Socio-Economic Review Advance Access published October 20, 2014

Socio-Economic Review (2014) 1–39 doi:10.1093/ser/mwu031

Who has been regulating whom, business or society? The mid-20th-century institutionalization of 'corporate responsibility' in the USA

Rami Kaplan*

Freie Universität Berlin, Berlin 14195, Germany

**Correspondence: ramikaplan@gmail.com*

The article provides a historical-sociological perspective on contemporary, globalized 'corporate responsibility' (CR) by exploring a critical moment in the evolution of this institution, in mid-20th-century USA. CR was devised by the corporate capitalist elite, broadly defined, as an instrument for pre-empting governmental intervention. Corporations responded to surging public expectations for governmental—not corporate—assumption of social responsibility. In deploying CR practices, they would strategically enable the creation of the latter at the expense of the former, thus redefining the parameters of business's role in society and, along with it, the societal division of regulatory labour in the direction of increasing privatization. It is hypothesized that present-day attempts at 'civil regulation' of corporations embody a script of interaction among companies, publics and states that was designed to secure corporate power rather than limit it. Synthesizing organizational neoinstitutionalism and elite theory, the article shows how elites can defend their position of power through engagement in a 'defensive institutionalization project', that is, a sophisticated modification of the system aimed at redefining the very perceptions and strategies of everyone involved.

Keywords: corporate social responsibility, capitalism, institutions, power, historical sociology

JEL classification: A14 Sociology of Economics, D64 Altruism, Philanthropy

1. Introduction

A structural change is underway in the relationship between business corporations, governments and societies, much of it pertaining to the notion of 'corporate responsibility' (CR). Basically understood as a firm's voluntary contribution to social goals beyond production for profit, the recent rise of CR has been intertwined with the 'expansion of legitimate authority in the global economy outside the state' (Vogel, 2008, p. 263), that is, a privatization of governance. If public institutions used to 'translat[e] public preferences into policies that restrict the freedom of business', today 'public preferences are interpreted by firms directly' and governments decrease their top-down intervention (Werner, 2012, p. 148). Fields have emerged in which parties from various sectors negotiate 'the very meaning and scope of the notion of "social responsibility"' (Shamir, 2004), including the establishment of 'CR frameworks' designed to stimulate CR through reliance 'on voluntary self-reporting rather than rigorous monitoring or strict enforcement' (Lim and Tsutsui, 2012, p. 71).

Our knowledge of the origins of this institutionalizing CR dance between business and society is incomplete. As a result, the very nature and political significance of the phenomenon at hand is obscured. Most research traces the rise of CR in the context of the post-1980 trend towards globalization and deregulation. That CR has earlier roots in the USA is well known, but explanations for its recent surge have barely explored continuities from the pre-1980 period. In particular, this lack of historical perspective muddies the issue of who has been the dominant force behind the institutionalization of CR: business or society. Today, when CR exists as a multiparty field, business's social engagement and society's demand for the same are intertwined. But which one came first and prompted the other—corporate practices or public expectations thereof? This problem of primacy, I suggest, is key to a major theoretical debate bifurcating CR studies: the question of who regulates whom.

Many scholars view CR as essentially a set of mechanisms through which societies 'softly' regulate corporate conduct, whereas norms of appropriate conduct are expected to 'ratchet up' over time (e.g. Murphy and Bendell, 1999; Sabel *et al.*, 2000; Cashore *et al.*, 2004; Vogel, 2008; Waddock, 2008). From this 'civil regulation' perspective, CR originates with public interest advocates who 'have sought to step into the regulatory vacuum created by the inadequacies of both national and international institutions to regulate [corporations]' and 'have created new mechanisms of global business regulation' (Moon and Vogel, 2008, p. 310). Others portray CR quite differently: not as an external supervision (however soft) of corporations but rather as a form of corporate power. CR is a 'strategic, conditional, and satisficing response' to political challenge (Werner, 2012, p. 146) that protects firms from 'the aggressive campaigns of global civil society' (Lipschutz, 2005, p. 19) and enables them 'to bypass more binding frameworks for stakeholder empowerment and participation' (Brammer *et al.*, 2012, p. 12). From the second 'corporate power' perspective, it is essentially business that brings CR onto the scene as a mechanism for regulating its regulation by society.

A historical perspective can shed light on this ongoing debate. If the process of institutional change witnessed today in fact began earlier than 1980, then by returning to the process's earlier stages we can gain more *longue durée* insights as to who has been regulating whom through CR. Did society, through pressure on corporations to become socially responsible, constitute the CR dynamic? Or, alternatively, have companies been the instituting force that lured society into a corporate-convenient CR game?

Existing histories of CR have certainly touched on this problem but have done so indirectly, yielding conflicting conclusions [Kinderman (2012) addresses a similar problem directly but in the context of the post-1980, neoliberal UK]. For example, Soule's study of the emergence of activists' direct targeting of corporations during the period 1960–1990 in the USA suggests that 'the pressures of citizens for more [corporate] accountability' triggered, in the 1970s, a growing interest in CR on the part of business executives (2009, pp. 21 and passim). Soule's account pertains to the 'civil regulation' perspective as well in claiming that society resorted to corporate targeting as a consequence of the 'erosion of governmental regulation of business and the decline in the power of labor' (p. 25). Rowe provides an antithetical 'corporate power' account of 1960s–1970s CR (2005, pp. 135–142). According to his analysis, it was business associations that, seeking to pre-empt an impending wave of top-down regulations, promoted the idea that voluntary CR policies can be a reasonable substitute. Described as such, CR was not a consequence of deregulation but rather a mechanism of contra-regulation.

This study traces the praxis that originated the CR construct in the USA. To pursue this objective, we go further back in time than Soule and Rowe, but not as far as do historians who trace the origins of CR to the 1920s or earlier (e.g. Marens, 2012, 2013; Mitchell, 1989). The focus here is a mid-20th-century episode that, it is argued, would form a solid foundation for the subsequent movement of CR through history. The thing going down around mid-century was that the notion that capitalist corporations are not merely economic machinery but possess intrinsic social responsibilities took root and reached a certain threshold of taken-for-grantedness. 'Institutions posit that actions of type X will be performed by actors of type X' (Berger and Luckmann, 1967, p. 72). The extension of the firm's role-definition—or, in other words, the process in which '(t)he idea that corporations should engage in some form of responsible behaviour has become a legitimate expectation' (Brammer *et al.*, 2012, p. 10)—made a major breakthrough in the period in question.

This shift was brought about exclusively by the business elite. My analysis of this episode of social construction highlights its profound political, strategic, corporate-initiated nature. Corporate leaders, their advisors and their allies mobilized collectively to proclaim and parade the social responsibility of business. They did not react to pre-existing public expectations for CR, which were generally undeveloped at the time. Rather, they responded to a surging public expectation *for the federal government* to expand its role in the economy. The remaking (and, to a greater degree, the representation) of the corporation as a socially responsible entity was meant to forestall the statist trend by appropriating responsibilities that would otherwise be government's and encouraging public expectations for corporate, rather than government, responsibility. Indeed, the deployment of CR rhetoric and practices would create such expectations, thus redefining the division of governance labour in society in the direction of increasing privatization. I will describe this 'defensive institutionalization project' in great detail. I will also draw some lines that connect the past to the present, above all by hypothesizing that civil targeting/regulation of corporations follows a script of interaction that was designed to secure corporate power rather than limit it.

The article revisits the nexus between institutions and social power by synthesizing neoinstitutional theory in organizational sociology and elite theory in political sociology. It answers calls to examine how organizations shape their institutional environment rather than vice versa (Barley, 2007, 2010), to bring elites and societal-level power relations into organizational analysis (Zald and Lounsbury, 2010; Munir, 2011; Courpasson, 2013), and to confront the issue of corporate power (Hinings and Greenwood, 2002). It also reconsiders the identification of peripherals rather than dominants as the source of institutional change (Fligstein and McAdam, 2012) and demonstrates how political mobilization can figure in processes of institutional isomorphism. Informed variously by Berger and Luckmann's theory of institutionalization, Paul DiMaggio's concept of 'institutionalization project', and elite theory, the current approach focusses on the rationales and actions of an elite: the corporate capitalist elite. Institutions are analysed in terms of their reality-shaping power effects. When domination is threatened, a creative elite strategically engages in a project of institutional modification.

2. Theory

2.1 CR as an institution and the question of its historical origins

CR is a multifaceted, hard-to-define phenomenon. I thus begin by clarifying basic epistemological choices. Following Brammer *et al.* (2012), CR can be understood as an institutionalized 'mode of governance' typically consisting of (a) corporations taking on social responsibilities, including implementation of organizational controls (e.g. CR departments) and (b) mechanisms of self- and co-regulation that are set to stimulate such behaviour (e.g. codes of ethics, sustainability indices and standards). As a mode of governance, CR is distinct from 'mandatory forms of institutionalized social solidarity' and often develops as a substitute for them (Ibid.; Lipschutz, 2005; Jackson and Apostolakou, 2010).

While the institutionalization of CR can be seen as an outcome of exogenous forces, I take a constructivist approach to the same problem. Specifically, I draw from Berger and Luckmann's theory (1967), whereby institutionalization is a process in which 'typifications', role definitions and mutual expectations emerge out of symbolic interaction, are habituated and construct the relationship of agents to what they come to perceive as an exterior, objective reality (see also Zucker, 1977; Douglas, 1986; DiMaggio and Powell, 1991; Zilber, 2006). Yet in contrast to Berger and Luckmann's assumption of social consensus, I highlight social conflict and the ability of actors to strategically control social construction.

From this perspective, a constructionist precondition to the institutionalization of CR would be the existence of a generalized expectation for socially responsible corporate behaviour or, to put it differently, a legitimized role definition of the corporation as having social responsibilities. In the absence of such role definition, it would be institutionally incongruent for companies to exercise social responsibility and for multiple actors to build CR frameworks. I focus on the role definition of the corporation because—unlike historical contingencies and unintended developments that undoubtedly factored into the institutionalization of CR—this is an arena in which strategic institutional entrepreneurship could make a difference. Echoing DiMaggio's questions (DiMaggio, 1988, p. 10): 'Who has institutionalized the myths (and why)?' and 'Who has the power to 'legitimate' a structural element?' I ask: *Who has created the institutional myth of the socially responsible corporation, and why?*

It is proposed by this framing of the question that the evolvement of CR was not, as suggested by some historiographies, a gradual process through which business has progressively internalized society's expectations of it, namely, a convergence towards consensus (Heald, 1970; Frederick, 2006; Carroll *et al.*, 2012). CR was rather a corporate invention that, indeed, emerged in response to public pressure, but rather than simply succumbing to that pressure, constituted a strategy through which business sought to redefine and thus control the terms of response. Synthesizing institutional and elite theories, I conceptualize this process in terms of a 'defensive institutional modification' (DIM) made by an institutionally creative elite.

2.2 Can (corporate capitalist) elites defend their power creatively?

Elite theory posits that in societies—including democratic ones—a relatively small group of people (elites) exercise disproportionate influence and enjoy special material and status privileges. Elites are institutionally constituted: their power is structured into the social order ('power structure'). They sit on top of its political, economic, professional, cultural and other hierarchies (Scott, 2008). This concentration of power and privilege generates a perpetual conflict. There is a constant jockeying for position within the existing power structure. At the same time, power structures themselves are challenged by critics and aspiring elites. Occasionally, when mass protest erupts—implying that the order's routine ideological and coercive defenses are losing effectiveness—the challenge can become significant, even revolutionary. As the normal reproduction of power relations is disrupted, those who currently occupy dominant positions ('incumbents') tend to organize for defense. They are expected to try to unite around their shared interest in domination and explore their capacity to act in concert to secure their structural advantage.

In *capitalism*, '(t)he entire society is structurally dependent upon actions of capitalists' who control, and whose profit conditions the societal production process (Przeworski, 1985, p. 139). In *corporate capitalism*, where a small number of large corporations dominate the economy, the capitalist elite reorganizes into a 'corporate world of privilege and prerogative' (Mills, 1956, p. 147) and assimilates the corporate elite of top executives (Gerth and Mills, 1942; Useem, 1980). The power of the corporate capitalist elite (CCE) stems from the private ownership of corporations, the consolidation of capital, and the legal autonomy conferred to maximize profits. In the USA, this position of power has been challenged ever since the emergence of corporate capitalism (though hardly at all since 1980), with intermittent upsurges of protest and counteraction. The executive branch of the CCE, for its part, has deployed its considerable resources to defend the system from decentralization, collectivization and regulation. One of the strategies employed in this struggle is explored herein.

Defense strategies are numerous but can be classified into two general categories. The first is *strictly conservative* resistance to change. The elite mobilizes political, economic, legal and ideological resources in order to derail reform. As Fligstein and McAdam (2012, p. 105) theorize

> (I)ncumbents can be expected to respond to any perceived *threat* conservatively, fighting tenaciously to preserve the settlement that is the political and cultural source of their advantage. They are likely to do so even when it is apparent to most observers that the system is doomed. This is partly because they have so internalized the self-serving account of their own advantage that they are blind to other perspectives. But it is also because their power and material advantage is fully dependent on the existing settlement, thus motivating them to fight to the bitter end to preserve their privileged position…

Fligstein and McAdam's incumbents are tightly embedded in the existing order. It follows that, if change occurs, it is because challengers succeeded in fashioning 'an alternative order attractive to a good many groups in the field' and in securing 'allied backing for the proposed new settlement' (Ibid., p. 107). This is often the case, but not always. Sometimes, the elites are those who fashion the new settlement, which is distinct from both the existing order and the challengers' blueprint—implying that they *do* have the capacity to change their perspective and employ more creative methods to re-establish their domination.

The second category of elite defenses is that of elite-initiated DIM. The logic of DIMs is one of accommodation—they restore the system's legitimacy by selectively accepting criticism and taking inspiration from challengers' blueprints for change. At the same time, their outlines are innovative, departing from what was offered by the challengers. Their purpose is to redirect change in a way that minimizes the elite's loss of structural power. Elite theorists and neo-Marxists, seeking to explain the resilience of capitalism, have long recognized the possibility of DIMs (e.g. Lasswell, 1936/1961, pp. 81–83; Boltanski and Chiapello, 2005). However, they have typically left important organizational questions unanswered: how precisely does 'capitalism' 'know' how to change? Who are the agents involved? How is the prescription for change invoked, elaborated, legitimized, disseminated and implemented? In short, where is the underlying *institutionalization project*?

The term institutionalization project (DiMaggio, 1988) suggests that institutionalization can emanate from purposeful, interest-driven activity, and that this activity takes a project form. I shall characterize elite mobilization to defend power structures by modifying them as a *defensive institutionalization project* (DIP).

2.3 DIPs

DIPs come about in the context of crisis and open struggle. As Fligstein and McAdam (2012) suggest, significant institutional transformations in 'strategic actions fields' take place when shared meanings and power relations are destabilized, a sense of crisis develops and the field in question is thrown into a state in which its structure is 'up for grabs'. Typically, it takes an exogenous shock to set in motion such dynamics—for example, an economic crisis.

The struggle is between challengers, who promote a blueprint for change, and elites, who fight to protect the status quo. Initially, elites will employ a strictly conservative strategy: they will try to thwart, divert or dilute the challenge and re-establish the prior order. But this may not work in cases where challengers are determined, well organized and capitalizing on a favourable historical moment. In such cases, as time passes, the elites may realize that *fortuna* has turned against them and that some sort of change is inevitable. To avoid defeat, elites may reconsider their strategy and promote their own blueprint for change as an alternative to the challenger blueprint. A DIP consists of two analytically distinct stages: (a) consensus building among the elites about the necessity of change; and (b) the implementation of change by the mobilized elite.

What does it mean to implement a DIM? When the CCE is concerned, and the challenge takes the typical form of impending extension of state regulative and redistributive functions, a DIM may be realized through the state itself, whereas the CCE moves to wrest control—by means of lobbying, swaying public office nominations and public relations—of the content of public policy (Domhoff, 1978; Barley, 2010).

The main focus here is on another way explored by the CCE to implement a DIM, one that did not rely on state action but avoided it altogether: a transfer of functions from the government to corporations (a privatization of governance) under the rubric of CR. While being anti-statist and anti-union, such a move breaks from the constitutive model of capitalism, in which economic and political life are institutionally separated, economic action is private and self-interested, and, as a consequence, government intervention is the essential instrument of democracy for checking markets (Polanyi, 1944; Heilbroner, 1985, ch. 4; see also Friedman (1970), who advocates this model in his critique of CR).

The DIP that facilitated this extension of the firm's role definition was a *field-level* change—the field of big corporate business. As organizational institutionalists suggest, a field-level change implies that a critical mass of field constituents (e.g. companies) adopt a new 'archetype' or 'logic' of organization to replace an old one (Tolbert and Zucker, 1996; Hinings *et al.*, 2004). Such processes involve activity on the part of institutional entrepreneurs, who theorize, legitimize and disseminate the new organizational logic.

In field-level analyses, the typical role attributed to the extra-field environment is to generate the pressures that trigger change within a field (Oliver, 1992; Hinings *et al.*, 2004). The focus here is on the opposite, overlooked relationship, namely: the reshaping effect of field-level changes on the more general social order (Barley, 2007, 2010). The CCE reacts to external pressures by reinstitutionalizing its own field. But reinstitutionalization does not simply conform to external demands, and its purpose is not only to stimulate public sympathy towards corporations and businessmen. Rather, it is aimed at triggering a broader change wherein the *societal-level* pattern of business and society relations is redefined. Corporations change themselves in such a way that the mechanisms by which society regulates its corporate economy are pushed to change, too.

DIPs of such nature should be understood in the context of societal-level political–institutional wars and the general public opinion. In periods of open struggle over the nature of societal-level institutional arrangements, as each of the parties tries to win support for its own institutional agenda, public opinion emerges as a key issue. As Castells (2007, p. 238) points out, 'the fundamental battle being fought in society is the battle over the minds of the people'. The public's support is fought over not only for, but also through institutions. If institutions shape meaning, we should expect attempts to use them instrumentally for controlling the public's mind. Institutional change, in this case, implies a strategic re-ordering of how people perceive and act upon a certain set of issues, according to a certain design exerted by the project.

3. Historical background

3.1 Earlier manifestations of CR

Mid-20th-century CR embodied an existing pattern as well as a new phenomenon. The pattern's roots date to the crystallization of corporate capitalism at the turn of the century. Facing a tide of suspicion and potential radicalization, business leaders began to stress their 'social responsibility'—a commitment to use the resources they commanded to serve the greater good—as a key for social stability and progress. The emerging CCE, led by the National Civic Federation and with the liberal mainstream of the Progressive Movement as its ally, built around this concept a framework of political-economic relations that historians label 'corporate liberalism' (Weinstein, 1968; Bowman, 1996). This coalition was quite successful in establishing the notion that corporate capitalism was desirable and that, to the extent that corporations exercised their power 'responsibly', state control of them and collective bargaining were largely unnecessary for harmonizing social relations.

The 1920s saw the revival of CR rhetoric by means of, for example, a form of publicity that encouraged a 'soulful' image of the corporation designed to win the public's goodwill and affection, enhance employee loyalty and morale and attract customers (Marchand, 2001). In the area of industrial relations, many companies implemented 'welfare capitalism' programmes aimed at countering unionization and increasing productivity (Jacoby, 1997). Underlying welfare capitalism was an explicit corporate liberal approach to the solution of the 'labour question', whereas 'the business corporation, rather than government or trade unions, would be the source of security and stability in modern society' (Ibid., p. 3; see also Marens 2012, 2013, for a discussion of the link between welfare capitalism and CR). In the 1930s, as the labour movement reawakened, welfare capitalism would go 'underground' and would stay there until the 1960s–1970s (Jacoby, 1997). Meanwhile, as explored herein, capitalism's all-time-greatest crisis—starting in 1929 and concluding after mid-century—would spawn the reinvention of CR and its deployment by businessmen more systematically and sweepingly than ever before.

3.2 The threat prompting the mid-century project

In the crisis period, it was the changing stance of the federal government that worried corporate capitalists most. Three waves of New Deal policies through the 1930s followed by tight governmental supervision of economic activity during World War II, constituted an epic break from the paradigm of 'small government' that had heretofore reigned in the USA regardless of occasional, relatively modest adjustments. Sparked by the Great Depression, this late-developing great transformation reflected a general loss of faith in traditional market institutions and in businessmen as the agents of America's greatness and was widely understood by contemporaries as a popular movement against the economic 'plutocrats'. The business community, under the assumed leadership of the conservative National Association of Manufacturers (NAM), reinforced this impression when—after retreating from initial, suspect attempts at collaborating with government—it re-emerged by 1935 as a dogged opponent of change (McQuaid, 1978).

Historians, particularly those who wrote shortly after, have observed that the New Deal was not as radical as businessmen believed: it 'left a lot of free enterprise standing, and much of its state action, from spending to trustbusting, was designed to fortify rather than weaken free enterprise' (Hartz, 1955, p. 263). From such a perspective, business's explicit, encompassing fear during the 1930s and 1940s, that the very 'survival of free enterprise' was in question (Hoffman, 1947), may appear to be 'much more imagined than real' (Galbraith, 1954, p. 38). But such dismissive hindsight of the nature of the challenge facing business's hegemony in that period fails to consider roads that were not taken but could have been and the role of business's siege mentality itself in shaping the eventual course of events.

In fact, prior to mid-century, uncertainty ruled, and business had real cause for alarm. In the 1930s, an endless depression reinforced claims that unregulated capitalism was obsolete. The insecurity and suffering inflicted rendered much of the population receptive to such claims, and the Democrats—championing state planning and social legislation—were sent to the White House five times in a row. The historical passage of the Wagner Act (1935) not only empowered organized labour; it also forged a long-lasting alliance between the labour movement and the Democratic Party. World War II ended the depression and helped business regain much of its lost prestige, but for several years a relapse was widely feared. Also, after the war, it seemed that the movement towards socialism, communism and the welfare state had become a world trend: 'Between World I and World War II the drift toward collectivism was so strong that today the United States is an oasis of capitalism. The pressing question is not whether capitalism...will sweep the world, but whether...we can maintain it here in our own country' (Hoffman, 1947, p. 21). A January 1950 survey by *Management Review* titled 'Socialism: Will the American People Accept It?' found that about 25% of Americans supported socialism in America and that 66% of the rest viewed government ownership and operation of public utilities favourably. Anti-big business sentiment was peaking at the time, as suggested by a 1954 Harvard Business School (HBS) publication titled *The Attack on Big Business* (Glover, 1954). In 1946, 35% of the public expressed a desire for government regulation of big business, and by 1948 the figure had grown to 46% (Tedlow, 2008, p. 150).

The existence of such conditions means little unless there is a challenger movement that exploits them for the purpose of imposing an alternative structural blueprint. Unlike in the Progressive Era, such a non-socialist movement did exist.

Business's most dangerous rival was the 'New Dealer' bureaucratic elite. This small yet highly influential group consisted of young public administrators who functioned as the 'brain trust' behind the New Deal and belonged to a wider network consisting of left-leaning intellectuals, politicians and labour leaders (Janeway, 2004, chs. 1–3). During their heyday, New Dealers developed a view of the federal government as best positioned to oversee the economic system as a whole (Brinkley, 1989). By the late 1930s, many of them came to believe that economic recovery and social progress required more radical restructuring than what had been attempted in earlier stages of the New Deal. Coupled with this perspective was an explicit anti-business stance (Ibid.).

During World War II, plans regarding a future 'second New Deal' were actively promoted. In the area of macro-economic policy, New Dealers—led by Harvard economist Alvin Hansen—promoted a maximalist interpretation of Keynesian theory, claiming that without regular deficit government spending, capitalism was doomed to stagnate (Collins, 1981). Redistribution and interventionism were integral to the solution: heavier progressive taxation and increased federal spending on education, social welfare, public works, housing, regional development, public health, urban renewal, and more (Berle, 1948). In the area of industrial relations, New Dealers and labour leaders entertained in the early 1940s a notion of a post-war tripartite structure of industrial governance, similar to the one that would later characterize Scandinavian 'neo-corporatism' (Lichtenstein, 1989). Quite a social-democratic moment it was—but one that would not last long. By the time Truman succeeded Roosevelt, New Dealers were losing jobs and influence (Markowitz, 1973), and, later in the decade, business's counterattack and the inception of the Cold War would bury much of their vision.

Meanwhile, businessmen understood the New Deal in terms of a battle between 'political management' and 'private enterprise', as General Motors's Alfred P. Sloan, Jr., put it in a 1935 NAM convention speech (quoted in Marchand, 2001, p. 203). A decade later, business elites were still very concerned about what they saw as New Dealism's effective sedimentation. Conservative economists in the mid-1940s indicated that the 'Keynes-Hansen school' was 'not greatly distant from neo-Marxian thinking' and claimed that it became by 'now in effect an official creed' among 'most of the high policy-making and advisory positions in the executive agencies' (quoted in Collins, 1981, pp. 96–97). Economist David M. Wright suggested that the government was now expanding its economic role as a matter of default: 'a permanent policy aimed, consciously or unconsciously, at the gradual and more or less 'painless' socialization of the system' (Wright, 1945, p. 410). Wright and many others genuinely believed that capitalism could be well on its way to disappearing.

By mid-century, the alarm still blared. The dean of HBS Donald K. David (1950) warned about 'the danger of drifting' towards a welfare state in America. Peter

Drucker (1950, p. 80) was troubled by the successful 'attempts to whittle down the scope and authority of management' by both labour and government. Business historian N.S.B Gras (1949, pp. 419, 431), taking an elite perspective, described the present situation as one in which 'leadership is being offered by competing groups and institutions', whereas an alliance of 'the intelligentsia' (college professors and radical lawyers) and labour leaders encroaches upon economic reigns. He urged businessmen 'to move fast'. Otherwise 'other groups will spring to the front and take over', resulting in the ouster of 'the prevailing types of business leaders. . .[from] power and position'. Linked to the institutional-ideological war was the question of who was going to dominate the post-war political-economic order: incumbent business or a challenger government–labour alliance.

3.3 Business's defense strategies

The CCE and conservative allies acted vigorously on these concerns while employing a variety of strategies. One grand strategy was *strictly conservative*: to hold off the New Deal and to roll it back. From the mid-1930s up to and beyond the Republican presidential victory of 1952, the NAM, United States Chamber of Commerce (USCC), various conservative organizations and individual corporations crusaded to kill, dilute or amend most—if not all—interventionist and pro-labour pieces of legislation through lobbying efforts in Washington, appeals to the US Supreme Court, and wide-ranging 'selling free enterprise' publicity campaigns (Mayer, 1990; Fones-Wolf, 1994; Tedlow, 2008, chs. 3–4; Phillips-Fein, 2009).

The second strategy, *corporate liberal*, which came into its own after the war, called for embracing change while redirecting it. Corporate liberals promoted two major adjustments. One, at the macro-economic level, was to design the post-war order along the lines of an economic doctrine that, on the one hand, embraced Keynesianism and supported stabilizing intervention by the state and, on the other, gave Keynes a conservative interpretation in limiting the state's role to ensuring the continuous functioning of a *private* economy with minimal regulatory and redistributive interference (Collins, 1981). This was the constitutive, successfully accomplished goal of the corporate liberal policy group Committee for Economic Development (CED), founded in 1942. Throughout the post-war era, this approach would evolve into a more general business-leader participation in the outlining of public policy (Mizruchi, 2013).

Finally, another corporate liberal strategy sought to revise the traditional, laissez-faire-derived role-definition of the large-scale business unit. If the acceptance of Keynesianism marked a departure from one tenet of laissez-faire, namely, the self-regulating market, post-war CR revisited another, that of selfish economic action. Corporate liberals recognized that laissez-faire had not only lost its macro-economic efficacy; it had also lost moral ground: 'to express it is to invite hostility'

(Meriam, 1948, p. 464). In the case of large corporations, which had emerged from the war all the more economically dominant, to express selfishness meant—now more than ever—to invite regulation. Besides the problem of regulation, a strong public expectation for economic security raised the question among corporate liberals of who was going to be the supplier. Resenting the notion of a 'welfare state', they recommended increased corporate involvement in the governance of welfare as an alternative to that of the government. Both strategic considerations implied that corporations could no longer be mere profit-maximizers.

4. The project

This section argues, first, that the mid-century institutionalization of CR emanated from an institutionalization project and, second, from a DIP—that is, from the CCE's strategic initiative to defend its position through self-initiated institutional modification. It requires some effort to make these points, because the focal project was loosely and implicitly organized. For instance, there was no central authority—say, a formal business association—that oversaw its execution. Rather, the project leaned heavily on private initiative on the part of dispersed individuals and organizations operating independently or through *ad hoc* collaborations to achieve this or that specific goal at the corporate or field level. But regardless of this heterogeneity of agents, goals, sub-projects and levels, underlying the effort was a quite unified and fairly (though not entirely) consensual general interest, purpose and plan; a shared political-organizational consciousness that was building up within big business circles about what generally should be done. This shared consciousness informed a multitude of actions that, in their aggregate and mutual interaction, prompted a generalized institutional change. I begin by tracing institutional entrepreneurs and mechanisms of diffusion and proceed to a discussion of the defensive nature of the project.

4.1 Entrepreneurship, promotion/mobilization, diffusion/collaboration

The leading architects and promoters of mid-century CR were all part of the interest community formed around the CCE, including top executives, corporate public relations consultants, business schools (notably HBS), *Fortune* magazine and members of the CED. Active allies were the American Bar Association, the New Jersey Supreme Court, state legislators and professional fundraisers. Gradually, the circle of supporters would broaden so as to include, for example, the federal government, which was uninvolved but gave its approval, and liberal intellectuals fascinated by what they deemed to be the progressive potential of CR. In the remainder of the article, I touch on the activity of most of the aforementioned agents, but space limitations restrict the focus to one of them in particular—corporate public relations (CPR), which, in my opinion, was the single most important institutional entrepreneur in the project.

CPR's communication techniques have defended corporations against political challenge since the corporate revolution, including, very early in the century, advancement of the claim that managers 'were developing ethical values and consciousness of social responsibility' (Raucher, 1968, pp. vi–viii; Hiebert, 1966; Tedlow, 2008). But the profession made its major breakthrough only in the context of big business's darkest hour. Over a period of two decades beginning in the mid-1930s, public relations (PR) departments were established in virtually every large company, budgets and personnel were doubled and redoubled, and PR came to be recognized as an integral function of top management (Tedlow, 2008, pp. 151–152; *Public Relations Journal*, June 1955, pp. 7–10; *Fortune*, November 1955, p. 108; Marchand, 2001).

Early in the struggle for 'free enterprise', the prevailing approach to PR taken by business corporations and associations—the NAM most notably—was strictly conservative. As critically reported in 1939 by a US Senate committee on the subject of NAM's publicity: 'They asked not what the weaknesses and abuses of the economic structure had been, and how they could be corrected, but instead paid millions to tell the public that nothing was wrong and that grave dangers lurked in the proposed remedies' (quoted in Tedlow, 2008, p. 71). This sort of response was intuitive to business leaders because it involved no departure from their customary way of understanding the structure of society and their place and interests within it. The efforts to 'sell free enterprise' to the public extended into the 1950s and involved publicity campaigns that were unprecedented in their budgets, reach and innovativeness—and, on any scale, monumental (Fones-Wolf, 1994).

In time, the prolonged crisis proved instrumental in weaning away corporate executives and professionals from a strict laissez-faire identity and encouraging them to reconsider their strategy. By the 1940s, corporate liberal business scholars writing in the *Harvard Business Review* (HBR) were claiming that the strictly conservative approach to PR was out of touch with the opinions currently held by large publics, which had ceased to believe in the laissez-faire system and were henceforth placing their confidence in government (e.g. Ballaine, 1947; Bursk, 1948). Instead of trying to recommit the public to yesterday's system, revisionists made a recommendation 'to reverse the procedure—to work from the broad base of public needs and desires and . . . to find permanent and satisfying outlets for social pressures rather than to divert or block such pressures temporarily' (Cleveland, 1948, p. 360). Business had to reconnect with public expectations by embracing change—a change that must have a material dimension. The public could not be led 'by self-serving *words* to exchange those elements of basic mistrust [of big business] which are in their feelings for elements of faith. For the long-haul *actions* will have a greater educational impact than words' (Glover, 1954, p. 347).

Elements of the CPR community reached a similar conclusion earlier than others. Increasingly from the late 1930s, they were advancing the idea that laissez-faire could not withstand the onslaught of collectivism unless it was revised. The community proposed that henceforth corporations must cater to the interests of all segments of the public affected by the enterprise—employees, customers, the local community, the government and the community at large as well as stockholders—with the PR specialist acting in the corporate hierarchy as a liaison between management and its various publics (Sussmann, 1948). For the PR profession, CR was a path to expansion. In the early post-war years, as demonstrated in Section 5, PR specialists would shape and administer the deployment of CR practices by firms, and their profession would recognize CR as the organic function of the CPR executive. For CR as a model of management, on the other hand, CPR acted as a mechanism of *relational* diffusion; PR was spreading precisely in those same years throughout the corporate world and becoming integral to top-level policymaking.

Another influential promoter of CR was HBS, which in the late 1940s announced it was formulating a professional 'doctrine of business responsibilities' (David, 1948, 1949). And *HBR*, the most influential journal of general management targeting top executives and business intellectuals, acted as an agent of *cultural* diffusion (Strang and Meyer, 1993). From 1945 on, the journal increased its emphasis on business responsibilities and related topics. Of the dozens of articles on CR published in *HBR* in the years 1945–1960, the vast majority were promotional (there were also critiques), and quite a few of their authors were men of stature in the corporate world. For example, esteemed executive and CED's chairman Paul Hoffman, in his 'The Survival of Free Enterprise' (1947), listed the present 'responsibilities of businessmen' and urged that 'enlightened businessmen' become 'crusaders for the general public interest'. Hoffman stated 'Unless we are willing to stand up and be counted, and take on these tough jobs, our free society may be forfeited' (p. 26). In the period 1945–1950, such an alarming tone was typical of field-level mobilization for CR. Other writers—scholars, executives, or consultants—provided more specific advice, for example, on the importance and know-how of 'community relations' (see Section 5.2) (Ballaine, 1947; Welcker, 1949; Benjamin, 1956).

Testifying to the effectiveness of diffusion and, in turn, reinforcing it, captains of industry at large started speaking the CR language in public (see Section 5.1). To be sure, the notion of management as a 'public steward' was not new [it had already been entertained in the 1920s (e.g. Young, 1927)]. Heretofore, however, this philosophy had never ventured beyond the sidelines of management thought and practice. Now it was quite sweepingly accepted. In 1946, a *Fortune* poll found that 93.5% of businessmen believed they were 'responsible for the consequences of their actions in a sphere somewhat wider than that covered by their profit-and-loss statements' and should 'do their best to fulfill' those responsibilities (*Fortune*, March 1946, pp. 197–198). The fact that this and similar surveys surfaced at all is in itself an indicator of the trend they were part of (and *Fortune* was a consistent promoter).

At this point, the reader will begin to see that the mid-century CR surge involved agency. Behind it were concrete promoters, theorizers and diffusion mechanisms, for example the CPR and management professions [recall that the professions 'were the primary engine' of the succession of management models in the 20th-century USA (Guillen, 1994, p. 90)]. In addition, the reader has surely noticed the common theme of promotional efforts: it was an insider business community conversation in which promoters sought to convince other, strictly conservative businessmen, that capitalism would lose the fight against collectivism unless business opted to forgo its laissez-faire dogmatism and readjust to change by implementing a certain design.

Note also that, in this case, the very diffusion of the model implied collaboration on a project. The model to be circulated was not the peacetime knowledge about how to improve the economic performance of the individual firm or industry, e.g. TQM, but rather wartime knowledge whose purpose was to mobilize the big business field as a whole in its fight against a political rival. It is true that each corporation had public relations problems and goals of its own for which CR could be a solution. But, more important (at least for promoters themselves), the problem was collective, and so was the solution. In other words, promotion and theorization of CR were at the same time *mobilization* of the CCE: '*all* businessmen must become more vocal and more vigorous' (Hoffman, 1947, p. 26; italics in original). The amplification of a sense of siege and mission on the part of Hoffman and virtually all other promoters in the immediate post-war period was meant to encourage the kind of collective action seen in social movement campaigns (Snow *et al.*, 1986).

4.2 A DIP?

Another clarification is in order here. Even if CR emanated from an institutionalization project—one that included enough collaboration, planning and goal-orientation to deserve the title—was it, more specifically, a DIP? An alternative account of the focal developments could accept the existence of a project and still argue that, in the broader sense, what happened was a rather passive, straightforward response on the part of corporations to the definition of new roles from outside the field. True, the account would suggest, business was acting directly on its political concerns, but indirectly and more decisively external demands shaped business's response. Such a view of mid-century CR exists: 'Corporations embraced their new expanded social role…[they] responded to a variety of voices and operated in a balance of power among competing interests' (Carroll *et al.*, 2012, p. 195).

Did they? Hardly. In fact, no significant demand had been made from the outside that business expand its role, operate in a balance of power and so on—not before the business-initiated modification was well underway and as a result of it. One searches in vain for something more than a feeble demand for such, prior to mid-century, on the part of non-business actors and segments of the public. The Democratic administrations up to 1952 advanced governmental policies, not CR. [In 1953, Eisenhower was the first president to acknowledge, not enthusiastically but approvingly, the already surging corporate philanthropy (Heald, 1970, p. 265)]. Organized labour was focussed on collective bargaining—a system of governance it had fought to establish to replace the 1920s' welfare capitalism. In the 1940s, some labour movement figures promoted the notion of labour–management cooperation, which had some affinity to CR, but most other labour leaders saw these ideas as naive at best or as management ideology *per se* (Marens, 2008, pp. 60–61). The general public in the 1940s, according to all available indicators (including those mentioned on p. 10 above and a database search I conducted of the popular press throughout the period), expressed no perceptible expectation for CR. Exceptional, but hardly significant, were statements made by religious leaders criticizing businessmen as individuals for their arguably immoral conduct, and urging them to return to the values of Christianity (see Glover, 1954, chs. 6–8). Finally, business-insider promoters of CR mirrored this void by failing to mention the existence of any external demand for CR, though such an acknowledgment could have strengthened their argument.

The voices that promoters *did* listen and respond to were public expectations for governmental, not corporate, responsibility. In 1945, the public expected 'that never in the future shall property rights be placed above human rights' and was disposed to 'look beyond the privately owned corporate system toward government as the ultimate insurer of their economic survival', or at least that was the diagnosis of public opinion researcher Elmo Roper in speaking at Standard Oil (New Jersey)'s Public Relations Conference (quoted in Ewen, 1996, pp. 350–351). Five years later, HBS Dean David's reading of the public was that 'many people seem to have fallen for this glib promise of "security"', and that they were following 'the mirage of the state's complete solicitude for the welfare of all its members' (David, 1950, pp. 27, 25). David made no mention of public expectations from corporations directly. In the war's aftermath, segments of the public *were* making demands and generating expectations for change, but hardly for anything of the likes of CR.

What we have, instead, is a CCE that, given a transformed social environment in which a business-hostile blueprint—collectivism—gains in popularity, reacts to the threat by advancing a blueprint of its own. For Roper, in one way or another the public was going to get what it wanted; thus, he stated, ‘The only question in my mind is whether industry is going to get credit for helping to bring [it] . . . or credit for opposing it as long as it possibly could.’ David elaborated further. In his *HBR* article ‘The Danger of Drifting’, which warned against a creeping welfare state, his proposed solution was a ‘welfare society’ in which, ‘in contrast to a welfare state’, responsibility for human ‘satisfaction’ (he proposed this term as a substitute for ‘security’) is spread among countless businesses, and in which businessmen are ‘in the lead in taking corrective action’ (David, 1950, p. 29). While David’s blueprint was a response to outside voices—those urging government to step in—the idea that corporations should provide ‘satisfaction’ instead of the government was his, not the public’s.

Only well after 1950 did promoters addressing businessmen start to talk about public expectations for CR: ‘Like it or not, the public has already assigned industry these responsibilities [“to give more support to education, hospitals, slum clearance, conservation, and so on”] and expects management to pick up the tab as an overriding tax on its enterprise’ (Ohmann, 1957, p. 45). By then, corporations were donating hundreds of millions of dollars to the community and education, among other forms of penetration into society (see Section 5), and external solicitation of corporate donations and leadership was burgeoning (see Section 6.2). By the early 1960s, Americans were ‘expect[ing] much of [the corporation]. The large corporation has come to play an important role in American society and has come to bear responsibility for many areas of the quality and tone of American life’ (Cheit, 1964, p. 182). But these expectations were the effect, not the cause, of business’s change in behaviour.

Organizational institutionalism recognizes that field-level institutional changes often result from ‘pressures external to the field in question’, but also that ‘such pressures do not, in and of themselves, produce change. A second aspect is how actors in the field interpret and respond to these pressures’ (Hinings *et al.*, 2004, p. 307). This gap between how external pressures are originally formulated and how they are translated into actual change is, in this case, the heart of the story. The focal DIP operated in this space precisely.

In redefining its role by way of expansion, business was moving—in a transformed institutional context in which the public had come to expect more social solidarity—to take control of the means by which this demand would be met (and, in the process, redefined). It *appropriated* social responsibility and thus sought to limit the role of government and unions in delivering this public good. Its actions were meant to nourish the public’s expectations of corporations while discouraging its expectations of rival organizations. Figure 1 demonstrates the interaction between the field and the societal levels entailed in the DIM. The *field-level* extension of the firm’s role definition was meant to change a *societal-level* distribution of functions whereby corporations appropriate regulatory

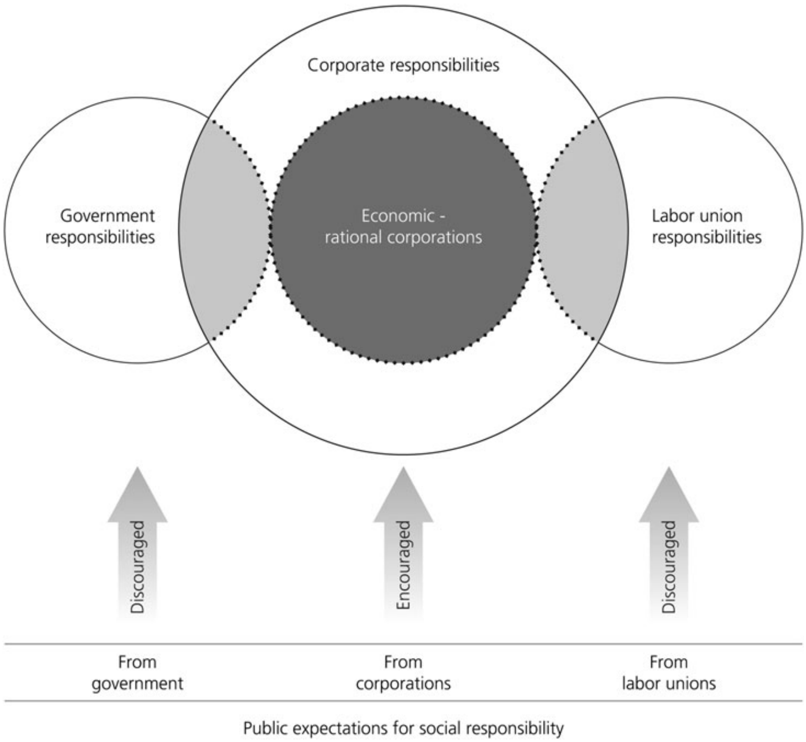

Figure 1 The intended effect of the DIM on the societal distribution of social responsibilities.

responsibilities that would otherwise be assumed by public authorities and labour unions.

A key to bringing about this societal-level transformation lay in the reshaping of public perception as to the sources of social responsibility, in a way that government's role is reframed as residual rather than essential to the system. In arguing for CR to businessmen on the pages of *HBR*, public opinion experts guaranteed them that insofar as firms acted as good 'neighbours' and 'citizens' and avoided greediness and 'excesses', the public would refrain from relying on government to 'keep an eye' on business (Roper, 1949; Gardner and Rainwater, 1955). The hoped-for message was that corporations could normally be counted on to exercise their power in a socially responsible way and, as long as they did so, government could and should be kept at bay. To establish this impression, three sets of CR practices underwent field-level institutionalization after the mid-1940s: a shift in the public rhetoric of management, 'community relations' programmes and accelerated gifting activity. Next I document these three dimensions in turn, including instances of the corporate- and field-level institutional work underlying them.

5. The modification and selected instances of institutional work

5.1 Rhetorical shift

Beyond what they said to pollsters, executives after the war took every opportunity to express their commitment to CR in all sorts of public forums and media outlets. Quantitative evidence of the magnitude of change is unavailable. Fortunately, however, impressionistic evidence abounds—and creating an impression, as stated above, was the heart of the matter. Contemporary observers claimed to be witnessing a major transformation in the attitude of post-war businessmen. I consider the following three accounts selected from a much bigger corpus of similar observations.

(1) In their renowned 1956 study *The American Business Creed*, Francis Sutton and his colleagues cited the recently emerged 'managerial theme of business ideology', whereby the actions of the firm 'should be dominated by considerations of the public interest'; 'profit-seeking takes a lesser place'; '[e]mployees, customers and suppliers are not regarded as outsiders'; stockholders 'are on a par with other groups' and managers have 'a statesman's function of mediating among the groups dependent on the enterprise . . . while always . . . keeping the interest of the general public paramount' (Sutton *et al.*, 1956, pp. 54, 57–58). At the same time, the managerial theme stressed voluntarism and maintained 'a vigorous opposition to government assumption or dictation of responsibilities' (p. 263).

(2) HBS Professor Benjamin M. Selekman (1958*a*, p. 38) anticipated the current account when he projected that 'it would not be surprising if future historians characterized the past quarter-century as the ethical awakening of American industry. . . . [R]ecent years have witnessed a more and more willing acceptance on the part of the modern corporation of a social responsibility to its employees, and indeed to the whole community.' Elsewhere he testified about 'the greater concern with religious and moral values in business schools than among scholars in the humanities. . .' (Selekman, 1958*b*, p. 61).

(3) Selekman's colleague Theodore Levitt was a critic, but his understanding of CR as an institutionalizing business rhetoric was similar: 'When outnumbered by its critics at the polls, business launched a counterattack via the communication front. . . . Before long something new was added to the ideological stockpile of capitalism. 'Social responsibility' was what business needed, its own leaders announced. . . . [CR] became the prevailing vogue for them all [businessmen]. Today pronouncements about social responsibility issue forth so abundantly from the corporations that it is hard for one to get a decent play in the press. Everybody is in on the act. . .' (Levitt, 1958, pp. 41–42). Levitt cited remarks by the president of Standard Oil (Indiana), who complained:

> 'You're supposed to talk about high ideals using high-flown words. You're expected to be mainly aware of what they call social responsibility. . . . This is fine, but I still say management's No. 1 problem is profits' (quoted in Levitt, 1958, p. 42). Levitt and the executive were suggesting that the change in rules governing correct CR speech was so overwhelming that going against it constituted heresy.

How did many top executives come to talk the CR talk? It is reasonable to assume that, from a certain point on, they were imitating one another. Then such talk became an informal yet institutionalized norm among them as well as for other publics that had come to expect such a posture. But where did this rhetoric come from in the first place, and was it the product of any particular design or organization? Yes, it was: the designers/organizers were CPR experts. To demonstrate their role, I will briefly consider the example of one company, Standard Oil (New Jersey) (SONJ, forebear of Exxon)—the world's third-largest company and a corporate icon.

To begin with an anecdote, SONJ chairman Frank W. Abrams's 1951 *HBR* article, 'Management's Responsibilities in a Complex World'—considered by some to be the 'opening salvo' or as 'germinal' to the modern CR concept (Frederick, 2006, pp. 7–8; Williams, 2013, pp. 7–8)—was quite likely ghostwritten by Earl Newsom, the star PR counsel of SONJ and other grand corporations, or members of his staff. We know for a fact that, 3 years later, Abrams's similar article in *Saturday Review*, 'Credo', was Newsom's handiwork (Cutlip, 1994, p. 657). Ghostwritten or not, Abrams's famous article was part of a ticking PR machine. The writing and editing of corporate materials was a regular service provided by Newsom's outfit. Newsom encouraged 'more speaking engagements and interviews with [SONJ's] top officials and placing articles in trade, business, and general magazines to portray the more open, more responsive SONJ' (p. 653). Abrams's articles accompanied reprints of SONJ directors' speeches that were being distributed 'for influentials—business leaders, political office-holders, university professors, etc.' (p. 650).

Newsom, according to Cutlip's account of his career, was the one who introduced CR into SONJ. When SONJ hired him in 1942, the company was entangled in a scandal over alleged trade with the Nazis and suffered from a long-standing corporate villain reputation. Shortly after his arrival, Newsom diagnosed that 'the machinery for a modern corporation's contacts with the Public Mind has traditionally been hopelessly minimized in Standard's set-up', and he recommended that the ability 'to meet any onslaught of public attack . . . has to be organized, departmentalized, comprehensive and patterned to operate like a well-oiled machine' (quoted in p. 646). In devising SONJ's PR programme and overseeing the establishment of its in-house PR department, Newsom's approach leaned strikingly towards

CR. He urged the company to avoid any practice that could be interpreted as selfish or surreptitious, suggesting instead:

> No attempt to solve the basic public relations problem of [SONJ] can be successful which does not have the effect of letting the American people discover that the company is a *morally good* enterprise with admirable principles, a strong sense of citizenship, a warm respect for human beings, a sharp awareness of social responsibility, in short *heart*. ... The company must make friends with the American people and help them develop a close acquaintance with [SONJ] ... (quoted in pp. 649–650).

Newsome conducted meetings with 'top officials to educate them in the ways of public opinion and the "good citizen" role of modern corporations' (p. 647), and SONJ's public rhetoric had shifted accordingly. Now it emphasized 'a strong sense of responsibility to the community', 'a harmonious balance among the claims of the various interested groups', '[to] contribute to the solution of the many complex social questions of our time' and so on (Abrams, 1951, pp. 29, 30, 34).

Considering what has been stated above about the expansion, influence and approach of the CPR profession in the focal period, there is a reason to believe that the case of SONJ was representative of organizational processes in motion at the time at other major companies. Future examination of more firms may draw a more nuanced picture of how CR rhetoric was implemented throughout the field.

5.2 Community relations

This emerging model of management of the relationship between firms and local communities was diffusing quite rapidly around mid-century. In 1948, according to *Public Relations News*, 77% of surveyed corporations were increasing their community relations budgets. By 1956, some 70% had a designated executive in charge of plant-community relations (Fones-Wolf, 1994, p. 169). At first, the concept of community relations was, to a great deal, about using company plants scattered around the country as platforms for spreading 'selling free enterprise' propaganda in nearby communities. Fones-Wolf (1994, ch. 6) has thoroughly documented these efforts, including their orchestration from above by the NAM and USCC. After the electoral victory of 1952, explicit efforts at indoctrination diminished, but community relations management persisted throughout the 1950s as a form of CR.

Corporations sought, through community relations, to position themselves as worthy community members. General Electric's 1953 *Plant-Community Relations Program* instructed the company's 131 plants 'to be a good neighbour and active corporate citizen, and to be known as such.' The means employed to create the impression of neighbourliness and citizenship were in part purely rhetorical—a dramatization of what the firm was doing anyway, such as job creation, local purchases or making tax payments [see, e.g. Boulware, 1953 (Boulware was GE's VP for public and employee relations)]. But they also included extraordinary measures such as gift giving and fostering corporate involvement in community affairs. Corporations indulged communities by providing them quasi-municipal services, building recreational facilities, letting the community use corporate premises and equipment, and sponsoring various public events and activities. In addition, executives were encouraged to contribute time and talent as leaders in civic projects and managers of community agencies. These practices were not completely new, but now, with the institutionalization of the community relations function of corporate management, their deployment became more widespread, regular and systematic.

In this case, too, the impulse to befriend the community originated with PR experts and PR-oriented executives. The field of community relations was, in fact, a sub-category of CPR expertise—recognized, promoted and theorized by the PR profession through professional journals, books and conferences. For example, the 1950 volume *Public Relations in the Local Community*, written by Louis B. Lundborg, the vice president of the Bank of America, and sponsored by the Public Relations Society of America, strongly encouraged a 'positive' approach to community relations, one that transcended dollars-and-cents calculations and emphasized maintenance of harmonious relations with the community through positive contributions to its welfare. Consider the similarity of Lundborg's guidelines to the ideals pursued by today's doctrines of CR:

> It should be decided (a) that nothing will be done, knowingly, that is harmful to the community nor, so far as avoidable, that is unpleasant or unwelcome to the community; (b) that everything within reason that is requested by or for the community will be granted, and that certain other minimum steps will be taken to establish acquaintance and contact with the community; and (c) that a positive effort will be made to seek new and additional ways in which to benefit the community and to identify the company as a good citizen, a good neighbor, and an asset to the community (Lundborg, 1950, p. 64).

CR-oriented community relations offered a number of benefits to potential adopters: to pre-empt tensions between companies and the surrounding community, counter the influence of 'leftists, laborites, [and] social reformers' (Ballaine, 1947, p. 381), increase workforce loyalty and generally build up a local and national reputation of social responsibility. An additional promise was made to the CCE as a whole: every management group that maintains 'good community relations ... strengthens the reputation of industry as a whole, thus assisting private enterprise throughout the nation' (Welcker, 1949, p. 780). The field responded; industry 'began to contribute generously, sometimes lavishly to community drives.... The efforts to create a 'good' feeling on the part of the community toward industry became so important that a new field of public relations developed to promote such activities' (Spence, 1953, p. 147).

5.3 Gifting

Community relations practices included cash donations to community causes, but this was only a fraction of what corporations were spending on philanthropy generally. The period in question saw corporations enlarge their charitable giving more dramatically than in any other period in the history of the USA. In fact, by 1960 the corporate donation-to-profit ratio reached the level that would become standard for decades to come, and which continues today. In that sense, CR has hardly changed since mid-century.

First, the numbers. In the 1920s, in the context of the community chest movement, total corporate donations grew from close to zero in 1920 to about \$22 million in 1929 (unless noted otherwise, figures are taken from Nelson, 1970). The figure had grown slowly until the passage of the 5% amendment in 1935; thereafter, from 1940 to 1964, annual corporate donations climbed from \$37 to \$723 million, a 10-fold increase in real terms. Within the corporate sector, firms whose assets exceeded \$1 million dollars (6.1% of companies) accounted for 82.6% of corporate contributions in 1958; those capitalized at more than \$100 million (the largest 283 firms) accounted for 35.7%. Thousands of company-sponsored foundations, most of them established post-1950, channelled about one-fourth of donations.

As a percentage of pre-tax profits, contributions grew from 0.28% in 1936 to 1.03% in 1964. In 2012, the corresponding figure would be 0.8% (Giving USA, 2013). In the intermediate period, the ratio averaged about 1%, fluctuating between 0.7% and almost 2% (Ibid.). Thanks to the public subsidy, the value of which increases as a correlate to the level of corporate taxes, the actual cost of donations to corporations was lower than the pre-tax ratio, peaking at 0.79% in 1963. At its lowest, under wartime excess-profits taxes, the price of every gift dollar was 28 cents. This explains the World War II and Korea surges within an otherwise linear trend upward in Figure 2.

The 5% bill, of course, enabled this development. Unlike the other aspects of CR, state backing was a condition for this one. Gifting required institutional-political settlement of the structured conflict between corporate property rights and corporate not-for-profit spending, which only the state could provide. The 5% subsidy reduced the tension by handing part of the bill to taxpayers. Roosevelt famously objected to the legislation, claiming he 'did not believe any company had a right

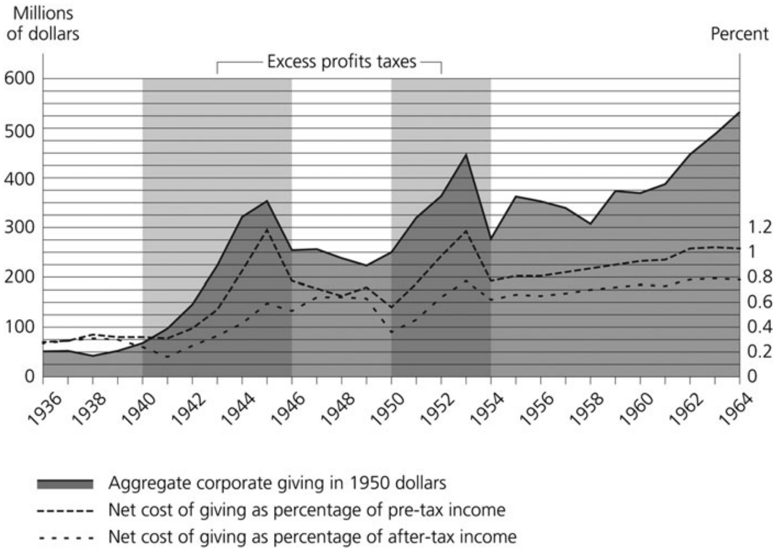

Figure 2 The mid-20th-century surge of corporate giving in the USA.
Source: Nelson, 1970, pp. 94, 97. Data compiled from corporate tax reports.

to buy good will', but intensive lobbying by business leaders and fundraisers, seeking to provide a counterweight to governmental welfare measures and to secure corporate donations, respectively, tipped the scales in Congress (Heald, 1970, pp. 165–171).

Post-war, the fight against state expansion in general, and the prospects of rising taxes on increasingly wealthy corporations in particular, drove elements of the CCE and conservative allies to seek further institutionalization of corporate giving. Regardless of the 5% bill, whether courts would protect donating managers from stockholders claiming a breach of trust had been a continuing issue (Prunty, 1960). Corporate liberal leaders, professional fundraisers and the pro-business American Bar Association moved to eliminate uncertainty. Beginning in 1949, the Bar and the Community Chests and Councils of America promoted state adoption of a Bar-formulated model statute authorizing corporate charitable spending. Within a decade, the number of states with such laws on their books grew from 15 to 41 (Ibid.).

The landmark *A.P. Smith Mfg. Co. v. Barlow* ruling—made by a New Jersey lower court and upheld by that state's Supreme Court—signalled the judiciary's approval of the expanding corporate philanthropy. This case, which challenged the legality of a $1,500 donation to Princeton University, was in all probability a collusive lawsuit aimed at eliciting a formal statement from the court (Miller, 2009). The identity of the organizer remains unknown; but participants in the staging, besides the plaintiff and the defendant, included SONJ's Frank Abrams, US Steel's former chairman Irving S. Olds, Princeton's President Harold W. Dodds, the New Jersey Attorney General and the judges 'who were more than willing to wink at the collusion' (Miller, 2009, p. 841). The 1953 New Jersey Supreme Court decision made it clear that it was within management's lawful discretion to donate 'within reasonable limits' and reiterated the justificatory rationale expressed in the testimonies of the aforementioned gentlemen (*A.P. Smith Mfg. Co. v. Barlow*, 13 NJ. 145, 98 A.2d 581 [1953]).

The court affirmed that (a) public finance of higher education (rendering schools 'governmental institutions') endangers private enterprise, democracy and freedom in education and elsewhere (as emphasized by Dodds and Olds). 'If need be', said the court, corporate giving 'may be viewed strictly in terms of actual survival of the corporation in a free enterprise system'; (b) corporate giving responds to a 'reasonable and justified public expectation' and thus expresses 'good citizenship' as well as 'good business' (as suggested by Abrams); (c) recent levying of higher taxes on individuals reduces their ability to engage in philanthropy; hence the urgency of corporations' filling the void (the fundraiser's point of view); (d) 'modern conditions' in 'our modern social structure' require that firms assume their 'modern obligation', that is, 'acknowledge and discharge social as well as private responsibilities' (CR is about modernization and social progress). The ruling, then, not only removed an institutional barrier before CR; it also articulated the position favouring the privatization of governance that was being promoted by an alliance of corporate elites, other anti-statists such as the Bar, fundraisers and now the judiciary. The US Supreme Court gave its tacit consent by refusing to hear the case (Sharfman, 1994, p. 255).

Through giving, as explained by the *A.P. Smith* court, companies could 'receive advertisement of substantial value, including the goodwill of many influential citizens.' Indeed, in the period from 1946 to 1973, expenditures on advertising and on contributions fluctuated almost identically and were both larger in firms with greater exposure to the public eye (Fry *et al.*, 1982). Beyond helping to construct the individual corporation as socially responsible, gifting—as a collective endeavour—was a pillar of the more general agenda of privatization. It served to blur the line between public and private governance. In Heald's words

> From the perspective of the corporate balance sheets the sums involved appeared almost inconsequential, but .... As the organization of business philanthropy continued to grow, old distinctions began to blur. Sharp divisions between public and private enterprise, between work and welfare, between corporations, colleges, and governments seemed suddenly somehow less sharp (Heald, 1970, 268–269).

5.4 Discussion of findings

The evidence presented above suggests, first, the field-encompassing nature of the mid-century change. While it was not possible in all cases to bring quantitative confirmation of the extent to which the transformation had been general, it seems that a sizable number of corporations had taken part in it (a future inquiry into the behaviours of a broader sample of individual firms would be able to put this argument to the test). The three aspects of field-level change were these: (a) a noticeable number of large corporations extended a rhetorical (publicity) effort aimed at portraying themselves as 'socially responsible'; (b) some 70% of large companies (according to available surveys) adopted community relation programmes and (c) corporate gifting underwent legalization, and its aggregates surged dramatically (with large firms in the lead). In addition, a manifest commitment to CR, though contested by some, became widespread and legitimate.

Second, while the instances of institutional work documented were in many ways separate and localized rather than coordinated at the field level, a thread of shared purpose and collective action still connected the different actions taken by SONJ, GE, other large corporations and the *A.P. Smith* colluders. They were all expressions of a particular ascending logic of management, and this logic was put in place to a significant extent by the CCE through its self-appointed agents.

As described in Section 4, all early promoters and theorizers of CR—including Hoffman, David, other contributors to *HBR* and members of the CPR community—addressed/mobilized the field as a whole while appealing to the shared interest in saving the system. These early promoters articulated CR in terms of a strategy in the battle for capitalism, whose effectiveness is conditional on collective adoption. In defining collective adoption as a means to an end, promoters (a) adopted/articulated the point of view of the CCE as a whole, and (b) invested the process of diffusion with a collective purpose that is absent from peacetime processes of isomorphism. This ingredient was integral to the logic that shaped more localized practices and was most obvious in the case of the *A.P. Smith* colluders. While the group of colluders acted on its own initiative rather than on a plan devised in some CCE headquarters, its *raison d'être* was to facilitate collective adoption, thus increasing the aggregate amount of gifting and thereby advancing the general plan to curb the expansion of government by having corporations act in its place.

Newsom, in contrast, tailored CR specifically to SONJ. To be sure, SONJ's massive engagement in the propagation of CR rhetoric was a direct response to its damaged reputation (and the ensuing risk of prosecution). But we cannot ignore the fact that, at the same time, Newsom's advice was part of a larger, increasingly legitimized corporate liberal/CPR strategy to spread the CR blueprint throughout the field in order to secure a collective goal. That individual corporations could use CR for their own purposes undoubtedly facilitated diffusion, but a collective effort figured strongly—even formatively—in the impulse.

Admittedly, for the term 'project' to apply to the collection of efforts in question, it must be used loosely. When the entity identified here as the CCE engages in a DIP, one can expect a large measure of decentralization, not least because of its non-hierarchic structure (as compared with a government, an army or a single firm). Collaboration is far from tightly knit, the plan is neither unified nor authoritative, and individual corporations vary in their specific methods and goals. Still, we do see (a) attempts to mobilize the CCE as a whole for defense, (b) the formulation of a general plan and (c) an attendant change in the field. Collaboration is implicit; it is realized less through explicit cooperation and more through collective adoption of a general design by a critical mass of firms. Mechanisms of diffusion that facilitate adoption are in play. Diffusion succeeds because the blueprint disseminated is instrumental to the collective interest of managers as members of the CCE (this is an important source of legitimacy) as well as to the survival/success of their individual firms.

Considering the apparent complication, it might have been easier for this writer to simply give up the project imagery. But the result would have been to remain blind to the tacit yet real ability of the CCE, featuring as a unit of analysis, to organize for defense in this decentralized way.

6. Conclusion: how did the focal DIM change corporate capitalism?

6.1 The break from the past

CR had earlier roots, but the mid-century surge encompassed three major innovations. First, in terms of content, CR's scope of application extended from industrial relations (the focus of welfare capitalism) to wider problems of socioeconomic governance (from 'capital and labour' to 'business and society' more generally). This shift was a reaction to changes in the nature of external threats. Following the New Deal, 'the expanding role of government in our economic life' became the greatest 'uncertainty of all' (David, 1949, p. 2). At the same time, an empowered post-war labour movement forced business to engage in collective bargaining at the expense of factory paternalism. Hence, the era saw business 'modernly' appropriating government-like responsibility to the needs of local communities and society at large through forms of gifting and involvement in government and governance.

Second, the scale of the mid-century surge was unprecedented. This was reflected first in the amount of attention, personnel and money allotted by corporations to creating and sustaining an image of social responsibility. In 1954, the 100 largest companies dwarfed past outlays by spending at least $50 million on public relations (*Fortune*, November 1955, p. 108), and in 1958 the largest 283 spent $137 million on contributions. Second, at the rhetorical level, it was not before mid-century that the notion of 'business responsibilities' became a familiar, widespread, much-discussed, even orthodox corporate commitment.

Finally, if institutionalization has degrees (Jepperson, 1991), the degree to which CR was institutionalized around mid-century justly earns this episode its recognition as CR's 'formal birth' (Carroll, 2008, p. 24). Most clearly in the area of cash gifts, the period in question saw giving receiving it deductible status, written into law, and reach the theretofore-stable 1% (of pre-tax profits) benchmark. In addition, CR now came to be an integral function of professional CPR, and the latter became a top management concern. The management profession, too, incorporated CR into its jurisdiction, with the HBS and *HBR* pioneering business school courses and specialized research of CR. (Both would only further expand and develop after this period.) The field of community relations was institutionalized for a time through programmes and with the aid of specialists, but it then atrophied. Most important, only by mid-century did the field of large corporate business develop a generalized acknowledgement of the utility of CR as a form of power. From that point on, CR would become an off-the-shelf strategy available to corporations, industries and corporate business in general for managing their socio-political environment—proactively, or when the need arose. This is one way in which corporate capitalism has changed as a result of the project. CR strategy also reshaped the approach of *society* towards its corporations.

6.2 Societal-level impact

An urgent purpose of the CR project was to take the heat off corporate capitalism. Indeed, the 1950s saw the restoration of social peace. It is impossible, though, to isolate the contribution of the focal DIM to this development. Economic growth, consumerist prosperity, the recognition of collective bargaining, welfare policies untouched and sometimes extended by the Eisenhower administration, and the anti-communist atmosphere fuelled by the Cold War were important factors in discouraging action on the part of challengers, too.

However, as part of the re-established consensus—and regardless of the fact that since the war the largest corporations had only become wealthier and further concentrated—observers reckoned that in mid-century 'Americans have accepted the big corporation' like never before (Cheit, 1964, p. 182). To an unknown extent, the CR myth was in place and working. As described by Mills: 'Within the free, private, enterprising system, it is said, there has arisen a set of executives who are quite distinct from the "crude old-fashioned entrepreneurs" out for themselves in the ruthless ways of a capitalism now long dead. These executives . . . have come to be responsible trustees, impartial umpires, and expert brokers for a plurality of economic interests...' (1956, p. 118). Mass media—publicists obviously were seeing to this—were disseminating the myth: 'Where companies were once concerned only with products and payrolls, today's businessman feels that he is a civic leader with a social responsibility to the market he serves' (*Time*, 'Civicminded Executives', September 24, 1956). There is reason to believe that the modified corporation succeeded, to some extent, in creating 'a "good" feeling on the part of the community toward industry' (see the quote in p. 28). But this good feeling would not last long—in fact, it survived only until the mid-1960s, when corporate business once again faced a crisis of legitimacy.

The more important goal of the modification, at least from a long-term perspective, was to encourage the substitution of self-regulation for external regulation and of CR for governmental intervention—in other words, to reshape the division of governance labour in society. From the outset, this societal-level objective assumed endorsement on the part of non-business elements, which acknowledge the new role of the firm and decrease their expectations from government. From 1950 to the present, much has happened in the way of turning CR into a 'legitimate expectation' (Brammer *et al.*, 2012) and a multiparty field, in which both business *and* society reproduce the CR construct. In the following, I indicate some early developments in this direction.

As we have seen, fundraisers, the Bar, state legislators and the judiciary lent active support to the institutionalization of corporate gifting. These early non-business advocates were motivated either by anti-statism (notably the Bar), the search for resources (notably fundraisers), or both. Fundraisers had been soliciting corporate donations since the 1920s. It is not surprising that these elements were the first to embrace the agenda so comprehensively articulated by the New Jersey court.

Throughout the 1950s, the circle of confirmation expanded to include less obvious elements. Public interest advocates at large were starting (they had never done so before) to call on corporations to assume social responsibility, and not only with checks. For example, concerned about what she saw as an impending crisis in the American educational system, anthropologist Margaret Mead petitioned *HBR* readers to assume leadership in a radical reform. Expressing the belief that industry 'in many ways is capable of taking a position of leadership in the task of reorienting the training of people to live in this new world' (Mead, 1958, p. 23), she proposed that industry send every worker who so desired—as a matter of right and at corporate expense—to obtain secondary education in the field and at a school of the worker's choice. This proposal came to nothing, but the pattern in which society calls upon business rather than government to tackle social problems was emerging.

It should be clear by now that the emergence of activists' direct targeting of corporations beginning about 1960 (Soule, 2009) had been preceded by the laying of massive corporate groundwork. True, the rise of non-labour grassroots activism since the 1960s was an overdetermined development that, in its own right, would reinforce the trend towards non-state forms of governance. But it is doubtful that unless corporations had been receptive to the notion that they have intrinsic social responsibilities, civil society actors would have tried (let alone succeeded) to force such a notion upon them instead of focussing all their attention on reforming public policy. Corporations were not merely receptive; they invented the concept of CR and had been promoting it for many years, precisely because they wanted to channel social supervision of themselves in that direction. That in the 1960s even challengers were starting to call themselves 'corporate responsibility action groups' and articulate their objectives and methods accordingly (Anderson, 1994) testifies to the societal impact of the focal DIM.

Finally, another early area of impact was the intellectual arena. Prominent contemporary thinkers such as Adolf A. Berle, John K. Galbraith, Edward S. Mason, Carl Kaysen and Howard R. Bowen were incorporating the issue of CR into their discussions. Remarkably, these business community *outsider* intellectuals did not simply reproduce the business discourse of CR but, rather, developed the notion of CR further through discussions of ways in which it can be systematized and be subjected to extra-business controls (see Marens, 2008; Ireland and Pillay, 2010). For example, in his *Social Responsibilities of the Businessman*, Bowen's prime objective was to examine the conditions under which business responsibility could be turned from 'business propaganda' into an 'effective', 'reliable' force of social control of business, through 'proper qualification and limitation' and effective 'institutional or legal arrangements' (1953, p. 5, 7). Bowen's book anticipated today's prevailing academic and lay notion of CR as a mechanism of 'civil regulation', that is, the entrance of *society* into the CR game and its transformation into a 'contested terrain' (Levy and Kaplan, 2008).

While the findings above are preliminary, they imply that, in the 1950s and 1960s, CR was beginning to re-emerge as a more dynamic institution that not only inhibits but also redirects the conflict. Society was beginning to develop an appetite for CR or was driven to participate in the CR game for lack of a better alternative. The original designers of the construct, back in the 1940s, could not foresee the emergence of this dynamism. However, its emergence was not inconsistent with their general plan. In contrast, it was, in a sense, perfectly consistent: it further entrenched the privatization of governance. And since the CR discourse was no longer business-exclusive, the distinction between the regulating and the regulated was becoming blurred.

6.3 Who regulates whom today? Towards a historical perspective

This section concludes the article by taking a look at contemporary CR from the perspective of the mid-century episode. Historical continuities cannot be fully established without accounting for the development of the construct in the intervening half-century. Still, a juxtaposition of the two periods might provide a hint about the general historical trajectory taken by it and point to some directions for future research.

An ambiguity persists as to the nature of the line connecting the American history of CR and its present-day, globalized manifestation. Scholars have sensed that the rise of global CR, since about 1990, reflects the diffusion of an originally American model (Matten and Moon, 2008). To be sure, the substantiation of this hypothesis awaits further inquiry into presumed processes of export-import from the USA to the rest of the world. Meanwhile, the current study reinforces the likelihood that today's CR is indeed an American export and, moreover, that in a sense it is a continuation of the mid-century modification.

While global CR takes different forms in different countries (possibly suggesting processes of institutional translation), the applied model has some universal general features: (a) corporations need to assume/display social responsibility; (b) public interest advocates (be they NGOs, government agencies, conscientious investors or others) generate expectations/pressures on firms to be responsible and (c) to the extent that CR is not completely the initiative of management, it is enforced 'softly', that is, by mechanisms unsupported or loosely supported by public authority. Thanks to these or similar essential features, we can talk about CR as a generic 'mode of governance' (Brammer *et al.*, 2012).

The current study suggests that these features of the contemporary CR mode, excluding the attempt to institutionalize CR through elaborate mechanisms of soft regulation, were implicit in the design implemented by the mid-century DIP. By moving to expand their role, American corporations sought to encourage the development of public expectations for CR rather than government intervention, while insisting that CR should be applied voluntarily. This design was couched in an ideology of government's role as residual rather than essential to economic ordering—that is, government intervention is basically undesirable and is warranted only if self-regulation fails. Under this set of principles, corporations are compelled to maintain an impression of working social responsibility, and society is eligible to generate pressures for the same. The other side of the coin is that government is expected to reduce its top-down involvement. Has the recent global trend towards privatization of governance not been realizing a quite similar outline?

The recent emergence of CR frameworks hardly challenges this basic scheme. Beginning with Bowen, society-side theorizers and institutional entrepreneurs of CR, suspecting that the original corporate-contained design could not fulfill its promises to society, have made attempts to change it by adding an element of external control to the formula. As of now, however, these efforts have resulted in today's unimpressive mechanisms of soft regulation. In their coverage and rigor, existing soft regulation mechanisms are but a shadow of what was entailed in Bowen's old blueprints (formulated at a time when the threat of collectivism was still looming, functioning as a leverage). The question of why external formalization, standardization and monitoring of CR have so far not advanced significantly is a crucial one and, indeed, has been asked. Much evidence suggests the existence of an ongoing, effective effort on the part of corporations at *institutional maintenance*. Companies have protected the original design by using various means such as capture of CR frameworks to ensure their laxity (Levy *et al.*, 2010), placing multi-stakeholder frameworks in competition with business-led ones (Fransen, 2012), or simply ignoring civil regulatory systems. Is there a better explanation for the fact that, historically speaking, society has not achieved much in the struggle over the design of CR?

The general hypothesis set forth here is that civil solicitation/targeting of corporations, by now evolved into CR frameworks, represents society's acceptance of its role in an institutional design that has been instrumentally exerted by big business. The current article has established that, in the USA of mid-century, corporate social engagements and the intentions and design underlying them created, more than responded to, public expectations for the same, thus setting the stage for the emergence of a privatized mode of governance. Future exploration of subsequent chapters in the story leading to the present—in the USA and in other countries—might examine how dominant the role of business continued to be in stimulating expectations for CR, in constraining alternative strategies for social change, in preventing the transformation of CR itself into a more rigorous mechanism of social control, and in globalizing CR. To put the same question differently, to what extent have non-business interests ever succeeded in acting upon the construct independently from business's political goals and strategy? Whatever findings are generated, such a realist historical-institutional approach can tighten the social-scientific grasp of CR by providing a clearer view of long-standing, by now largely taken-for-granted institutional structures within which present-day business and society dynamics are shaped.

Acknowledgements

I wish to thank David L. Levy, Alwyn Lim, Daniel Kinderman, Dan Lainer-Vos, Michal Frenkel, Ronen Shamir and three anonymous reviewers for their very helpful criticisms and advice.

References

Abrams, F. W. (1951) 'Management's Responsibilities in a Complex World', *Harvard Business Review*, **29**, 29–34.

Anderson, T. H. (1994) 'The New American Revolution: The Movement and Business'. In Farber, D. (ed.) *The Sixties: From Memory to History*, University of North Carolina Press, pp. 175–205.

Ballaine, F. K. (1947) 'Businessmen and the Community Forum', *Harvard Business Review*, **25**, 372–384.

Barley, S. R. (2007) 'Corporations, Democracy, and the Public Good', *Joumal of Management Inquiry*, **16**, 201.

Barley, S. R. (2010) 'Building an Institutional Field to Corral a Government: A Case to Set an Agenda for Organization Studies', *Organization Studies*, **31**, 777–805.

Benjamin, H. C. (1956) 'Looking Around: Plant-Community Relations', *Harvard Business Review*, **34**, 135–146.

Berger, P. L. and Luckmann, T. (1967) *The Social Construction of Reality: A Treatise Its the Sociology of Knowledge*, Garden City, Anchor Books.

Berle, A. A. (1948) 'A Liberal Program and Its Philosophy'. In Harris, S. E. and Knopf, A. A. (eds) *Saving American Capitalism: A Liberal Economic Program*, pp. 40.

Boltanski, L. and Chiapello, E. (2005) *The New Spirit of Capitalism*, Verso.

Boulware, L. R. (1953) 'Big Industry in the Community', *Journal of Educational Sociology*, **27**, 152–59.

Bowen, H. R. (1953) *Social Responsibilities of the Business Man*, Harper & Brothers.

Bowman, S. R. (1996) *The Modern Corporation and American Political Thought*, Pennsylvania State University Press.

Brammer, S., Jackson, G. and Matten, D. (2012) 'Corporate Social Responsibility and Institutional Theory: New Perspectives on Private Governance', *Socio-Economic Review*, **10**, 3–28.

Brinkley, A. (1989) 'The New Deal and the Idea of the State'. In Fraser, S. and Gerstle, G. (eds) *The Rise and Fall of the New Deal Order, 1930–1980*, Princeton University Press, pp. 85.

Bursk, E. C. (1948) 'Selling the Idea of Free Enterprise', *Harvard Business Review*, **26**, 372–384.

Carroll, A. B. (2008) 'The History of Corporate Social Responsibility: Concepts and Practices'. In Crane, A., McWilliams, A., Matten, D., Moon, J. and Siegel, D. (eds) *Oxford Handbook of Corporate Social Responsibility*, Oxford University Press.

Carroll, A. B., Lipartito, K. J., Post, J. E. and Werhane, P. H. (2012) *Corporate Responsibility: The American Experience*, Cambridge University Press.

Cashore, B., Auld, G. and Newsom, D. (2004) *Governing Through Markets: Forest Certification and the Emergence of Non-State Authority*, Yale University Press.

Castells, M. (2007) 'Communication, Power and Counter-Power in the Network Society', *International Journal of Communication*, **1**, 238–266.

Cheit, E. F. (1964) 'The New Place of Business'. In Cheit, E. F. (ed.) *The Business Establishment*, John Wiley & Sons, pp. 152.

Cleveland, A. S. (1948) 'NAM: Spokesman for Industry?' *Harvard Business Review*, **26**, 353–371.

Collins, R. M. (1981) *The Business Response to Keynes, 1929–1964*, New York, Columbia University Press.

Courpasson, D. (2013) 'On the Erosion of 'Passionate Scholarship'', *Organization Studies*, **34**, 1243.

Cutlip, S. M. (1994) *The Unseen Power: Public Relations: A History*, Routledge.

David, D. K. (1948) 'Introduction'. In Merrill, H. F. (ed.) *Responsibilities of Business Leadership*, Harvard University Press.

David, D. K. (1949) 'Business responsibilities in an Uncertain World', *Harvard Business Review*, **27**(supplement), 1–8.

David, D. K. (1950) 'The Danger of Drifting', *Harvard Business Review*, **28**, 25–32.

DiMaggio, P. (1988) 'Interest and Agency in Institutional Theory'. In Zucker, L. G. (ed.) *Institutional Patterns and Organizations: Culture and Environment*, Ballinger Publishing Company, pp. 3–21.

DiMaggio, P. J. and Walter, W. P. (1991) 'Introduction'. In Walter, W. P. and DiMaggio, P. J. (eds) *The New Institutionalism in Organizational Analysis*, Chicago, University of Chicago Press, pp. 1–38.

Domhoff, G. W. (1978) *The Powers That Be: Processes of Ruling-Class Domination in America*, Random House.

Douglas, M. (1986) *How Institutions Think*, Syracuse University Press.

Drucker, P. F. (1950) 'Management Must Manage', *Harvard Business Review*, **28**, 80–86.

Ewen, S. (1996) *PR!: A Social History of Spin*, New York, Basic Books.

Fones-Wolf, E. A. (1994) *Selling Free Enterprise: The Business Assault on Labor and Liberalism, 1945–1960*, University of Illinois Press.

Fligstein, N. and McAdam, D. (2012) *A Theory of Fields*, Oxford University Press.

Fransen, L. (2012) 'Multi-Stakeholder Governance and Voluntary Programme Interactions: Legitimation Politics in the Institutional Design of Corporate Social Responsibility', *Socio-Economic Review*, **10**, 163.

Frederick, W. C. (2006) *Corporation, Be Good!: The Story of Corporate Social Responsibility*, Dog Ear Publishing.

Friedman, M. (1970, September 13) 'The Social Responsibility of Business is to Increase Its Profits', *New York Times Magazine*, 32–33, 122–126.

Fry, L. W., Keim, G. D. and Meiners, R. E. (1982) 'Corporate Contributions: Altruistic or for-Profit?' *Academy of Management Journal*, **23**, 94–106.

Galbraith, J. K. (1954) 'The Defense of Business: A Strategic Appraisal', *Harvard Business Review*, **32**, 37–43.

Gardner, B. B. and Rainwater, L. (1955) 'The Mass image of Big Business', *Harvard Business Review*, **33**, 61–66.

Gerth, H. H. and Mills, C. W. (1942) 'A Marx for the Managers', *Ethics*, **52**, 200–215.

Glover, J. D. (1954) *The Attack on Big Business*, Harvard University.

Gras, N. S. B. (1949) 'Leadership, Past and Present', *Harvard Business Review*, **27**, 419–437.

Guillen, M. F. (1994) *Models of Management*, Chicago, Chicago University Press.

Hartz, L. (1955) *The Liberal Tradition in America*, Harcourt.

Heald, M. (1970) *The Social Responsibilities of Business: Company and Community, 1900–1960*, The Press of Case Western Reserve University.

Heilbroner, R. (1985) *The Nature and Logic of Capitalism*, New York, W. W. Norton & Company.

Hiebert, R. E. (1966) *Courtier to the Crowd: The Story of Ivy Lee and the Development of Public Relations*, Iowa State University Press.

Hinings, C. R. and Greenwood, R. (2002) 'Disconnects and Consequences in Organization Theory?' *Administrative Science Quarterly*, **47**, 411–421.

Hinings, C. R., Greenwood, R., Reay, T. and Suddaby, R. (2004) 'Dynamics of Change in Organizational Fields'. In Poole, M. S. and Ven, A. H. V. d. (eds) *Handbook of Organizational Change and Innovation*, Oxford University Press, pp. 304–323.

Hoffman, P. G. (1947) 'The Survival of Free Enterprise', *Harvard Business Review*, **25**, 21–27.

Ireland, P. and Pillay, R. G. (2010) 'Corporate Social Responsibility in a Neoliberal Age'. In Utting, P. and Marques, J. C. (eds) *Corporate Social Responsibility and Regulatory Governance: Toward Inclusive Development?* Palgrave Macmillan.

Jackson, G. and Apostolakou, A. (2010) 'Corporate Social Responsibility in Western Europe: An Institutional Mirror or Substitute', *Journal of Business Ethics*, **94**, 371–394.

Jacoby, S. M. (1997) *Modern Manors: Welfare Capitalism Since the New Deal*, Princeton University Press.

Janeway, M. (2004) *The Fall of the House of Roosevelt*, Columbia University Press.

Jepperson, R. L. (1991) 'Institutions, Institutional Effects, and Institutionalism'. In Powell, W. W. and DiMaggio, P. J. (eds) *The New Institutionalism in Organizational Analysis*, University of Chicago Press.

Kinderman, D. (2012) ''Free us up so we can be responsible!' The co-evolution of Corporate Social Responsibility and neo-liberalism in the UK, 1977–2010', *Socio-Economic Review*, **10**, 29–57.

Lasswell, H. (1961/1936) *Politics: Who Gets What, When, How*, The World Publishing Company.

Levitt, T. (1958) 'The Dangers of Social Responsibility', *Harvard Business Review*, **36**, 51–60.

Levy, D. and Kaplan, R. (2008) 'CSR as Global Governance: Strategic Contestation in Global Issue Arenas'. In Crane, A., McWilliams, A., Matten, D., Moon, J. and Siegel, D. S. (eds) *The Oxford Handbook of Corporate Social Responsibility*, Oxford, Oxford University Press.

Levy, D. L., Brown, H. Z. and de Jong, M. (2010) 'The Contested Politics of Corporate Governance: The Case of the Global Reporting Initiative', *Business and Society*, **49**, 88–115.

Lichtenstein, N. (1989) 'From Corporatism to Collective Bargaining: Organized Labor and the Eclipse of Social Democracy in the Postwar Era'. In Fraser, S. and Gerstle, G. (eds) *The Rise and Fall of the New Deal Order, 1930–1980*, Princeton University Press, pp. 85.

Lim, A. and Tsutsui, K. (2012) 'Globalization and Commitment in Corporate Social Responsibility : Cross-National Analyses of Institutional and Political-Economy Effects', *American Sociological Review*, **77**, 69–98.

Lipschutz, R. D. (with Rowe, J. K.) (2005) *Globalization, Governmentality and Global Politics: Regulation for the Rest of Us?* Routledge.

Lundborg, L. B. (1950) *Public Relations in the Local Community*, Harper & Brothers.

Marchand, R. (2001) *Creating the Corporate Soul: The Rise of Public Relations and Corporate Imagery in America Big Business*, The University of California Press.

Marens, R. (2008) 'Recovering The Past: Reviving the Legacy of the Early Scholars of Corporate Social Responsibility', *Journal of Management History*, **14**, 55–72.

Marens, R. (2012) 'Generous in Victory? American Managerial Autonomy, Labour Relations and the Invention of Corporate Social Responsibility', *Socio-Economic Review*, **10**, 59–84.

Marens, R. (2013) 'What Comes Around: The Early 20th Century American Roots of Legitimating Corporate Social Responsibility', *Organization*, **20**, 454–476.

Markowitz, N. D. (1973) *The Rise and Fall of the People's Century: Henry A. Wallace and American Liberalism, 1941–1948*, The Free Press.

Matten, D. and Moon, J. (2008) '"Implicit" and "Explicit" CSR: A Conceptual Framework for a Comparative Understanding of Corporate Social Responsibility', *Academy of Management Review*, **33**, 404–424.

Mayer, C. J. (1990) 'Personalizing the Impersonal: Corporations and the Bill of Rights', *Hastings Law Journal*, **41**, 577–590.

McQuaid, K. (1978) 'Corporate liberalism in the American Business Community, 1920–1940', *Business History Review*, **52**, 342–368.

Mead, M. (1958) 'Thinking Ahead: Why Is Education Obsolete?' *Harvard Business Review*, **36**, 23–170.

Meriam, R. S. (1948) 'The Question of Controls', *Harvard Business Review*, **26**, 454–467.

Miller, G. (2009) 'Narrative and Truth in Judicial Opinions: Corporate Charitable Giving Cases', *Michigan State Law Review*, (Winter), **2009**, 831.

Mills, C. W. (1956) *The Power Elite*, Oxford University Press.

Mitchell, N. (1989) *The Generous Corporation*, Yale University Press.

Mizruchi, M. S. (2013) *The Fracturing of the American Corporate Elite*, Harvard University Press.

Moon, J. and Vogel, D. (2008) 'Corporate Social Responsibility, Government, and Civil Society'. In Crane, A., McWilliams, A., Matten, D., Moon, J. and Siegel, D. S. (eds) *The Oxford Handbook of Corporate Social Responsibility*, Oxford University Press.

Munir, K. A. (2011) 'Financial Crisis 2008–2009: What Does the Silence of Institutional Theorists Tell Us?' *Journal of Management Inquiry*, **20**, 114.

Murphy, D. F. and Bendell, J. (1999) 'Partners in Time? Business, NGOs and Sustainable Development', United Nations Research Institute for Social Development: UNRISD Discussion Paper No. 109.

Nelson, R. L. (1970) *Economic Factors in the Growth of Corporation Giving*, National Bureau of Economic Research and Russell Sage Foundation.

Ohmann, O. A. (1957) 'Search for a Managerial Philosophy', *Harvard Business Review*, **35**, 41–151.

Oliver, C. (1992) 'The Antecedents of Deinstitutionalization', *Organization Studies*, **13**, 563–588.

Phillips-Fein, K. (2009) *Invisible Hands: The Businessmen's Crusade Against the New Deal*, W. W. Norton.

Polanyi, K. (1944) *The Great Transformation: The Political and Economic Origins of our Time*, Rineheart and Co.

Prunty, B. S. (1960) 'Love and the Business Corporation', *Virginia Law Review*, **46**, 467.

Przeworski, A. (1985) *Capitalism and Social Democracy*, Cambridge University Press.

Raucher, A. R. (1968) *Public Relations and Business 1920–1929*, The Johns Hopkins Press.

Roper, E. (1949) 'The Public Looks at Business', *Harvard Business Review*, **27**, 165–174.

Rowe, J. K. (2005) 'Corporate social responsibility as business strategy'. In Lipschutz, R. D. and Rowe, J. K. (eds) *Globalization Governmentality and Global Politics: Regulation for the Rest of Us?*, Routledge.

Sabel, C., O'Rourke, D. and Fung, A. (2000) 'Ratcheting Labor Standards: Regulation for Continuous Improvement in the Global Workplace'. KSG Working Paper No. 00–010; Columbia Law and Economic Working Paper No. 185; Columbia Law School, Pub. Law Research Paper No. 01–21. http://ssrn.com/abstractp253833.

Scott, J. (2008) 'Modes of Power and the Re-Conceptualization of Elites', *The Sociological Review*, **56**(1s), 27–43.

Selekman, B. M. (1958a) 'Is Management Creating a Class Society?' *Harvard Business Review*, **36**, 37–46.

Selekman, B. M. (1958b) 'Cynicism and Managerial Morality', *Harvard Business Review*, **36**, 61–71.

Shamir, R. (2004) 'The De-Radicalization of Corporate Social Responsibility', *Critical Sociology*, **30**, 669–689.

Sharfman, M. (1994) 'Changing Institutional Rules: The Evolution of Corporate Philanthropy, 1883–1953', *Business and Society*, **33**, 236.

Snow, D. A., Rochford, E. B., Worden, S. W. and Benford, R. D. (1986) 'Frame Alignment Processes, Micromobilization, and Movement Participation', *American Sociological Review*, **51**, 464–481.

Soule, S. A. (2009) *Contention and Corporate Social Responsibility*, Cambridge University Press.

Spence, R. B. (1953) 'Some Needed Research on Industry within the Community', *Journal of Educational Sociology*, **27**, 146–151.

Strang, D. and Meyer, J. W. (1993) 'Institutional Conditions for Diffusion', *Theory and Society*, **22**, 487–511.

Sussmann, L. A. W. (1948–1949) 'The Personnel and Ideology of Public Relations', *The Public Opinion Quarterly*, **12**, 697–708.

Sutton, F. X., Harris, S. E., Kaysen, C. and Tobin, J. (1956) *The American Business Creed*, Harvard University Press.

Tedlow, R. S. (2008) *Keeping the Corporate Image: Public Relations and Business, 1900–1950*, Emerald.

Tolbert, P. S. and Zucker, L. G. (1996) 'Institutionalization of institutional theory'. In Clegg, S., Hardy, C. and Nord, W. (eds) *The Handbook of Organization Studies*, Sage, pp. 175–190.

Useem, M. (1980) 'Corporations and Corporate Elite', *Annual Review of Sociology*, **6**, 41–77.

Vogel, D. (2008) 'Private Global Business Regulation', *Annual Review of Political Science*, **11**, 261–282.

Waddock, S. (2008) 'Building a New Institutional Infrastructure for Corporate Responsibility', *Academy of Management Perspectives*, **22**, 87–108.

Weinstein, J. (1968) *The Corporate Ideal in the Liberal State: 1900–1918*, Beacon Press.

Welcker, J. W. (1949) 'The Community Relations Problem of Industrial Companies', *Harvard Business Review*, **27**, 771–780.

Werner, T. (2012) *Public Forces and Private Politics in American Big Business*, Cambridge University Press.

Williams, O. F. (2013) *Corporate Social Responsibility: The Role of Business in Sustainable Development*, Routledge.

Wright, D. M. (1945) 'Business and the Radical Indictment', *Harvard Business Review*, **23**, 393–414.

Young, O. D. (1927) 'Dedication Address', *Harvard Business Review*, **5**, 385–394.

Zald, M. N. and Lounsbury, M. (2010) 'The Wizards of Oz: Towards an Institutional Approach to Elites, Expertise and Command Posts', *Organization Studies*, **31**, 963–996.

Zilber, T. B. (2006) 'The Work of the Symbolic in Institutional Processes: Translations of Rational Myths in Israeli High Tech', *Academy of Management Journal*, **49**, 281–303.

Zucker, L. G. (1977) 'The Role of Institutionalization in Cultural Persistence', *American Sociological Review*, **42**, 726.