

DESCRIPTION FOR THE GENERAL PUBLIC

During the last decades, several economic and political factors have significantly influenced societal order and blurred the traditional separation of the public-private spheres. The advancing globalization of economic activities has increased the volume and pace of international trade and investment, and led to an unprecedented growth of the power of corporations. Simultaneously, the post-war Keynesian welfare state has been substituted by a neo-liberal paradigm that has engulfed countries, and flourished with privatization and liberalization policies (Crouch, 2009). These policies have further been strengthened by international agreements on reducing tariff and non-tariff barriers, vigorously pursued by such organizations as the WTO and the World Bank. While these developments have increased the role of corporations, they have eroded the power and position of national states (Beck, 2000). The latter have lost some of their monopoly on providing public goods, regulating corporate behavior and designing social order. At the same time, corporations have stopped being mere recipients of institutional order; more and more often, they create and redesign it. The traditional line between public and private sectors has become less distinct (Chandler and Mazlish, 2005; Scherer and Palazzo, 2008), and thus has redefined the role and position of corporations.

In the light of these developments corporations are more and more frequently expected, and actually do, to take over some of the governmental responsibilities in terms of environmental protection, health care, education, local development etc. All corporate voluntary programs and activities targeting these issues are usually labelled as Corporate Social Responsibility (CSR). Scholars have long attempted to uncover the motivation driving CSR. Predominantly their explanations varied from ethical to strategic, while the recent years flourished with institutional explanations of the researched phenomenon. In the light of this approach, institutions, i.e. formal and informal rules, norms, values as well as cultural-cognitive scripts, determine corporate behavior. The present project is of a theoretical nature and aims at:

- explaining the institutional antecedents of CSR engagement of corporations in the developed economies,
- offering the micro level (individual person) explanation of the influence of the national institutional systems on the individual behavior of managers,
- uncovering the institutional mechanism of the global rise of CSR.