

Corporate Social Responsibility as the Socialization of Markets. Developments and Implications

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The paper argues that:

- there have been significant recent developments in CSR;
- that these are explained by a socialisation of markets;
- and that this raises new citizenship roles for corporations.

Recent developments in CSR

First, CSR has grown as a business agenda item, manifest in CSR policy statements, codes and reporting. Secondly, there has been an expansion of what was a more American style or 'explicit' style of CSR to corporations in other parts of the world, particularly Western Europe (Matten and Moon, 2004). Thirdly, there has been a development from the relatively conventional first wave of CSR, community involvement to other waves of responsible products and processes and responsible employee relations (Moon, 2002a; Chapple and Moon, 2005) and also to a more explicit re-statement of business ethics in the form of commitments to avoid corruption (e.g. UN Global Compact). Fourthly, CSR has increasingly implicated corporations in more general issues of societal governance which one might conventionally have associated with governmental institutions (Moon, 2002b).

The socialisation of markets

The paper argues that these developments have resulted from market, social, governmental and globalisation drivers.

Market Drivers are identified among consumers, employees, investors, business customers, competitors.

Social Drivers are in manifest in NGO pressure; media attention; general social expectations; and business associations / coalitions for CSR.

Governmental Drivers are evident in policies to endorse, facilitate, partner and mandate CSR.

Globalisation is a new source of incentive for CSR although it draws upon the market, social and governmental drivers noted above.

New Citizenship Roles for Corporations

The paper concludes that the socialisation of markets encourages new social and political roles for corporations which can be analysed through the framework of citizenship. It distinguishes corporations as citizens, as governments and as arenas for stakeholder citizenship. (Moon, Crane and Matten 2006)

Discussion

The paper assesses the long term significance of the socialisation of markets for new corporate roles and it considers some of the strengths and weaknesses of these developments.

References

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