

## INTRODUCTION. CORPORATE SOCIAL RESPONSIBILITY AND ATTITUDES TOWARDS REGULATION OF MULTINATIONAL COMPANIES

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ESKA | « [Revue de l'organisation responsable](#) »

2013/2 Vol. 8 | pages 3 à 14

ISSN 1951-0187

ISBN 9782747224369

Article disponible en ligne à l'adresse :

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<https://www.cairn.info/revue-de-l-organisation-responsable-2013-2-page-3.htm>  
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# INTRODUCTION

## CORPORATE SOCIAL RESPONSIBILITY AND ATTITUDES TOWARDS REGULATION OF MULTINATIONAL COMPANIES

Corinne GENDRON, Silvester IVANAJ and John MCINTYRE

If we cannot deny the importance to engage in social responsibility for all kinds of organisations, be they SMEs or NGOs, much more is at stake when it comes to multinational enterprises. The multinational dimension of MNEs suggests a specific role to Corporate Social Responsibility (CSR) given the challenges of regulation at the international level. To fully understand this role, it is necessary to move beyond the traditional dichotomy between the state and the market often used to depict the challenge of regulation at this level. International regulation is less a matter of an equilibrium between the state and the market than an articulation and interaction of states' logic and politics with decisions of economic actors about where to invest, what kind of development to favour or broader normative issues to address. It is true that the market dynamics can have an impact on behaviours and choices, but we often forget that these market dynamics are framed by political and strategic decisions made by states as well as by major economic actors, be they multinationals or financial organisations. Frequently mediated by global or multilateral institutions, these decisions are intertwined in an ongoing dialogue with NGOs at the international level.

In this context, CSR applied to multinationals must be interpreted not only as a social engagement or as responsible initiatives from businesses, but as guidelines for decisions that can be qualified as political decision precisely because they structure the market dynamics. As such, CSR must be seen as participating to regulation in regard of this new role transnationals play at the international level. This unusual role suggests a kind of interactions of businesses with other actors, be they states, NGOs or international institutions that lead to a new regulatory scheme. From such point of view, CSR seems to be the mirror of an evolution of the role of business in globalization which recognizes a political and social dimension in addition to its traditional economic or productive activities. Therefore, beyond the exemplary behaviour to which it is often reduced, CSR is necessarily embedded in regulation issues when it comes to multinationals. And, shall we add, participates to regulatory innovations required by a global order where sovereignty is no longer the basis of an

integrated authority but fragmented between a multiplicity of states actors. This explains, among other things, why CSR varies greatly according to countries.

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## ROLE OF REGULATIONS ON CSR COMMITMENT OF MNES

The role of regulations on CSR has been discussed in detail by Buhman (2006). Regulations may take different forms (formal, recommendations), can be issued at different levels (local, regional, national, supra-national (ex. EU) or international (ex. OECD, UN, ILO, etc.)) and can be public or private. International laws and principles in general and those on human rights, labor, environment, corruption and investment in particular, play a determining role on defining reporting standards, codes of conduct and other regulatory or self-regulatory rules at different levels (inter-state-, state-, industry-, inter-enterprise and enterprise level).

Formal regulations issued by regulatory bodies at local, regional and national levels may be considered as mandatory and, therefore, can be directly imposed to corporations. When issued at supranational and international levels formally, however, regulations cannot be directly applied to MNEs but to the governments which must insure their implementation in national level. That is, CSR regulations heavily rely on international law, particularly on international human rights law, international investment law, international labor law, international criminal law, international environmental law, as well as on international guidelines which provide strong basis to develop both government binding regulations and non-binding standards for CSR issues. In fact, there is controversy in the literature about whether or not MNEs are directly subject to international law. Some scholars (Buhman, 2006; Bismuth, 2009) argue MNEs have not been granted rights or obligations under international law, whereas many other scholars, as cited by Wouters & Chané (2013), argue MNEs enjoy considerable rights but, conversely, they do not have binding obligations under international law.

At the international level, the most important informal recommendations serving as tools to improve CSR performance are the OECD Guidelines for Multinational Enterprises, the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (MNE Declaration), and UN Global Compact (UNGC). The OECD Guidelines for Multinational Enterprises, updated in 2011 for the fifth time since they were first adopted in 1976, are considered as non-binding recommendations for responsible business conduct. These refer to global issues such as human rights, employment, environment, corruption, and consumer interests. They also allude to the implementation procedures. Forty-four adhering governments encourage their enterprises to observe these guidelines wherever they operate (OECD, 2011). They give recommendations in global context on areas such as human rights, employment, environment, corruption, consumer interests, etc., as well as the implementation of procedures. The OECD Guidelines have been largely used as normative guidance (Weyzig, 2006), reporting guidance (Luetkenhorst, 2004) or as trust-based informal social norms (Branco & Delgado, 2012) by MNEs seeking to be recognized as socially responsible actors. The OECD Guidelines are not binding law and their goal is to provide MNEs with rules in to commit to self-regulation. Another important non-binding instrument is the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (MNE Declaration). It was adopted after tripartite negotiations between workers' and employers' organizations and state governments in 1977 and has since been amended twice in 2000 and 2006. Similarly to OECD Guidelines, it offers guidelines to MNEs, governments, and employers' and workers' organizations in areas such as employment, training, conditions of work and life, and industrial relations (Cernic, 2009). Both OECD Guidelines for Multinational Enterprises and ILO Tripartite Declaration of Principles

Concerning Multinational Enterprises and Social Policy reference the Universal Declaration of Human Rights (UDHR) and other international human rights standards (Ruggie, 2007).

Since 1999, UN Global Compact (UNGC) has become the most important strategic policy initiative, where companies are committed to aligning their operations and strategies with the ten universally accepted principles in human rights, labor standards, environment and the fight against corruption. With 12,000 corporate participants and other stakeholders from over 145 countries in 2014, it is the largest voluntary corporate responsibility initiative in the world. However, despite the formal commitment of a large number of multinationals to Global Compact Principles, many of them are still far from actually adopting and implementing them into practice. Addressing this issue, Arevalo & Fallon (2008) found that “while growth in participant numbers, in projections, and in developing local and cross-sectoral networks may appear as impressive, the true impact of the UN Global Compact is not clearly outlined by research and feedback.” International treaties between governments, under which states agree in the creation of a set of obligations for MNEs in their national jurisdiction, are another type of international legislation that caters for the international regulation of MNEs. One example is the bilateral investment treaties aiming to address the lack of a multinational investment framework. Once again, given that multinationals are not directly subject to the international law, treaties cannot impose obligations to them. As with most of binding laws, those applicable to MNEs impose, in theory, sanctions that may range from fines to a termination of business. In practice, there has been little evidence of formal sanctions against non-compliant multinationals.

There has been increasing pressure for MNEs to adopt private regulation initiatives often based on certification (Knudsen, 2013; Bartley, 2003). The main reasons why MNEs have increasingly adopted private regulation are the need for tools to respond to new requirements (such as environmental regulation) and the fact that technical regulation has spread with globalisation and the need to guarantee quality and technical compatibility. Private regulation has significantly contributed to improving CSR practices of MNEs, and aims not to replace the role of governments (Vogel, 2006), it participates to the effectiveness of its regulation. The role of governments regarding private regulation is very important. As pointed out by Herman (2012), governments can impose a kind of stewardship, promoting private regulation when it serves a legitimate public interest while acting as a guardian against abuse.

In the two last decades, there has been a proliferation of some of the CSR standards or instruments; they were able to be used by a multitude of organizations and markets all around the world. Gilbert, Rasche & Waddock (2011) grouped them into four categories: *principle-based standards* (e.g., UN Global Compact, OECD Guidelines for Multinational Enterprises), *certification standards* (e.g., ISO14001, SA8000), *reporting standards* (e.g., Global reporting Initiative, UNCG COP), and *process standards* (e.g., AA1000). Some of the standards can be applied to a wide range of industries (CSR multi-industry standards), others have been designed as industry-specific standards or codes.

UNCG has become one of the most important reporting instruments given that MNEs voluntarily committed to the Global Compact initiative also commit to issue an annual reporting (Communication on Progress – COP), which is the most visible expression of a participant’s commitment to the Global Compact and its principles. Similarly, ISO 26000 provides guidelines (not requirements) for all types of organizations to understand their social responsibilities. It is not intended nor appropriate for certification purposes. This guidance consists of the main core subjects of social responsibility: governance, human rights, labor practices, environment, fair operation practices, consumer issues and community involvement and development. According to Tschopp & Nastanski (2014), ISO standards such as ISO14001 add value to all types of business operations. They

contribute to making the development, manufacturing, and supply of products and services more efficient, safer and cleaner. Account Ability's AA1000 is another series of principles-based standards to help organizations be responsible and sustainable. They concern governance, business models and organizational strategy. Similarly to the other standards, they intended to provide guidance for improving the sustainability performance of organizations. The AA1000 standards are designed for stakeholder engagement, help the integrated thinking required by the low carbon and green economy, and support reporting and assurance. Another important standard helping MNEs improving transparency through reporting is the Global Reporting Initiative's (GRI) Sustainability Reporting Guidelines known as the "triple bottom line" reporting. GRI guidelines have been largely used by MNEs to report information about their vision, strategy, mission and CSR performance. Analyzing the evolution and convergence of the four globally recognized CSR reporting standards, Tschopp & Nastanski (2014) come to the conclusion that the GRI "would be the best standard to provide decision useful information". There are some other important standards such as The Carbon Disclosure Project (CDP) which works with shareholders and corporations to disclose the greenhouse gas emissions of major corporations and Social Accountability 8000 (SA8000) for labour conditions and human rights. But despite the number of existing standards, much regulation is still desired in terms of practical improvement and transparency. For instance, Matisoff, Noonan & O'Brien (2013), who performed content analysis on CDP responses from 2003 to 2010, found that the CDP "has produced a mixed record of improved transparency".

Among the industry-specific standards, principles or codes of conduct are some important others worth mentioning: *The Extractive Industry Review* (launched by the World Bank Group in 2001), *The Extractive Industry Transparency Initiative* (launched by United Kingdom's government in 2002), *The Equator Principles* (based on the policies and guidelines of the World Bank and International Finance Corporation), *the Rainforest Alliance* (certification launched by Forest Stewardship Council), *International Cocoa Initiative (ICI)* (established in 2002, ICI is an organization promoting child protection in cocoa-growing communities) and *Voluntary Principles* (established in 2000, it is a set of principles for the respect of human rights).

Based on CSR laws, regulations and guidelines issued at different levels, major MNEs have voluntarily developed specific external (e.g., implementation of the ISO 9001 and ISO 14001 standards on CSR Practice) and internal self-regulations (e.g., statements of corporate values, guidelines for behavior, principles or codes of conduct) that outline their commitment to operating in a socially and environmentally correct manner. Unfortunately, as pointed out by Mijatovic & Sotkic (2009) "(...) the existence of transparent corporate values, codes of conduct and implemented management systems according to ISO 9001 and ISO 14001 standards does not prove to be strong predictors of CSR performance." Many other researches have come to the conclusion that the establishment of codes of conduct is not enough. Some of the most frequently mentioned issues related to codes of conduct in the literature are: codes are perceived differently within different cultural and legal contexts (Zakaria, Garanca & Sobeih, 2012), they often reflect the characteristics of their home countries (Amaeshi & Amao, 2009), they primarily have an influence on practices in the small slice of global economy (Yu, 2008), they lack enforceability and transparency (Florini, 2003).

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## CSR NORTHERN AND SOUTHERN CONCERNS

Despite the existence of a multitude of laws, regulations, treaties, guidelines, norms and standards at all local, regional supra-national national and international levels, the most important and effective

driver determining the socially responsible behavior of multinationals seems to be the legitimacy. Although MNEs are supposed to apply the same standards and principles wherever they operate, they react differently in host countries with different institutional environments and demanding stakeholders (Yang & Rivers, 2009; Perez-batres, Doh, Miller & Pisani, 2012).

According to Egels-zandén (2009), the principal reasons why MNEs adopt codes of conduct are: restoring and/or improving corporate legitimacy/trust/reputation/image/brand, avoiding governmental interference, achieving competitive advantages vis-à-vis their competitors, ethical reasons as well as improving corporate relations with the union movement. For a long time already, the high regulatory pressure, the demands of global market, and the permanent pressure of civil society have forced MNEs operating in the North to implement socially responsible practices. Nevertheless, the huge scandals involving MNEs such as Enron, Total, BP, and Monsanto..., to mention only a few examples, indicate that much remains to be done by the MNEs to implement responsible CSR practices that are merely in compliance with the existing regulations, not even as far as the practices going “beyond what the law requires.” Several researchers have shown that some MNEs still continue to transfer socially irresponsible practices to subsidiaries that are apparently unconnected to them; examples are irresponsible business activities and behaviors such as investment, tax avoidance, sourcing from the South, irresponsible courses of development, irresponsible attitudes with subsidiaries and joint ventures, pollution, poor safety conditions, bribery, extortion, or mispricing, etc.

While most of MNEs operating in the North have already adopted CSR regulations implementing CSR standards and practices, there still exists an important “CSR Divide” in the developing countries. Often, MNEs otherwise recognized as compliant with the regulations on CSR in their home markets, employ irresponsible practices in their host countries (Tan, 2009; Zhao et al., 2014). Javillier (2008: 195) is more critical toward MNEs stating that “(...) corporations will continue their effort to maximize profits, in legal and perhaps questionable or even illegal ways. (...) it is illusory to expect that corporations will suddenly all become good citizens.” Discussing this issue, Tan (2009) points out that “in emerging markets, managers of multinational companies continue to face mounting and most often conflicting pressures to weigh among multiple strategic CSR responses.” Although the literature on CSR practices of multinational corporations in developing economies is still embryonic (Jayakumar, 2014), the most frequently mentioned drivers influencing the responsible behavior of MNEs in developing economies seem to be: *public regulatory pressure* (Zhao et al., 2014; Mzembe, 2014; Beckman, Colwell & Cunningham, 2009; Mzembe & Meaton, 2014; Amba-Rao, 1993), *private regulatory pressure* (Mzembe & Meaton, 2014; Beckman, Colwell and Cunningham, 2009), *pressure from financial markets* (Mzembe & Meaton, 2014), *civil society pressure* (Beckman, Colwell and Cunningham, 2009), *complexity of varying business norms and standards* (Beckman, Colwell and Cunningham, 2009; Tan, 2009), *stakeholder demands for CSR* (Tan, 2009; Beckman, Colwell & Cunningham, 2009), *management commitment to ethics* (Muller & Kolk, 2010). As stressed by Tan (2009), “managers of multinational companies continue to face mounting and most often conflicting pressures to weigh among multiple strategic CSR responses in emerging markets.” Researches don’t always agree in their academic response to CSR in emerging markets. For instance, Beckman, Colwell, and Cunningham (2009) found that “government has had little by influence as a driver behind the emergence of CSR.” MNEs with lack of regulatory infrastructure in the developing countries tend to focus on performance rather than meeting regulation (Arya & Salk, 2006; Tan, 2014). International, home, and host country regulatory pressures promote the reinforcement of socially responsible behavior of MNEs in developing countries. Addressing this issue, Surroca, Tribó & Zahra (2013) found that this irresponsible behavior of MNEs is mainly moderated by two factors: home country’s regulatory and

civil society pressure and host country's civil society pressure. When these pressures are not high enough, some MNEs would transfer their socially irresponsible practices to subsidiaries apparently unconnected to them. Due to the size and scope of their cross-border activities, multinationals are key players in their host developing countries. Their activities may have important positive or negative consequences on the economic, environmental, social, and even sometimes political future of these countries. For this reason, responsible behavior of multinationals operating in countries where armed conflict exists, especially in Africa, has gained interest of many researchers (Kolk & Lenfan, 2010). Besides the CSR issues in leading emerging markets, MNEs play a very positive role to fill the institutional void that exists in the developing countries where they operate, providing bottom-up intensification of grassroots initiatives that redefine stakeholder membership (Zhao, Tan & Park, 2013). Also, according to Gugler & Shi (2009:3), "developing countries are changing their approaches to make CSR work in favor of their competitive position in global trade." Making reference to an UNCTAD survey, they conclude that "while adherence to various internationally adopted CSR standards may entail costs for the [developing countries] companies concerned, it can also generate important advantages, not only for the host country but also for the investing firms and their home economies." Going in this direction, Prout (2006) points out that MNEs can play a transformative role while operating in developing countries. Javillier analyzes show that MNEs are often islands of legality and CSR in an ocean of illegality (Javillier, 2008).

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## SOME PRACTICES AND IMPLICATIONS OF CSR: SPECIAL ISSUE OVERVIEW

Some practices and implications of CSR at the international level are explored in this special issue initiated in the wake of the the third MESD International Conference (MESD'12) jointly organized by the Shaheed Bhagat Singh Evening College of the University of Delhi (India), the ICN Business School (France), the CEREFIGE of the Université de Lorraine (France) and the Center for International Business Education and Research, Georgia Institute of Technology, Atlanta, USA. As a starting point, the MESD'12 conference intended to analyse how multinational enterprises engage in the dynamic of sustainable development at the global level. Because of the size and scope of their trans-border activities, multinationals stand as global environmental actors and stewards. Their corporate strategies can accelerate or slow sustainable development policies as well as other global development objectives. But the papers presented at the conference also illustrated how contrasting can be the positioning of U.S., European and Indian based multinational enterprises towards global issues. This raises the challenge of decision making about global issues such as climate change, poverty, security and more generally health and the environment given the fact that the integration process taking place at the global level since the '80s is mainly economic and financial. Apart this partial integration process, the international level remains a space of interwoven objectives and strategies which rarely lead to univocal policy regarding one specific issue. By contrast with the national level where it is possible to acknowledge clear positionings even though they might result of a compromise, international policies are more often interwoven in a multiplicity of challenges.

In this special issue, we chose to focus on three main topics. First of all, we examine how the contrasting positioning of multinationals shall be explained not only by geographical base but by various institutional, organisational and individual factors. The challenge of a global CSR policy is that MNEs are embedded in different national contexts which impose different and even contradictory value scheme. This makes the legitimization process hazardous for firms exposed to reputational risk as can be MNEs. The second topic explored in this special issue is the regulation

dynamics that are structuring at the international level, and the emergence of new institutional actors and mechanisms associated with CSR. *Global regulation* implies an articulation between the national and the international levels, acknowledging the law is formulated and applied differently at each level. Moreover, normative issues as well as legitimacy of power are complexified by the arrival of new actors in the international arena such as NGOs and MNEs. The third and last topic focuses on the specific case of bankruptcy to show how a generalised issue is regulated throughout the world, and with what results for multinational stakeholders. Generally, the policy makers search bankruptcy procedure that can maximize the value of the company to be distributed amongst its various categories of creditors and at the same time preserve employment. Several countries have reformed their bankruptcy regimes making it debtor friendly. But, as it is shown in numerous studies, there is no evidence that these procedures are efficient. Conducting this meta-analysis also enables to draw interesting features of further research in the field.

### ***Understanding MNEs' attitudes towards CSR***

In “Understanding MNEs’ attitudes towards CSR: a literature review and research agenda,” Vera Ivanaj *et al.* propose a multi-theoretical perspective to explain MNEs attitudes concerning CSR in different parts of the world. It combines institutional, organizational, and individuals levels of analysis. The authors argue that although previous literature has contributed to the partial explanation of this phenomenon, its fragmented nature has prevented a holistic understanding capable of identifying and justifying hitherto unexplained and unexpected behaviors. In exploring the relationship between the institutional context, the organization, and the individuals, the paper introduces the idea that CSR has become an institutional logic, with its associated actors, the assumptions about the role of companies, and the values and beliefs about concepts such as justice, fairness, profits, and purpose. Based on different examples, the authors argue that institutional logics of CSR vary across the globe. As such, different institutional logics of CSR are likely to be imposed both on MNEs and its managers due to the diversity of institutional contexts in which these operate. Managers are likely to reply by either acting as agents of institutional change or by complying with the pressures being exerted. Indeed, MNEs evolve in an institutional context comprised of different sets of regulations, norms, and cultural cognitions, which shape different institutional logics (DiMaggio & Powell, 1983). Given that each of the institutional logics imposes its own legitimacy demands and that there is no assurance that these are compatible (e.g., D’Aunno *et al.*, 1991), the multi-institutional characteristics of the different societal environments may lead to conflicts when MNEs source legitimacy from their respective contexts. The authors conclude that MNEs face three main legitimacy challenges: 1) the simultaneous presence in different socio-cultural systems which impose pressure of different kind on them; 2) even if MNEs could show commitment to different sets of institutional norms, principles and values, it is difficult to isolate one in a particular country-market from another one due to their global visibility, and 3) MNEs must maintain their legitimacy next to the diverse internal and external constituencies over time.

### ***Complexity in regulating multinational corporates in global era***

The article by Roopinder Oberoi “Complexity in regulating multinational corporates in global era – understanding the taxonomy of power and corporate responsibilities” presents an overview of the emergence and development of the ways that businesses have both responded to public pressures for taking on more responsibilities and, in some instances, abrogated those very responsibilities. The



paper focus on the encounters between governance, legal norms and societal responsibility which is leading to complex links and unexpected synergies. The author argues that with globalization the margins between the domestic and the international have lost colour, as concerns which were once exclusively under the purview of domestic law and politics, are both predisposed by and are increasingly affected by international players. Furthermore, regulatory responses to globalization have, so far, avoided hard law measures. Globalization is particularly challenging in these circumstances as it 'renders state regulation of corporate action problematic'. This perspective is in line with the work of other researchers work such as Rory Sullivan who suggests that many MNEs 'outgrown the ability of individual states to regulate them effectively' (Sullivan, 2008: 9) and Kindleberger (1969: 209) who states that 'the nation state is just about through as an economic unit'. Since corporate power must imply responsibility, the international CSR movement has evolved in response to these apparent *fault lines* in the regulatory system. Even as the complexities of steering in poly-centred come to the fore, globalized societies and its fuzziness makes it difficult to oversee 'who actually steers whom' and 'with what means'. The 'regulatory reconfiguration' is the cumulative product of myriad and unstructured initiatives that coincide with forceful global trends. The author concludes that the aspiration for future corporate governance involves a "remodeling" of the world order that creates new links between national and international regulatory competences as well as a new balance between economic, social and public institutions.

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### ***Social Responsibility and International Law***

In her paper 'Social Responsibility and International Law: Reflections about Labour Issues,' Corinne Gendron analyses the meaning of corporate social responsibility at the global level and shows how it participates to regulation in an innovative way. She builds her argumentation by exploring the forms taken by social responsibility in the field of labour in order to bring out the limitations of the critical perspective of CSR and reflect on the relationships between law and democracy in our economic and globalized societies. Contrary to what a stream a critical literature suggests, she states that CSR cannot be reduced to a neo-liberal strategy of deregulation aiming to replace traditional norms by voluntary and unilateral initiatives from private actors. To interpret CSR as a privatization of law misses the most interesting feature of CSR mechanisms and impact. In Gendron's view, the social responsibility movement reflects a transformation of juridicization which is beyond social actors' control and which is part of a broader democratic evolution, itself the result of both social dynamics and globalization. Even if it is imbued with the interests of dominant actors through the interplay of power relations that drives all societies, the social responsibility movement more broadly reflects a new dynamic which seeks to meet the challenges involved in social regulation in the global era and a transformation of the relationship between civil societies and the state. What is at stake in analysing the social responsibility movement is therefore to understand both the limitations and the potentials of the emerging regulatory order that is illustrated by the CSR mechanisms and the new interactions they impulse between social, political and economic actors.

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### ***Efficient Bankruptcy Procedure***

In the last paper 'In Search for an Efficient Bankruptcy Procedure', Nirjar Nigam and Afef Boughanmi provide a review of empirical literature on bankruptcy. They start from the observation that several countries have reformed their bankruptcy regimes making it debtor friendly thereby

simplifying the process of corporate rescue and then argue that the efficacy of these reforms has been hampered by the lack of empirical evidence across countries on the effects of bankruptcy use and efficiency. The cross country empirical evidence has been limited to the general effects of creditor rights but fails to explain the interaction of specific creditor right features on the judicial system and other inherent country characteristics. Little is known about bankruptcy usage and its relative variation with relation to the legal systems, accounting standards, regulatory framework, as well as the differences in the development of financial and capital markets and macroeconomic conditions. This paper brings forward the major drawbacks from previous studies and how they have been mitigated by some of the recent studies. An inclusive literature review allows the authors to come to the conclusion that a new methodology would overcome the major drawbacks of previous studies and provide a more comprehensive view of bankruptcy and the ranking of countries. Finally they conclude that the corporations should have an understanding of the bankruptcy procedures. This will enable them not only to rescue from the pursuing creditors but to gain breathing space to come up with a rescue plan.

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## CONCLUSION: PATHWAYS FOR FURTHER RESEARCH

CSR and multinationals have always been linked. Indeed, the field of CSR has emerged with the rise of the modern corporation depicted by Berle and Means (1932). At that time, it seemed to offer a response to the legitimacy issues raised by the new power exercised by corporations reaching an unusual size. But globalization has reframed these issues, as the world governance has profoundly changed since the '80. In this new era, CSR has evolved from voluntary initiatives to complex multistakeholders mechanisms. At first a corporate practice, CSR is now driven by social and political actors and embedded in the regulatory dynamic that is emerging at the global level. CSR is thus no longer simply a corporate strategy; but neither does it reduce to those new regulatory mechanisms through which economic, social and political actors dialogue and negotiate. It brings a new perspective of the firm and its role in society, as corporations participate more and more as legitimate actors in the political process. CSR proposes a reinterpretation of the firm as a social and political actor, since its activities and impacts can no longer be reduced to the economic field. Therefore, it provides a new perspective from which its actions and behaviors are evaluated, and by which to assess its legitimacy. As well as their traditional good and services, social and political actions, even norms in certain cases, are now concrete and current productions of firms. This is true especially at the international level where they play by their rules, instead of being constrained by states which has become their interlocutors or partners rather than their regulators. These new dimensions are therefore analyzed and evaluated as elements to assess the relevance and the legitimacy of the firm, and can have an impact on the economic dimension of the firm as well as prompt regulatory measures at the national level.

Unfortunately, most research still adopt a restrictive definition of CSR as voluntary measures. This narrow understanding of CSR phenomenon prevents from acknowledging its innovative character in the regulation reorganization of our societies. Moreover, it neglects the role of other actors in the functioning of new regulation mechanisms. Many research thus forget that these mechanisms propose a new framework for interactions between civil society, the state and multinationals, especially given the special configuration of authority, legitimacy and sovereignty at the global level.

We hope that this special issue will nourish a broader and more informed perspective on CSR, especially regarding the regulation challenges of globalization. Far from a restrictive understanding of

CSR phenomenon, the papers included in this issue provide insights on the transformations to which firms participate in the globalization era, notably in the relations between economic, social and political actors, but also regarding the articulation between the local and international regulation systems. They do not only stress the complexity of CSR phenomenon at the global level or its variability between countries or depending on the institutional context or social actors. The authors describe and illustrate how CSR contributes to institutional transformation and how it participates to an evolution of the social representation of the firm and of its role in our post-industrial societies. Of course, these investigations are far from complete, and much more work is required to fully understand the regulatory system in construction as well as economic social representations, or new interactions between political, economic and social actors. Moreover, we need to think about the ways democracy is embodied in the new regulatory configuration of globalization, and especially in the governance mechanisms that are privileged. To be more specific, more studies are needed about how multinational corporations engage in global issues compared to national corporations, and how they articulate their strategy with national interests. To further the work of *Ivanaj et al.*, one should analyze national specificity of CSR, and by which characteristic CSR differentiates between countries. In another perspective, research could investigate if CSR at global level participates or contributes to international law enforcement and efficiency at the national level. And other works could look at the possible influence of international CSR mechanisms on the content and formulation of national policies.

Finally, it would be helpful to analyze the interactions CSR mechanisms impulse or transform between social, economic and political actors.

We are convinced that this special issue will inspire authors to further their research on those topics, and more broadly on the CSR phenomenon at the global level.

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