is assessed that Roshan's projects can provide interesting insights, as Roshan is relevant case company with unique attributes (Yin 2009: 47).

Moreover, for analytical purposes five CSR projects from Roshan are chosen. These projects are carefully chosen to cover several aspects and levels of CSR. The Afghan Medical Health Insurance and the Roshan/Cisco Networking Academy are projects that are mainly related to CSR at the firm-internal level, as both projects' beneficiaries are Roshan employees. However, each of these projects relate to different internal aspects; e.g. health and education. The Women Public Call Office is an example of CSR at supply chain-level. In this project, the female beneficiaries are not hired by Roshan as employees, but are highly dependent on Roshan's services, and can be considered as business partners/suppliers of Roshan's services. The last two projects are Malomat and Telemedicine, which both relates to CSR at external/wider-society level. However, the projects are two different examples of how Roshan addresses societal and developmental issues in Afghanistan, and interacts with beneficiaries that are not directly related to Roshan, e.g. farmers and hospital patients in remote areas of Afghanistan. Therefore, these five CSR projects are relevant and insightful, as they provide examples of different levels and approaches of CSR.

Additionally, the qualitative data in this paper is collected through a number of interviews with Roshan and desk research. Four semi-structured interviews are conducted with Roshan's CSR department officer to cover the qualitative data collection. This was supplemented with three interviews with CSR officers of the remaining four firms in the Afghan telecommunication sector; MTN, AWCC and Etisalat in October 2011. Moreover, desk research has been undertaken to gain secondary data on Roshan and the other CSR projects in the Afghan telecommunication sector. The sources for these data are websites, developmental reports on Afghanistan from UN, World Bank,

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[3] http://roshan.af/Roshan/Roshan_Community/Roshan_Community/Recognition.aspx

[4] Elaborated further in the Discussion section

the government of Afghanistan, and specific books on Afghanistan. Additionally, prior personal knowledge of the Afghan context also formed the contextual understanding of this paper. This is based on working experience from NGO management-level in Afghanistan from 2006 to 2010 (Azizi 2010). Finally, a field study was conducted in Afghanistan in September-December 2011 to verify the secondary data from the desk research.

In order to shed light on new theoretical insights on CSR in least-developed country, the paper is structured in three levels of analysis; a) an initial focus on the Afghan telecommunication sector, b) the company-level analysis concentrated on Roshan, and c) finally the focus on Roshan's CSR projects. Therefore, initially a mapping of CSR practices in the Afghan telecommunication sector is provided. Since the aim of this mapping is to provide an overview of the levels of CSR in the telecommunication sector, the estimations are based on the sum of projects at project type level rather than counting the individual amount of projects within each project type. In other words, several school reconstruction projects has been supported for instance in five provinces with three schools each, but the calculation above counts this as one project type; school construction project.

This will be followed by a specific focus on Roshan and its CSR relations, which leads to a description of five CSR projects. These five CSR projects will be analyzed in regards to their strategic relevance to Roshan's business strategy. Based on this analysis, a critical discussion of CSR's strategic benefits in Afghanistan will be conducted to clarify whether the findings of this paper is applicable to other firms and other sectors in Afghanistan and to the theoretical understanding of 'strategic CSR'.

This methodological approach's main limitation is that the analysis of whether CSR is strategic or not highly depends on the variables from the analytical framework. This obviously has inherent restrictions, as the specific selection of theories and concepts of strategic CSR in this paper will determine the outcome of analysis. Moreover, the author's personal interpretation of the empirical evidence in relation to the analytical framework will also highly affect the analysis and discussion of what strategic CSR is and is not. Acknowledging these limitations of the chosen methods, this paper argues that the insights produced in this paper is fallible (Danermark et al. 2002: 15), but that "... *it is possible to develop reliable knowledge and for there to be progress in understanding*" (Sayer 2000: 30). This paper thereby takes point of departure from the methodological approach of Critical Realism (CR), which claims: "*The world exists independently of our knowledge of it*" (Sayer 1992: 5). On the other hand, CSR's transitive dimension or the epistemology consists of the theories and

notions about the reality. "*Our knowledge of that world is fallible and theory-laden*" (ibid: 5), as our theories and notions about the world are not only socially determined - but socially produced (Danermark et al. 2002: 200).

The next section provides a literature review of CSR and provides the mentioned analytical framework of this paper.

3. Literature review and analytical framework

The theoretical point of departure is to understand CSR from a strategic-perspective and to explain how companies gain strategically in a least-developed country context. Although the CSR literature has increased progressively in the past decades, studies on CSR in particularly least-develop countries are lacking as noted above (Birch and Moon 2004: 18, Prieto-Carron et al. 2006: 977, Visser 2009: 476, Jeppesen 2009: 12). The focus of the following literature review is to describe a) important insights gained on how to assess strategic CSR, and b) CSR trends in developing countries with a specific focus on Asian countries, and finally c) to address the theoretical and empirical gaps on strategic CSR in developing countries. Based on this review, an analytical framework will be derived to analyze whether CSR is strategic and how companies gain strategically from CSR.

3.1. Defining CSR

Initially, in order to define and understand CSR, it is worth mentioning that a universally definition is not acknowledged in the literature. However, several scholars have provided multiple definitions of CSR. Carroll provided the famous CSR pyramid, respectively economic, legal, ethical responsibilities and finally philanthropic responsibilities are the spheres of CSR (Carroll 1991: 42). It is later argued that in regards to CSR in developing countries, Carrols' CSR pyramid is somehow reversed, as philanthropic responsibilities are prioritized higher than legal and ethical responsibilities (Visser 2006, Visser 2009: 489). The economic responsibilities consisting of generation of investment, jobs, income and services, are alike Carroll's pyramid highly appreciated in developing countries due to lack of economic growth and poverty (Visser 2009: 490). The successive logic of CSR spheres proposed by Carroll is thereby not applicable to the developing world contexts. CSR in developing countries tends rather to be less formalized, as regulatory frameworks are lacking in these contexts, and despite the existence of these, the enforcement of laws and regulations are weak (Ibid). Moreover, CSR in developing countries seems to be less institutionalized in the private sec-

tor, as CSR standards and CSR managerial positions are not prioritized as in developing countries. This lacking formalization and particularly institutionalization of CSR affects the CSR investment topics, which in the developing countries highly focus on education, health, environment, and community development (Visser 2009: 493).

The mentioned definitions are useful to understand which topics and areas can be covered by CSR. However for analytical purposes, Blowfield and Frynas' 'umbrella' definition of CSR has an important analytical relevance. It defines CSR as social and environmental responsibilities on voluntary basis at three levels; a) the firm level, and/or b) the company's business relations level and/or c) responsibilities towards the wider society level (Blowfield and Frynas 2005; 503). This definition adds three levels to the CSR concept, which enables an analytical differentiation of the internal; the business (external) relation; and the wider-society level. In this paper, this definition is therefore appropriate as it enables a categorization of CSR in the three levels. Based on these levels, an overview of CSR projects in the Afghan telecommunication sector is provided in section 5.2.

3.2. CSR in developing countries

The literature on CSR in developing countries has increased in the past decades and has emerged as a field of study within the management literature rather than as a discipline in itself (Lockett et al. 2006: 116). Theoretically, the CSR literature can be divided into four areas; e.g., instrumental, political, integrative and ethical theories (Mele and Garriga 2004: 63-65). The focus of this paper is in the 'instrumental theories', which argues that economic goals of businesses can be achieved by engaging social practices (ibid).

In regards to the drivers of CSR in developing countries, it is generally acknowledged that the economic liberalization process in developing countries in the 1980s and 1990s created a need for CSR in developing countries (Blowfield and Frynas 2005, Haufler 2006). Visser's review of CSR literature in developing countries details several drivers behind CSR in developing countries such as: a) 'license to operate' logic, where businesses engage in socio-economic practices in order to fill governance gaps in i.e. fragile states. Here the local government fails to deliver basic social services such as: education, health-care provision, infrastructural development, b) new market access, as the developing countries offers untapped potentials for businesses to utilize, c) supply chain and stakeholder activism tensions, which through either NGOs, trade unions, and trade associations highlight the need for CSR in regards to code of conduct, social and environmental responsibilities of MNCs and their suppliers throughout the world (Visser 2009: 484-488). In the last decade, there has been

increasing investments by multinational corporations' (MNC) in developing countries, which in some instances have led to negative social and environmental impact (Jenkins 2005: 539, Reed and Reed 2009: 5). An example of 'license to operate' driver is a seven country study on CSR based on CSR reporting from top 50 company websites in Asian developing countries. This study shows that the community projects are the most established form of CSR (Chapple and Moon 2005: 14). Another example is the vast CSR and Global Value Chain studies, which reveal that 'code of conduct' is the main way of deflecting criticism and tensions in particularly buyer-driven manufacturing sectors (Gibbon and Ponte 2005, Lund-Thomsen 2007, Prieto-Carron et al. 2006). These above-mentioned CSR drivers are closely related to the Strategic CSR approach, which will be described further in the next section.

3.3. Strategic CSR

The concept 'strategic CSR' has emerged progressively in the past decades and has occurred out of a historical discussion on business and society relations. The "shareholder value-orientated" approach is well-known from the Nobel laureate Milton Friedman's quote, where he states that "*there is one and only social responsibility of business: ...increase its profits*" (Friedman 1970). However, the strategic CSR approach argues that the social responsibility of corporations goes beyond core business activities. Peter Drucker amongst others counter-argued in the 1980's that profit maximization and social responsibility can be aligned, but the challenges are how to relate businesses' social responsibility into business opportunities (Drucker 1984, in Matten et al. 2009: 59-60, Mele and Garriga 2004: 53: 57). Although Drucker is critical to Friedman's view on business and society relations, they both share the same assumption that end-goal of CSR is to maximize the shareholder value. Likewise, scholars have in the past decades argued that profit maximization is closely related to CSR, and that 'strategic CSR' is a necessity rather than philanthropic altruism (Husted and Salazar 2006: 87). This convergence of CSR and business strategy led to a large literature on the relationship between CSR and business strategy, where there is a 'business case' for businesses to engage in socio-economic issues through CSR (Porter and Kramer 2002, 2006, Carroll and Shabana 2010, WBCSD Executive summary 2007). With regard to level of analysis, the CSR focus has increasingly moved from CSR at the firm level and supplier level (code of conduct) towards the wider-society level. It is argued that it is important to improve the external environment's social and economic conditions in developing countries in order to gain new markets and productivity for business operations (Utting et al. in UNRISD 2010: 235).

Burke and Logsdon argue that five dimensions are important in assessing the strategic significance of CSR (Burke and Logsdon 1996). These are; 1) centrality of CSR in relation to strategic goals and mission of the business strategy, 2) specificity of CSR in accordance to competitive advantage of the firm, 3) pro-activity in terms of readiness towards emerging social trends and crisis, 4) voluntarism in the nature of CSR to prevent regulations proactively, and finally 5) CSR's visibility to internal and external stakeholders in order to gain credit for the CSR (ibid: 496-499).

Additionally, Porter and Kramer are well-known for their argumentation on the necessity for businesses to integrate CSR as a strategic element to gain competitive advantage rather than viewing business isolated from the society (Porter and Kramer 2002: 7). Thus, it is important to improve the social and economic conditions in developing countries in order to gain new markets and productivity for the business operations (ibid). Thereby, they argue that strategic CSR can create combined social and economic benefit(s), as CSR can be a convergence of both the society's and the business' interest. This can be achieved by influencing the 'competitive context', which consists of; factor conditions, demand conditions, related and supporting industries, and finally the context for strategy and rivalry (ibid 2006: 7-11). Here they argue that CSR can enhance the competitive advantage of a firm by *both* assessing CSR in relation to the <u>inside-out</u> (internal value chain practices) and the externally <u>outside-in</u> (the competitive context of a specific industry)(Porter and Kramer 2006: 5-6). This assessment will result in a wide range of areas, which effective CSR activities from businesses can cover. However, these should be prioritized based on the strategic significance of the issues, since "*No business can solve all society's problems or bear the cost of doing so*" (ibid 2006: 8). True strategic CSR therefore goes beyond responsive approach on generic social issues and value chain impacts, and into the social dimensions of the competitive context, which involves both inside-out and outside-in dimensions in a interrelated process (ibid 2006: 10-11). This can according to Porter and Kramer be achieved by a proactive and integrative CSR attitude instead of the defensive and fragmented approach most companies show towards CSR (ibid 2006: 13).

While strategic CSR literature argues that CSR can influence the contextual settings, specific attention to the contextual factors is not paid in this literature. In reverse, contextual factors are one of the crucial elements in the critical CSR literature, which is a response to this 'business-case' thinking, where the primary focus and goal is to relate CSR to economic incentives for the businesses (Blowfield and Frynas 2005). Several scholars have argued for a contextualized understanding of CSR rather than a universal approach towards CSR, as CSR is shaped in the complex business-society relations of the specific context (Jenkins 2005; Newell 2005, Blowfield 2007, Dobers and

Halme 2009, Jeppesen 2009, Jeppesen and Lund-Thomsen 2010). However, a lacuna exists on understanding more concretely the role of CSR in overcoming these contextual obstacles and how businesses gain strategically from CSR in least-developed countries such as Afghanistan.

3.4. The analytical framework

Based on the literature review on CSR and more specifically strategic CSR, a framework for analyzing and discussing the research questions of this paper is derived. Initially, the understanding of CSR as a concept is based on Blowfield and Frynas' 'umbrella' definition of CSR (Blowfield and Frynas 2005: 503), which structures the categorization of CSR practices in the telecommunication sector as mentioned above. Furthermore, the three levels (firm level, business relation level and wider society level) can also add interesting dimensions to strategic CSR discussion; e.g. can CSR at internal level be as strategic as CSR at wider-society level? If so, how and why – and why not?

Second, Porter and Kramer's approach towards strategic CSR will be used for assessing how each selected CSR project in Roshan relates to the competitive advantage of Roshan (Porter and Kramer 2002, 2006). This will cover the 'specificity' criterion mentioned as one of the five criteria set for assessing strategic dimensions of CSR (Burke and Logsdon 1996). The remaining four criteria from Burke and Logsdon will hereafter be related to the CSR projects in order to fully assess whether these projects are 'strategic' and what Roshan gains from them. As mentioned in the methodology section, five CSR projects are specifically chosen to analyze how Roshan as a company gains strategically from CSR. The analytical framework is illustrated as figure 1 below.

CSR levels	Analytical elements of Strategic CSR		
		Competitive Advantage	**Strategic Dimensions**
	Firm level	Inside-out/ Outside-in aspects (Porter & Kramer 2002, 2006)	Centrality, (Specificity),
(Blowfield & Frynas 2005)	**Business relation level**		Proactivity, Voluntarism,
	Wider-society level		Visibility (Burke & Logsdon 1996)

Figure 1: Strategic CSR Framework
Source: Author's Construction

However, before the analysis, the following background section will shortly describe the Afghan context and the Afghan private sector in order to understand the empirical foundation of the paper.

4. Background

4.1. The Afghan context

As described earlier, an understanding of the contextual factors affecting CSR is crucial for understand CSR. Therefore, a short background description is provided in the following on the Afghan context.

Afghanistan is a landlocked Central-Asian country neighboring important and powerful neighbors such as; Pakistan, Iran, China and is also close to India and Russia (See Appendix 2). Afghanistan has attracted worldwide attention since 2001, and has been characterized as a least developed country with post-conflict and a fragile state attributes. These labels are all emphasizing the multiple challenges that the country are facing, and are highly interrelated.

Afghanistan can be characterized as a post-conflict context, as it has experienced decades of war and instability since 1970's, where the country has been through major political and economic transformations from the Kingdom of Afghanistan to Republic of Afghanistan to a Soviet-supported socialist regime, to civil war and finally the Taliban regime of extremist state that left the country out of the international agenda until 2001. In 2001, after the 9/11 attacks, a coalition of countries led by USA gained control of large parts of Afghanistan and established a government headed by Hamid Karzai (Misdaq 2006: 244-248). Since the US-led invasion in 2001, the country is still attracting the international community's attention and is conceived as the frontline of the war against terrorism. This has led to massive military support and to a lesser degree developmental support from the international community. A total of US$ 286.4 billion in aid, which includes military aid (84%), humanitarian aid (9.4%), and other security related aid (5.6%) was transferred to Afghanistan from 2002-2009 (Global Humanitarian Report 2011: 2). This has in many ways benefited the country with democratic reforms, elections, massive educational efforts, economic growth and a birth/rebuilding of the civil society organizations in Afghanistan (Civil Society Report 2010). However, the security situation has worsened year by year and is expected to become a major challenge many years ahead according to the UN (UN Afghanistan Report 2010: 18).

This has led Afghanistan to another important characteristic – the 'fragile state' environment. Afghanistan is categorized as the world's 2nd weakest state by US think tank Brookings (Brookings report 2008: 10). Especially in the security and the welfare areas Afghanistan are ranked worst, as Afghanistan ranks very high on indicators such as; conflict intensity, territorial conflict, political instability, gross human rights abuse, and child mortality (ibid: 15). Moreover, the country is one of world's most corrupt states. In 2010, Afghanistan ranked 176 out of 178 countries in the international corruption ranking (Transparency Int. 2010: 3). Since 2001, the rebuilding the Afghan state has been a key focus area, but the country's state institutions are still facing severe obstacles to deliver the basic services as required from a state.

The implications of the post-conflict and fragile-state dimensions are that Afghanistan currently is one of the least-developed countries. The country is ranked as 155 out of 169 countries of the world in 2010 according to the Human Development Index (HD Report 2010: 150). This is reflected in a very low life expectancy rate on 44 years, a high illiteracy rate as only 28 % in the adult population is literate, and a staggering 257 children mortality for 1,000 live births (ibid). In economic terms, Afghanistan has with its 29 million populations experienced massive GDP growths since 2002 from 8% GDP growth rate to +20% in 2009 and 8 % in 2010 (World Bank Economic report 2011: 2). However, growth rates should be viewed in light of the very low GDP-levels during the Taliban era. In any case, the GDP growth is highly dependent on the service sector, which since 2006 has contributed to about half of the GDP output (ibid). Especially the communication sector is important, as it has experienced a 45 % annual growth rate per year (ibid).

4.2. The Afghan private sector

From a business perspective, the above-mentioned security, corruption, and welfare issues are major obstacles for growth in Afghanistan (World Bank Investment Climate report 2010: 9). The private sector in Afghanistan is obviously affected by the post-war legacy, the fragile state concerns and finally the least developed country status in regards to human development. These concerns are major challenges for the development of the private sector, as Afghanistan is struggling with bureaucracy, lack of law enforcement, corruption, security, which ranks Afghanistan as 160 out of 183 countries in the world doing business rankings (Doing Business Report 2012).

A recent study in Afghanistan reveals that entrepreneurs are facing multiple challenges such as; lack of security, corruption, underdeveloped physical and human infrastructure, lack of access to capital, policies and law enforcement (Kauffman report 2011: 34).

Since 2001, one major business association has emerged from the former state-owned chamber of commerce[5]. This association also points out that the Afghan business environment suffers from lack of skilled labor, lack of linkages between local business and international trade (ibid). This excludes Afghanistan from the exploitation of export potentials and global or regional business opportunities. However, the lack of linkages to regional and global markets also results in vague CSR pressures on business operation in Afghanistan. In contrast to neighboring Pakistan (Lund-Thomsen 2007), India and China, 'buyer-driven' pressures on working conditions and environmental issues do not exist in Afghan business environment (Gibbon and Ponte 2005, Prieto-Carron et al. 2006).

Likewise, a major issue in the Afghan private sector is that the Afghan business environment is in many ways highly dependent on the domestic aid- and military-related markets (WB Economic Report 2011). Additionally, the manufacturing sector is very small and almost non-existing, and Afghanistan is therefore highly dependent on regional imports, as imports amounts to 53% of the Afghan GDP in 2011 (ibid). Pakistan is the primary import source with (35% of all imports in 2008), from where machinery, household items, food, metals and petroleum were imported (Economist Afghanistan report 2010: 6).

Structure-wise, the Afghan private sector consists of large number of small firms with <20 employees and a few large firms, which all mainly targets the domestic market (World Bank Investment Climate report 2010: 3). A relatively small percentage of the private sector in Afghanistan is foreign firms, and similarly few firms are owned and managed by women (ibid: vi). Sector-wise the study in 2010 shows that the service sector is the largest contributor to the GDP (35%), followed by agribusiness (28%), trading (19%), and construction (16%) (ibid: 6).

In regards to worker unions and associations, the Afghan society has returned to an embryonic stage, as the large unions present in 1970's and 1980's are highly trimmed down after the socialist regimes. The unions that exist have a very marginal influence and are small both budget-wise and in terms of members (Interview 10 October 2011, Afghanistan Federation of Trade Unions' representative).

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[5] www.acci.org.af

5. Analysis of the Afghan Telecommunication sector's CSR practices

5.1. The telecommunication sector

This paper focuses on the mobile phone companies in the Afghan telecommunication sector, which consists of four large telecommunication firms; Roshan, Etisalat, MTN and Afghan Wireless Communication Company (AWCC). This sector in particular is seen as one of the major successes of the private sector since the US-led invasion in 2001, as about 45% of the service-sector growth comes from the telecommunication services (Asian Development Bank 2010: 7, World Bank Economic report 2011: 2). An expected 19 million mobile phone subscribers will be reached by 2011 (ibid: 13). Historically, AWCC was granted the first license to do business by the Afghan ministry of Communication in 2002[6]. Roshan joined the market in 2003 by a joint venture described later, and was followed by the South African MTN in 2006 as 'Areeba', which then got rebranded as 'MTN Afghanistan' in 2008[7]. The latest incomer in the market is the Emirati Etisalat, who joined in 2007[8]. These latter two companies are 100% foreign investment[9].

The four companies are facing keen competition in the market, where more than 1,600 million USD have been invested by the private sector since 2001[10]. About 80 % of the Afghan population has access to mobile services, and more than 16.8 mil subscribers are registered in Afghanistan (ibid). In regards to market share by the amount of subscriber registration, Roshan is the leading company, followed by MTN, Etisalat and finally AWCC (US Institute of Peace Report 2010: 2). CSR practices have since 2004 been rising phenomena and a differentiation factor in this market. The next section will provide an overview of CSR practices in the Afghan telecommunication sector.

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[6] http://www.afghan-wireless.com

[7] http://www.mtn.com.af/sub.aspx?pageid=5

[8] http://etisalat.af/about-us/etisalat-afghanistan

[9] http://www.mtn.com.af/sub.aspx?pageid=67)

[10] http://mcit.gov.af/en/page/12

5.2. CSR mapping in the telecommunication sector in Afghanistan

In order to get an overview of the CSR practices in the telecommunication sector, a mapping exercise has been undertaken. It has included all four telecommunication companies that were mentioned in the previous section. Table 1 provides an overview of CSR projects in Afghanistan from the four before mentioned companies. This table divides the CSR projects into seven areas of engagement (table 1); health, social welfare/community development, education, private sector development, sport practices, religious practices, disaster relief and food distribution. Table 1 shows the amount of projects each company has initiated since their business startup.

This table indicates that a majority of the CSR projects are within 'social welfare/community development', 'health' and 'education', as these three areas covers 30 projects types out of total 41 projects by all four companies.

Firm / areas of engagement	Roshan	Etisalat	MTN	AWCC
Health	1. *The Clinic* 2. *Dental & Health Workshops* 3. *Afghan Medical Health Insurance* 4. *Telemedicine*		1. *Community health care centers in remote areas* 2. *Support to "Gynecology" hospitals*	1. *Support to hospital construction* 2. *'Walk to Help Save an Afghan Mother and Child' in USA*
Social welfare / Community development	5. *Build A Well Project* 6. *Pamir Power Project* 7. *Alternative Livelihoods Program* 8. *TV Programs* 9. *Playground Project* 10. *Soup Kitchens* 11. *Stars Sing Out*	1. *Social Welfare projects*	3. *Reconstructing bridges and digging water wells* 4. *Support to Internally Displaced People (IDP) due to war or civil conflict*	3. *Support Water well construction* 4. *Grant for Children's Songbook* 5. *Afghan Symposium on Humanitarian and Leadership* 6. *Earth Day* 7. *Establishment of Afghan Trusted Network*
Education	12. *School Construction* 13. *One Laptop Per Child* 14. *Roshan/Cisco Networking Academy*		5. *Scholarship for students* 6. *Contribute in reconstructing schools and orphanages*	8. *Support to Orphanage schools* 9. *Educational Learning Centers*
Commerce / Private sector development	15. *Malomat* 16. *Women's Public Call Offices*	2. *PCO cycle for handicapped*		10. *Empowering Women Grant in business, justice and humanity*
Sport practices	17. *Youth Sport centre*	3. *Sport sponsorships*		
Religious practices		4. *Annual Quran Recitation Competition*		11. *Ramadan Food Distribution*
Food distribution / disaster relief		5. *Annual Food Distribution*	7. *Support to Emergency situations*	12. *Winter Aid Distribution*
Total Sum	*17 project types*	*5 projects types*	*7 project types*	*12 projects types*

Table 1: Overview of CSR in the telecommunication sector in Afghanistan 2011

Own construction - See Appendix 1 for more project details

Source: www.roshan.af, www.etisalat.af, www.mtn.com.af, www.bayatfoundation.org (Afghan wireless foundation)

As noted in the literature review section and in the analytical framework, CSR project types can be divided into the 3-leveled 'umbrella' definition'. Table 2 illustrates this categorization of CSR; within firm; CSR within suppliers and business partners; and finally CSR within wider-society level (Blowfield and Frynas 2005: 503). Internal CSR level covers projects that are directly targeting the employees of the specific company such as; health insurance, medical care and education benefits for the employees. The supplier/partner level covers projects that target the company's business partners such as entrepreneurial support to local suppliers/shop keepers. Finally, the wider-society level covers projects that target people and population groups that are neither business partners or employees such as; community projects, school building, sports sponsorships etc. Table 2 shows the number of projects at each of these levels based on data from the website from the four companies representing the sector in Afghanistan.

Firm/ CSR levels	**Roshan**	**Etisalat**	**MTN**	**Afghan Wireless**	**Sum of levels**
Within firm level	3	0	0	0	*3*
Suppliers/business partners level	1	1	0	0	*2*
Wider society level	13	4	7	12	*37*
Total sum:	*17 project types*	*5 projects types*	*7 projects types*	*12 project types*	*41 project types*

Table 2: Levels of CSR in the telecommunication sector in Afghanistan 2011

Own construction and estimation based on 'umbrella' definition (Blowfield and Frynas 2005)

Source: www.roshan.af, www.etisalat.af, www.mtn.com.af, www.bayatfoundation.org (Afghan wireless foundation)

Appendix 1 for more project details

Roshan has been engaged in the highest amount (17) of CSR projects compared to the competitors. With 17 project types, Roshan is thereby the 'leading actor' of CSR projects in the sector followed by Afghan Wireless with a total of 12 project types. Another interesting finding is that 36 out of 41 project types are related to CSR at the wider-society level, and only Roshan has projects that can be categorized at the internal level. At the internal level, these are; the Medical Health Insurance project, the Roshan/Cisco Networking Academy education project, and finally the Medical Care Clinic that are offered specifically for the Roshan employees. The former two projects will be analyzed later in regards to their strategic significance as indicated in the methodology section. Likewise, the Women Public Call Office project by Roshan is one of only two examples of the "supplier/business partner" level. Etisalat has recently engaged in similarly project, where 45 tailor-made bicycles were distributed to handicapped and unemployed people[11]. These Public Call Office (PCO) bicycles have attached a box from which phone calls can be made to Afghanistan and internationally, and provide income to the 45 beneficiaries[12].

As mentioned in the methodology section, the point is not to provide exact numbers on CSR projects, but rather to gain an overview of which levels of CSR are emphasized in the Afghan context. This overview has limitations, as project size in regards to amount of money spent in the projects is not taking into account, and it is primarily based on the data from the company websites.

Keeping the limitations in mind, the mapping of CSR practices in the telecommunication sector in Afghanistan based on table 1 and 2 shows two interesting insights. First, table 1 shows that all the companies are engaged in CSR, but the dominant actor is Roshan. The main areas of focus are within 'health', 'social welfare' and 'education', however, 'relief support', 'private sector', 'sport sponsorships' and 'religious relief' are also important to note. Second, table 2 shows that the vast majority of the CSR projects are within the 'wider-society' level. This emphasis on the wider-society level is very similar to the trends in developing countries, where the 'license to operate' CSR driver is ruling as noted in the literature review section (Visser 2009: 493). In sum, based on the number of CSR project types in the telecommunication sector in Afghanistan it is evident that CSR is taken seriously at the management level with a specific attention to the wider-society projects. Since Roshan is the leading player, a closer look at Roshan's CSR project will be provided. While, we know the areas of engagement and level of CSR, two of the remaining questions are; whether

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[11] www.etisalat.af

[12] http://etisalat.af/about-us/csr/news/205-etisalat-distributes-pco-cycle-carts-to-needy-people

Roshan gains strategically from its CSR or not? And how and why does Roshan focus on the wider-society level? The next section will give a more detailed description of Roshan as a company, its CSR practices in Afghanistan, and finally describe five CSR project examples that will be analyzed later on.

5.3. The case study of CSR practices of Roshan

Roshan as a company

One of the success stories of the economic growth in Afghanistan is the telecommunication company Roshan, that was established as a for-profit company in 2003, and has since grown to be not only one of the largest telecommunication companies in Afghanistan but in the whole afghan private sector. Roshan (meaning "light" in the two official Afghan languages) is the single largest investor and taxpayer in the country with a $500 million USD investment and with a tax contribution of 5 % of the Afghan GDP[13] (see Appendix 4 for the Roshan logo). With more than 5 million subscribers from all 34 provinces in Afghanistan, Roshan is a leading firm in the telecommunication market in terms of number of subscribers and coverage. It offers telecommunication products and services to households, private companies, government institutions and NGOs in Afghanistan. Roshan employs over 1,200 Afghans directly within Roshan and estimates to have created 30,000 jobs indirectly in its supply and distribution chains (ibid).

Roshan is established as a foreign direct investment, as it is owned by a consortium of investors lead by the Aga Khan Fund for Economic Development (AKFED) with 51 % of the shares, while Monaco Telecom International and Swedish-Finish TeliaSonera stands for the remaining share of the company[14]. The AKFED has existed in more than 50 years as a fund for 'economical sound enterprises' in least developed countries in Asia and Africa through collaboration with key partners in each area of work[15]. In Afghanistan it has beside the investment in Roshan also invested in the only 5-star Serena Hotel (ibid).

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[13] http://roshan.af/Roshan/About_Roshan/About_Roshan.aspx

[14] http://roshan.af/Roshan/About_Roshan/Shareholders.aspx

[15] http://www.akdn.org/akfed.asp

The AKFED is a part of the overall Aga Khan Development Network (AKDN) that works with health, education, culture, rural and economic development in over 25 countries (see Appendix 3 for the AKDN organization diagram). The AKDN had a total non-profit budget of USD 450 million and the AKFED generated USD 1.5 billion in 2008 from all countries. The chairman of AKDN is Aga Khan, and he is the 49th spiritual leader of the Shia Ismaili Muslim community worldwide. This religious-rooted development agency is however a "*non denominational, non religious, international development agency*" (January 2012, Roshan CSR Director). Aga Khan himself is the spiritual leader that of the AKDN, and is not only interpreting the faith, but the leader also "… *has responsibilities in improving life quality of populations at the base of the pyramid*"[16]. For over 50 years this has meant that AKDN has played an important role as a development agency in fragile states of Asia and Africa. Donors and partners of AKDN have donated over USD $700 million to Afghanistan through the AKDN[17]. Aga Khan directly donates $200 millions of which $150 million was spent up to 2010[18]. According to Roshan, there are "*...no religious implications or obligations that impact Roshan, and Roshan as well as other AKFED companies and AKDN projects are secular and independent*" (January 2012, Roshan CSR Director). Thus, Roshan is in this paper viewed as a company that is purely run as a for-profit company, where all investors have relative influence according to their share of capital invested in Roshan.

5.4. CSR in Roshan

However, since AKDN is the largest investor in Roshan's consortium, the focus on 'sound enterprises' is highlighted, as Roshan put efforts and capital in more than traditional business operations. Besides being one of the leading businesses in Afghanistan, Roshan has also won several awards from the Telecom World Awards Middle East for its social and developmental engagement in Afghanistan[19]. Roshan emphasizes its role in the social and economical development in its business vision as they state "*We are the benchmark emerging market telecommunication company that focuses on our customers, stakeholders and employees, providing quality and value in an ethical manner while contributing to the social and economic development of Afghanistan within the re-*

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[16] http://www.akdn.org/about.asp

[17] http://www.akdn.org/afghanistan

[18] http://www.akdn.org/Content/955

[19] http://roshan.af/Roshan/Roshan_Community/Roshan_Community/Recognition.aspx

gion"[20]. According to Roshan, private companies have an important role in the reconstruction of Afghanistan by using the engine of business to address poverty and social change (Interview February 2010, Roshan CSR Director).

The CSR department was initiated in 2004 one year after Roshan was established and has up to 2010 spent over USD 6.5 million since 2004. The first projects were seen as an 'add-on' activity for the business operations, as Roshan lacked experience and knowledge about CSR in Afghanistan. After some philanthropic projects, the CSR was integrated as an important department in organizational structure of Roshan. Today, the CSR department presents CSR budgets and projects to the board of directors in Roshan once a year and together they decide whether the presented projects are aligned with the Sales, Security and HR department goals of Roshan for that year. The selection of the projects depends on whether there exist "the ability to address and solve a big societal problem while at the same time achieve short or long-term benefits for the Sales, HR and Security departments of Roshan" (January 2012, Roshan CSR Director).

Roshan states to have a "… *holistic approach to development whereby the end result is both sustainable and provides the foundation on which other positive efforts can be leveraged leading to a brighter future*"[21]. This holistic approach is described by having a *'multiple-input view'* on poverty, where generating jobs and in-come alone is not covering all aspects of poverty in Afghanistan (Interview February 2010, Roshan CSR Director). Instead Roshan aim at fighting poverty with multiple inputs in terms of different projects that covers areas such as commerce, health, social welfare and education[22].

5.5. Selected CSR projects from Roshan

In the following five different CSR projects will be described. These projects are chosen because they each provide different aspects of CSR in Afghanistan as noted in the methodology section. The Afghan Medical Insurance Project and the Roshan/Cisco Networking Academy project represent CSR projects at internal firm-level, while the WPCO project explains how Roshan deals with CSR

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[20] http://roshan.af/Roshan/About_Roshan/About_Roshan.aspx

[21] http://www.roshan.af/Roshan/Roshan_Community/Approach.aspx

[22] http://www.roshan.af/Roshan/Roshan_Community/Roshan_Community/Key_Sectors.aspx

in relation supplier-level. Finally, the last two projects represent examples of CSR at wider-societal level.

Afghan Medical Health Insurance

The first CSR project is the Afghan Medical Health Insurance, which is directed towards Roshan's employees and states to be the first employee insurance in Afghanistan[23]. The insurance covers all Roshan employees in regards to surgery, out-patient care, maternity, in-hospital accommodation, cancer treatment, kidney dialysis treatment, physiotherapy (ibid). This CSR project was initially started as a response to these challenges in the society, as expatriate staff of Roshan could not be guaranteed professional medical care in Afghanistan. Roshan therefore initiated this project as its first CSR project in Afghanistan and has since developed both the clinic's facilities and capacity. The clinic is not only serving Roshan's expatriate staff, but also the local staff[24]. The Afghan context has therefore highly affected the initiation of this CSR project, and though, more private health clinics and hospitals have emerged in Afghanistan today, the cost of medical treatment is still high for a majority the poor population. Roshan is therefore running the Clinic as not-for-profit, where the treatment fees from expatriates is subsidizing the medical costs for the local staff[25].

With this project, Roshan was able to initially react on the lack of medical care in Afghanistan for its (expatriate) employees, while creating low-cost medical treatments for the local people as well. (See Appendix 4 for photo).

Roshan/Cisco Networking Academy

The second project is the Roshan/Cisco Networking Academy, which aims to develop young Afghan (IT) students' IT networking skills. Cisco and UNDP provided support to the education of 600 Afghan students of both male and female participants in 2007[26].

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[23] http://www.roshan.af/Roshan/Roshan_Community/Work/Communities/Afghan_Medical_Health_Insurance.aspx

[24] http://www.roshan.af/Roshan/Roshan_Community/Work/Communities/the_clinic.aspx

[25] http://roshan.af/Roshan/Roshan_Community/Work/Communities/the_clinic.aspx

[26] http://www.roshan.af/Roshan/Roshan_Community/Work/Women/Cisco_Network_Academies.aspx

Afghanistan is severely lacking professional capacity in many sectors, and especially the business and technical expertise are lacking. As stated earlier, the post-conflict legacy of Afghanistan has led to a fragile education system, ill-equipped schools and lack of modern teaching material and capacity. This CSR project aims to train technical IT network experts in a context that lacks high skilled labor. This capacity building approach is not only related to these IT networking skills, but is used as a more broad-ranging approach, where Roshan has developed the capacity of the local employees in a variety of fields since the startup of Roshan in 2003 (Interview February 2010, Roshan CSR Director). (See Appendix 4 for photo)

Women Public Call Offices

Third, the Women Public Call Office (WPCO) is a CSR project that aims to empower Afghan women by offering an opportunity to run their own call offices. These call offices are physically located in both urban and rural areas, where the owners (in this case the women) manages multiple phone boxes located in one room, and charges per minute for each call. The call offices are demanded by local customers who do not have mobile phones or ordinary phone lines at home, and are willing to pay certain minute rate for phone calls within and/or outside Afghanistan. Roshan is supporting the women running these small businesses with a ´business kit', that contains subsidized rates per minute from the Roshan phone network, necessary phone equipments and material, and an official Roshan signboard. USAID and the local NGO 'AfghanAid' is an implementing partner along with First Micro Finance Bank Afghanistan, which is an AKFED microfinance agency facilitating a microfinance loan for the women to start-up their businesses[27]. (See Appendix 4 for photo).

Malomat

Fourth, like the WPCO project, the Malomat (in English 'information') project is another example of improving the demand conditions for Roshan's business. This CSR project aims to provide access to updated market information on 25 agricultural commodities in 11 wholesale markets from 5 different provinces in Afghanistan[28]. From a contextual perspective, this project enables access to

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[27] http://www.roshan.af/Roshan/Roshan_Community/Work/Women/Women_Public_Call_Office.aspx

[28] http://roshan.af/Roshan/Roshan_Community/Work/Communities/Malomat.aspx

market information such as pricing and markets trends. The agro-business challenge in Afghanistan is that farmers do not know the latest market prices for their corps and are consequently not generating the highest value for their crops (ibid). A survey by the World Bank in 2008 showed that lack of telecommunication and thereby communication for business purposes was one of the major top ten challenges for business in Afghanistan (WB Investment Climate report 2010: 9). This project is therefore created to provide farmers with market information through either the SMS technology or the Interactive Voice Response, where illiterate farmers can call a specific Roshan-number and get the latest prices by voice services in several local languages. The project has potential for very large customer group as more than 70% of the Afghan population is dependent on agro-economy (ibid).

Telemedicine

Fifth is the Roshan's Telemedicine project, which was initially established in 2007 and later in 2009 also added projects from remote areas such as Bamiyan province in the mountainous central Afghanistan. Through this CSR project, Roshan supports local hospitals in remote areas such as Bamiyan and Badakhshan provinces of Afghanistan. This is done by providing telecommunication services that enable the medical staff of the hospital to get medical diagnoses, teaching and advices from central hospital in Kabul and from the Aga Khan University Hospital in Karachi, Pakistan[29]. The project is pioneering as this broadband telecommunication technology enables wireless video conferencing and digital image transmission between Bamiyan and Badakhshan to other hospitals, which has never been possible in Afghanistan before (ibid). Roshan has 3-year budget of $1.5 million USD for this project in Bamiyan, which covers a 3-year grant for the hospital to use the technology. In return, after the 3-year grant from Roshan, the hospitals are expected to independently sustain its broadband connection costs resulting in ongoing subsidized $300,000 connectivity revenue for Roshan (Interview January 2012, Roshan CSR Director).

This project is established in a partnership with the Afghan ministry of Health, the Aga Khan University Hospital (AKUH) in Karachi, Pakistan, and the French Medical Institute for Children, which is a non-profit health institution that provides sustainable medical policies and treatments, in partic-

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[29] http://www.roshan.af/Roshan/Roshan_Community/Work/Communities/Telemedicine.aspx

ular, for the children and their mothers[30]. The AKUH is providing the professional medical knowledge and training, and is one of the nine Aga Khan Development Network organizations, which provides developmental assistance to the Afghan Government in relation to constructing a national health care system[31]. Roshan expects the Telemedicine project to have large developmental potentials in the Bamiyan and Badakhshan provinces, which suffer from lack of qualified medical staff and is in general a very poor province (Interview May 2010, Roshan CSR Director). (See Appendix 4 for photo).

5.6. What are the strategic benefits of CSR for Roshan

In this section, it will be analyzed whether and how Roshan gains strategically from its CSR projects. Initially, the CSR projects will be related to inside-out and outside-in dimensions to assess whether Roshan's gains strategically from each project. Hereafter, the CSR projects will be related to the strategic CSR criteria to assess how the projects comply with all the criteria set for strategic CSR.

CSR and competitive advantage

In accordance with Porter and Kramer, CSR can be strategic if it adds value to the value chain activities (inside-out) and/or the competitive context (outside-in) dimensions (Porter and Kramer 2006). The above-described five CSR projects from Roshan will be related to these two strategic dimensions.

Inside-out dimension

Primarily two projects relate to the inside-out dimension; the Afghan Medical Health Insurance project and the Roshan/Cisco Networking Academy project. Both projects take their point of departure in internal affairs, as health and education of Roshan's staff are key aims of the projects.

With the Afghan Medical Health Insurance project, Roshan was able to react on the lack of medical care in Afghanistan for its (expatriate) employees, while creating low-cost medical treatments for

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[30] http://www.chainedelespoir.org/all-the-files/afganistan-dossier/?lang=en

[31] http://www.akdn.org/agencies.asp

the local people as well. The strategic gains for Roshan in this CSR project are thereby two-folded, as health care is assured for the international and national staff of Roshan, while the subsidized cost of medical care are offered to the local society, which in many ways could appeal to the needs of a large population group in Kabul.

This project has a potential for 'shared value' for both Roshan and the society, though the 'society' here is Roshan's employees and their relatives. Access to health clinics and professional medical care was and is to some extend severely limited in Afghanistan (Interview May 2010, Roshan CSR Director). The strategic gains of the project are healthier employees, which is an important aspect of the human resource management component in the value-chain model. Additionally, Roshan states that "… *this project is directly seeking to retain existing employees…, and is also viewed as an incentive to attract the best employees to Roshan*" (Ibid). This CSR project thereby has not only inside-out effect, but also both an outside-in effect, as skilled staff can be seen as an important 'input factor' for Roshan's business. By retaining and attracting the 'best' of the employees from its competitors, Roshan gets important strategic benefits from this CSR project. The CSR project has thereby also influenced the competitive context by making employee insurance a part of employee benefits of the company in a context that has one of the lowest life expectancy rates in the world as noted in the background section.

The Roshan/Cisco Networking Academy project is also related to the inside-out dimension. This CSR projects relates to the Human Resource Management support activity of the value-chain model, as it is improving the technical skills of a specific work force group in Afghanistan. The CSR project is very likely to enhance the local capacity that Roshan's work is dependent on. The Roshan/Cisco Networking Academy is therefore targeting current and future employees of Roshan, as the skills learned at the academy are highly important for Roshan's business activities and can be considered as training of either current and/or future employees. Like the above-mentioned Health Insurance project, this project similarly has both outside-in and inside-out competitive advantages for Roshan in regards to retaining and attracting new skilled employees from the competitors. Due to the lack of education and skill building institutions in a fragile state and least-developed context, projects that improve specific IT skills are highly needed and demanded by the local population. Therefore, this project not only relates to Roshan's current employees, but also attracts the best employees on the market, as opportunities for skill advancement is provided. Furthermore, it is worth noting that projects such as these create goodwill for Roshan, and as Roshan puts it: "… *Afghanistan after decades of war lack educational institutions and the technical capacity has to be built up*

by Roshan …" (Interview May 2010, Roshan CSR Director). Specific technical educational programs such as these are therefore highly appreciated by the local population.

Outside-in dimension

The remaining three CSR projects are all mainly relating to the outside-in dimension, as their point of departure is to influence the competitive context.

From Roshan's strategic point of view, the WPCO project touches upon 'demand conditions' and supports 'related industries', both which according to *outside-in* approach improve the competitive advantage of Roshan (Porter and Kramer 2006: 9-11). First, the demand for Roshan's services is increased, as the project improves women's 'telecommunication literacy' in Afghanistan (Interview May 2010, Roshan CSR Director). In other words, the more women in Afghanistan become aware of the telecommunication equipments and systems in general, the more demand they are like to create for Roshan. Due to past decades of war, the Taliban regime and the Afghan/Islamic traditions in general, women in particular are the most vulnerable group of the population. During the Taliban regime, women throughout the country were not allowed to leave their homes for work or study, and in many provinces women still face these restrictions and are forced to be with a male 'guardian' outside their houses (Interview May 2010, Roshan CSR Director). Thus, the vast majority of women in Afghanistan is illiterate and is highly dependent on male family member's income. From a business perspective, Roshan cannot utilize the potentials in this major customer segment as long as they are not familiar with telecommunication services and are highly economically dependent on men in their families. This project addresses some of these societal challenges in Afghanistan, as the group of women who run the WPCOs is supported to become familiar with entrepreneurship and telecommunication services and thereby relatively more economically independent. Furthermore, the WPCOs create a female-friend environment, where gender-segregated requirements from the local customers can be achieved. Practically, this means that women, who were not allowed to visit ordinary PCOs, can be allowed by their family to use the WPCOs since a woman is servicing the WPCOs (Interview May 2010, Roshan CSR Director). This could create increased demand opportunities for Roshan, as a majority of women in both urban and rural areas of Afghanistan can hereby use the telecommunication services, which they were restricted from earlier with PCOs that were run by male manager. In sum, this CSR project have the potentials to create not only societal

benefit for the women managing the WPCOs, but have also a strategic relevance for Roshan, as a ´hidden´, new customer segment can be reached through this project.

Moreover, the WPCO project is also supporting the creation of new women vendors in the telecommunication sector, which can be seen as a related industry for Roshan. As the number of entrepreneurial women increases, the amount of vendors is increasing, which altogether have potentials for easing the access and familiarity with telecommunication for the women especially. This improves the competitive context for Roshan, as Roshan's services are more physically visible, more customized, and finally the new vendors are directly dependent on Roshan's services. In sum, this CSR project is primarily affecting the competitive context from an outside-in dimension, where demand conditions for Roshan's services are increased and women's vendors are supported as a minor related industry.

Another example of the outside-in influence on the competitive context is the Malomat CSR project. First, this project enables Roshan to create a new market for telecommunication services, as a specific agricultural businessmen customer segment is targeted. The agricultural sector is the largest economic sector in Afghanistan employing over 70% of the population (WB Economic report 2011). Since this huge sector's major challenge is to gain (or up-to-date) market information, the market potential is therefore huge for Roshan's services. Secondly, this project not only creates demand for Roshan's products, but it also creates a customer dependency to Roshan, as no other telecommunication competitors in Afghanistan provide these tailored services. Roshan thereby uses its core competencies in the telecommunication services to deliver social benefits for agricultural businesses, while Roshan gains access to a large new potential market. Like the former CSR project, this project also supports related industry, as the agricultural business sector is getting market information from Roshan's tailor-made services. Thus, the outside-in effect is to enhance the demand conditions by providing tailor-made services to agricultural businesses, and to support the agricultural business sector as related industry.

Finally, the Telemedicine CSR project is a CSR project that has outside-in effects on Roshan's competitive context. Like the other projects, this project takes its point of departure from societal need, as Afghanistan and especially remote areas such as Bamiyan province, are highly suffering from lack access to medical treatment. As described in the background section, the societal needs for improved medical care and facilities are enormous and the challenges for the government to deliver health services are thus massive. Therefore this CSR project has potentials to improve health

services in remote areas of Afghanistan, and is welcomed by not only the governmental institutions, but also by the NGOs and other civil society organizations within this field of work.

From a business perspective, the Telemedicine project is one of the most expensive initiatives by Roshan, and has important strategic relevance; e.g. enhancing the demand conditions and supporting relating industries in several ways. First, the Telemedicine can create a new market for telecommunication services for Roshan, as "… *Roshan provides the infrastructure in terms of the technical network and facilities required for connecting hospitals and enabling transfer of images, video and information.*" (Interview May 2010, Roshan CSR Director). If the current projects are realized and create beneficiary outcome for all partners, the use of 'telemedicine' can be necessary in the struggle against the enormous health issues in Afghanistan and can thereby be replicated to many other remote areas of Afghanistan. Moreover, this technological approach is not only noteworthy for the health sector, but 'tele-development' can also be an important tool for reaching remote areas in other developmental sectors in Afghanistan, which face difficulties of remoteness.

Second, the involvement of AKUH is also an important strategic synergy for Roshan, as not only Roshan can gain strategically from the project as described above, but AKUH can also improve its developmental impact through this project. AKUH is in Afghanistan as a development agency, and struggles like many other NGOs and donors to reach remote areas in Afghanistan due to lack of security and infrastructure. The Telemedicine project can overcome this challenge, which can enhance AKUH's developmental impact in these remote areas significantly. Moreover, since both Roshan and AKUH are part of the AKDN, the Telemedicine project enables the cooperation of AKDN organizations and the success of this cooperation is not only a strength and success for Roshan and AKUH, but also for the whole AKDN.

Burke's criteria for strategic CSR

While Roshan' CSR projects are assessed to provide competitive advantage to Roshan, other criteria are to be applied to fully assess whether Roshan's CSR is strategic CSR or not. Thus, four remaining criteria (centrality, proactivity, voluntarism and visibility) will be related to the CSR projects in the following. The 'specificity', relating to whether Roshan gain competitive advantage from its CSR projects (Burke and Logsdon 1996), is already analyzed in the section above and will not be included in the following analysis.

Centrality

Centrality questions whether the CSR project is central to Roshan's vision, business strategy and goals (Ibid: 497). The five mentioned CSR projects have a close relation to Roshan's business vision stated earlier[32], and are therefore all complying with the 'centrality' criteria. The Medical Insurance and the Roshan/Cisco Networking Academy are relating to employees health and educational progress, which are both very central to Roshan's business vision. 'Focus on employees' is specifically mentioned in Roshan's business vision statement described in the 'Roshan as a company' section of this paper. Moreover, health and educational progress is highly related to the existence of Roshan, as employees are key assets of a service company. However, from a critical point of view it can be discussed whether all projects are equally central to the *business strategy and goals*? (Burke and Logsdon 1996: 496-497). Here the Medical Insurance project seems to have a relatively vaguer centrality than the other projects, as employee health has a more indirect impact on the business goals. The other four projects have a more direct attachment, as they as mentioned earlier create new markets or increase demand for Roshan's services.

Another type of centrality is found in the three CSR projects, as they share a close link to Roshan's business strategy of being a company that "contributes to social and economic development of Afghanistan"[33] As described in the outside-in dimension section, the WPCO, Malomat and Telemedicine projects are all taking point of departure from societal challenges in Afghanistan. These projects can thereby be seen as Roshan's contribution to socio-economic development of Afghanistan. Additionally, it is worth mentioning that all three projects are assessed to increase the demand conditions for Roshan, which is highly relevant for Roshan' business goals.

Proactivity

All the CSR projects – except the Medical Insurance project - can in some degree be viewed as proactive efforts from Roshan, as they are planned to prevent crisis or to create markets that are yet not established. However, the Medical Insurance project is more reactive, as Roshan after establishing

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[32] *"We are the benchmark emerging market telecommunications company that focuses on our customers, stakeholders and employees, providing quality and value in an ethical manner while contributing to the social and economic development of Afghanistan within the region"* - http://roshan.af/Roshan/About_Roshan/About_Roshan.aspx

[33] http://roshan.af/Roshan/About_Roshan/About_Roshan.aspx

in Afghanistan realized the need for Medical Insurance and clinic facilitates for their expatriate staff. In contrast, the Roshan/Cisco Networking Academy is an example of preventing critical situations, where lack of technical skills and competences are proactively avoided. The other three projects are all proactively creating new markets as analyzed earlier that are not yet targeted either by Roshan or other competitors. Thus, it is assessed that Roshan's CSR can be proactive as they foresee trends, markets and crisis, however, the Medical Insurance project is rather reactive.

Voluntarism

As part of Roshan's proactive approach, all CSR projects are also on voluntary basis. This means that the CSR projects are fully initiated and implemented by Roshan's interest and priority. There has not been any regulatory pressure on Roshan to engage in these CSR projects from the Afghan state or other relevant authorities. However, it can be discussed whether there has been societal pressure, as all projects take point of departure from societal needs. An elaboration of this social pressure is the main concern of this paper and is thereby not covered, however future research has to describe and explain which social pressures are put on firms, by whom and why? The key point though is that Roshan has voluntarily engaged in projects and has been solely decision-maker in regards to which project, how to implement and where to focus both geographically and developmental-wise.

Visibility

Finally, the last criterion is whether Roshan's CSR projects have been visible to stakeholders? (Burke and Logsdon 1996: 497) Roshan has very descriptively communicated its CSR projects through their webpage and have through TV commercials made several approaches to visualize Roshan's CSR efforts to their stakeholders[34]. Additionally, Roshan states that a part of their employee and customer satisfaction is that Roshan is actively engaged in developmental projects (Interview February 2010, Roshan CSR Director), and is recognized for its CSR efforts by winning several CSR awards in the region as described in the 'CSR in Roshan' section of this paper.

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[34] http://www.youtube.com/watch?v=Ntaq-R1WvOU

5.7. Sum up

The projects described and analyzed in this section share a common feature: they are all Roshan's responses to the developmental challenges in Afghanistan. The CSR projects can thereby be related to 'license to operate' motivation, where businesses engage in societal projects in order to improve the Afghan state's fragility and the least-developed attributes of Afghanistan mentioned in the background section. The analysis of Roshan's CSR project reveals that the afghan context is highly affecting Roshan's CSR and causes in many ways Roshan's engagement in CSR. The Medical Health Insurance and the Roshan/Cisco Networking Academy projects are direct responses to the lack of quality health care and education in the Afghan society, but are also based on Roshan's business needs for capacity building and health care provision for their staff. Likewise the WPCO, Malomat and Telemedicine projects take a common point of departure from different societal needs that are externally influencing Roshan's competitive context. The post-conflict and fragile-state attributes of the Afghan context are interrelated causes for Roshan's CSR projects. However, the projects also share the common feature that they all aim to enhance the competitive advantage of Roshan through either an inside-out and outside-in dimensions as analyzed above.

Furthermore, the five CSR projects show that each project has strategic implications for Roshan and mostly comply with the five criteria set for assessing strategic CSR. Hence, Roshan seems to exercise a proactive and integrative approach towards its CSR in relation to its business strategy, as prescribed (Porter and Kramer 2006). Therefore, the CSR projects addressed in this analysis are deemed to have strategic implications Roshan's business. However, the next section discusses whether this is applicable to the theoretical notion of 'strategic CSR' and whether the findings can be generalized to other firms and sectors in a least-developed country context.

6. Discussion

The insights on strategic implications of CSR in Afghan context are raising interesting questions on whether least-developed contexts enables strategic CSR per se or whether the firm's capacity to cope with the contextual opportunities to gain strategically from CSR is also important to consider? Second, the insights also raise a discussion of what the theoretical understanding of 'strategic CSR' is and whether this can be implemented in reality?

First, the paper shows that Roshan is able to benefit from the contextual conditions, but is the least-developed country context also enabling businesses to gain strategically from CSR? From a business-perspective, Afghanistan offers a transition economy context with a growing market within e.g., the telecommunication sector. The Afghan context has moreover 'enabled' the companies to be the main drivers of CSR, as civil pressures or regulations are absent in relation to the responsibilities of companies. This enables the companies to relate CSR projects to their business strategies, as no other actors in the society are affecting the prioritization, implementation and evaluation of the CSR practices. This 'pick and choose' option for companies offers an opportunity to exclusively decide the range of CSR practices, and thereby ignore other CSR issues such as; labor rights, child work and environmental issues (Visser 2009). However, instead innovative CSR projects are directed towards local competitive business needs, where Roshan as an example gains through a proactive approach in relation to; education, health, private sector and community-development projects. This indicates that in Afghanistan in contrast to developing country contexts, CSR projects are solely directed by the businesses based on the developmental challenges that are facing them. This is highly related to the lack of pressure on businesses in Afghanistan, and therefore, CSR practices are much more directed towards spheres, where the companies are viewing themselves as a crucial partner of the reconstruction of Afghanistan – at least in the case of Roshan. Locally the pressures for CSR are also absent due to weak civil society and the 'fragile state'. The state regulations and incentives for CSR are not in place, and even if they were, the enforcement of these is highly questionable in one of world's most corrupt states. This gives Roshan free room for maneuvering CSR in accordance to its strategic priorities and interests. Another related reason is that a critical voice from the civil society is missing in the Afghan CSR 'debate'. Large INGOs in Afghanistan are mainly concerned about the vast demand for social services and the delivery challenges of these. They have therefore not prioritized nor engaged in CSR discussions with businesses (December 2011, anonymous INGO Manager in Kabul). The findings also show that none of the mentioned CSR projects were initiated or pressured neither by the state institutions through law enforcement nor by the civil society organizations in Afghanistan. With the currents fragility and corruption within the Afghan state, and the civil society as a fragmented actor with a short history, this is not surprising.

However, the private sector in Afghanistan is also facing severe barriers for growth due to the contextual settings, and the findings above indicate that businesses can view themselves as 'victims' of the massive developmental challenges in Afghanistan (Blowfield 2010). This view on the business-

society relationship can lead to active and proactive responses from the businesses towards the development challenges (ibid). This is also evident in the telecommunication sector in Afghanistan, as the vast majority of CSR projects are related to the 'wider-society' level as described in table 1 and 2. But the insights from the five CSR projects in Roshan also show that Roshan gains strategically from all three levels of CSR, e.g. internal, business partner/supplier and wider-society level (Blowfield and Frynas 2005: 503). Though, it is indicated in the literature review that there is a shift from CSR at internal level towards societal level, the findings in this paper show that this shift is not applicable in the Afghan context. Rather, CSR is related to all levels of CSR without any successive logic as indicated in the literature. Hence, businesses utilize CSR as a tool to respond on the barriers for growth they meet in the Afghan society and reacts based on the 'license to operate' motivation. Therefore the engagement of businesses in CSR projects also has a strategic relevance, as shown in Roshan. The five examples in this paper show that Roshan uses CSR to improve its business environment while 'doing good' for the society – at least according to Roshan itself (Carroll and Shabana 2010).

Second, though the projects in this paper indicate that Roshan can gain strategically from CSR, it is questionable whether other firms or business sectors can replicate Roshan's approach and gain same results. The analysis section clearly indicates that the Afghan context is providing several opportunities for business to proactively engage in and gain strategically from CSR by enhancing its competitive advantage. Table 1 and 2 also indicate that Roshan's competitors are all engaged in CSR practices and dominantly at the wider-society level. However, the strategic analysis of CSR in this paper only focuses on Roshan's CSR, and can therefore not clarify whether other firms in the afghan telecommunication sector have equal, less or more strategic benefits compared to Roshan. Though, it is worth mentioning that AKDN's influence is a major factor in Roshan's CSR approach. First, AKDN's developmental attributes highly influence Roshan due to AKDN's 51% ownership through AKFED of Roshan, as described earlier. AKDN influences Roshan's business strategy towards a more developmental company, which not only focuses on profit but also in the socio-economic development of Afghanistan. This is addressed in Roshan's business vision statement, as indicated in the assessment of 'centrality' of CSR earlier. Second, since AKDN is a developmental agency, Roshan has better partnership possibilities than any other of the competitors. This is shown in the Telemedicine project, where AKUH is an important partner. This benefits Roshan, as key developmental areas and synergies between business and development can be addressed by Roshan due to AKUH' assumed expertise in the development field. Third, this has led to increased focus on

CSR by Roshan, and has furthered the prioritization of CSR as a part of its business strategy, which other competitors can have difficulties to match. In short, least-developed contexts such as the Afghan provide several opportunities to gain strategically from CSR due to the state's fragility and lack of development in general. However, capabilities at firm-level are also required for gaining strategically in a context that leaves free room for maneuvering. A major factor for Roshan to gain strategically from CSR is AKDN's majority share in Roshan, which has influenced Roshan to be proactive and socially aware. It is therefore questionable whether other companies in the telecommunication sector can gain equally as Roshan. Likewise, it is doubtful that companies in other service sectors can have same advantages as Roshan has due to its AKDN development network. Therefore, it is highly possible that other businesses in other service sectors can be engaged in CSR projects, but whether they gain strategically from their CSR projects through Roshan's approach, is rather doubtful. Hence, more research is required to gain insights on whether other businesses gain strategic benefits from CSR and if so how and when?

This leads to the second discussion on how to assess strategic CSR theoretically and empirically. The CSR drivers in Afghanistan are somewhat unique for least-developed countries, as CSR is exclusively driven by socio-economic priorities (Visser 2009). The case of Roshan's CSR practices in this paper shows that the massive developmental needs of Afghanistan have influenced the CSR practices of Roshan. The five Roshan CSR projects show that in least-developed state contexts, CSR can be a necessity for companies to overcome the contextual development barriers. Therefore CSR is not an add-on choice for Roshan, but has a strategic relevance, implication or benefit, which improves the competitive advantage of Roshan in the telecommunication sector in Afghanistan (Porter and Kramer 2002, 2006). Although, this appears to be close to what is stated in Porter and Kramer's work on strategic CSR, there are still difficulties in concluding that Roshan's CSR is strategic and more importantly contains the 'shared value' notion. This requires that *"…choices must benefit both sides. If either a business or a society pursues policies that benefit its interests at the expense of the other, it will find itself on a dangerous path*" (ibid 2006: 10). From a critical perspective one could argue that Roshan's CSR, despite being proactive initially, takes its point of departure from a business objective and thereby includes societal needs ad-hoc rather than as a continual and integrative element of their CSR and business strategy. This leads to a discussion on whether Porter and Kramer's theoretical work on strategic can be implemented empirically, as profit-seeking business by nature take point of departure in the capital accumulation goal before integrating social

needs and demands. In other words, can strategic CSR meant as equal integration of social needs and business motives ever exist? Moreover, the paper contains no measurement and analysis of the societal gains and impact of the CSR projects analyzed. The developmental aspects of CSR in Afghanistan require further research from a critical CSR perspective on. Nevertheless, the projects analyzed in the paper have elements of strategic gains, which provide new and probably surprising insights on CSR in Afghanistan to the CSR literature.

To sum up the discussion, CSR in Afghanistan, in the case of telecommunication, is driven by the businesses and their CSR interests, priorities and goals. Hence, the least-developed context is providing incentives for businesses to gain strategically from CSR, however at the end gaining strategically from CSR is highly dependent on the businesses' abilities rather than on the contextual restrictions. The Afghan context offers an unregulated environment without civil pressures, through which a proactive and strategic CSR approach can lead to great benefits for businesses as seen with Roshan's CSR projects. However, the Porter and Kramer's argumentation that businesses should focus on creating a 'shared value' to enhance the competitive advantage of firm, seems questionable due to the for-profit nature of firms. Anyhow, this paper indicates that from a business perspective, CSR appears to be applicable and relevant for strategies of businesses in a least-developed country context – even at all three CSR levels.

7. Conclusion

Strategic CSR is a buzzword among practitioners and scholars of CSR, still insights on how CSR is related to business strategy in least developed state contexts are very rare in the literature. To provide new insights on this issue, this paper has focused on how 'Roshan' a telecommunication company gains strategically from CSR in a least-developed state context such as Afghanistan. This has been done by focusing on the telecommunication sector and in particularly on CSR from Roshan as one of the leading companies in Afghanistan.

First, this paper provides an overview of CSR practices in the Afghan telecommunication sector, which indicates that most CSR projects in Afghanistan are related to wider-society-level. Here the main CSR themes are community development/ social welfare, health, and education projects. Despite the fact that the vast majority of CSR practices are held towards the wider-society level, Roshan in particularly acknowledges the internal and business partner/supplier level.

Second, based on five CSR project examples, the paper indicates that Roshan's CSR has strategic relevance and implication for Roshan's business strategy. This is shown by explaining how CSR relates to Roshan's competitive advantages and by assessing the five criteria set for strategic CSR; centrality, specificity, proactivity, voluntarism and visibility (Porter and Kramer 2002, 2006, Burke and Logsdon 1996). The 'license to operate' logic seems to be the main driver behind CSR, as Roshan's CSR practices show that the massive developmental needs of Afghanistan have influenced the CSR practices of Roshan. Projects such as the Medical Health Insurance and the Roshan/Cisco Networking Academy are Roshan's response to ensure a healthy and skilled working staff within the company. Likewise, many of the CSR practices in Roshan are related to societal affairs, as CSR efforts are made by Roshan to improve the demand conditions and the competitive context in large. The Telemedicine, Malomat and WPCO projects mentioned in this paper highlights these strategic elements in Roshan's CSR. The Roshan case shows that in least-developed state contexts, CSR can be a necessity for companies to overcome the contextual development barriers. Therefore, CSR is not an add-on choice for Roshan but has a strategic relevance, which improves the competitive advantage of Roshan in the telecommunication sector in Afghanistan (Porter and Kramer 2002, 2006). Moreover, the theoretical implication is that Roshan in Afghanistan gains from all levels of CSR, which differ from the societal focus indicated in the strategic CSR literature.

Third, it is discussed that the Afghan context has enabled Roshan to gain strategically from its CSR projects. Roshan is one of the largest firms in Afghanistan, with a developmental legacy as a mem-

ber of the AKDN, and has utilized the contextual factors to gain benefits from CSR. However, this paper cannot conclude whether other companies in the Afghan telecommunication sector or in other sectors can utilize CSR strategically in the same way. Roshan has engaged in CSR proactively, and has therefore been able to prioritize, implement, and evaluate its CSR practices, and has in this was utilized CSR as a tool for enhancing its competitive advantage in Afghanistan. Based on these insights, the broader picture of CSR in least-developed contexts is that businesses have the opportunity to gain strategically from tailor-made CSR. Due to the massive developmental needs and the fragility of state institutions and other civil actors in the society, businesses in these contexts can have more latitude for CSR maneuvering in regards to defining CSR topics, beneficiaries, partner relations, and the relation to core business activities. In least-developed state contexts, the businesses are the main drivers of CSR, and thereby have options for affecting the win-win situation e.g. the shared value proposition. However, despite connections to societal needs, the CSR projects analyzed here are primarily focusing on the value for business, which questions if and when the 'shared value' for both business and the society can be equally integrated.

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9. Appendix

9.1. Appendix 1 – CSR projects in the telecommunication sector

Roshan: (http://roshan.af/Roshan/Roshan_Community/Work.aspx)

1. Youth Sports and Social Development Centre

2. School Construction

3. One Laptop Per Child

4. TV Programs

5. Playground Project

6. Soup Kitchens

7. Stars Sing Out

8. Roshan/Cisco Networking Academy

9. Women's Public Call Offices

10. Malomat

11. Telemedicine

12. Build A Well Project

13. Pamir Power Project

14. Alternative Livelihoods Program

15. The Clinic

16. Dental & Health Workshops

17. Afghan Medical Health Insurance

Etisalat: (http://www.etisalat.af/socailwelfer.php)

1. Annual Food Distribution

2. Annual Quran Recitation Competition

3. Social Welfare projects

4. Sport sponsorships

5. PCO cycle for handicapped

MTN: (http://www.mtn.com.af/Details.aspx?pageid=66)

1. Community health care centers in remote areas

2. Support to "Gynaecology" hospitals

3. Emergency situations, like earth quakes, severe flooding, epidemic outbreaks

4. Scholarship for students, on excellence performance or any other merit that the MTN may prefer

5. Contribute in reconstructing schools and orphanages

6. Contribute in reconstructing some broken bridges and digging water wells for people

7. Providing support to Internally Displaced People (IDP) due to war or civil conflict

Afghan Wireless Foundadation (http://www.bayatfoundation.org/DefaultNxt.aspx)

1. Support to hospital construction

2. Support Water well construction

3. Empowering Women Grant in business, justice and humanity

4. Ramadan Food Distribution

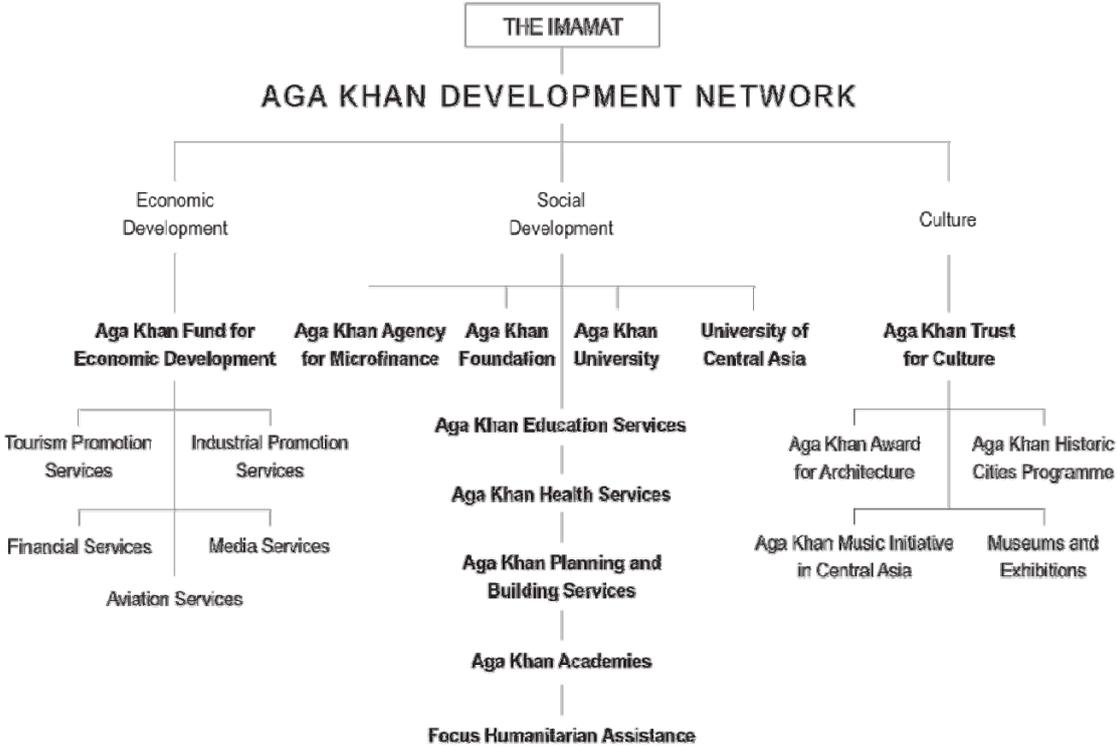5. Winter Aid Distribution

6. Educational Learning Centers

7. 'Walk to Help Save an Afghan Mother and Child' in USA

8. Awards Grant for Children's Songbook

9. Afghan Symposium Humanitarian and Leadership Engagement to establish an Afghan Trusted Network., Washington, DC

10. Earth Day

11. Establishment of Afghan Trusted Network

12. Support to Orphanage schools

9.2. Appendix 2 – Afghanistan Map:

Source: http://geology.com/world/afghanistan-map.gif

9.3. Appendix 3 - AKDN organisation

AGA KHAN DEVELOPMENT NETWORK

Source: http://www.akdn.org/organigram.pdf

9.4. Appendix 4 - Photos

Picture 1: Roshan Logo and name in Afghan languages

Source: Roshan.af

Picture 2: The Clinic responsible for treatment of Roshan staff

Source: Roshan.af

Picture 3: Female and male IT students attending at the Roshan/Cisco Networking Academy.

Source: Roshan.af

Picture 4: Women Public Call Office – a local female WPCO manager under supervision

Source: Roshan.af

Picture 5: The author using the Telemedicine facility to interview doctors in remote provinces of Bamiyan (left screen) and Badakhshan (right screen)

Source: Photo by Hammad Durrani (FMIC)

9.5. Appendix 5 – Abbreviation

AKDN – Aga Khan Development Network

AKFED – Aga Khan Fund for Economic Development

AKUH – Aga Khan University Hospital

CSO – Civil Society Organisation

MNC – Multinational Corporation

UNDP – United Nations Development Programme

 MTN – Mobile Telephone Network

AWCC - Afghan Wireless Communication Company