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When Do Companies Have a Positive Duty to Engage in Philanthropy?***

An Empirical Application of Mieth's Five Criteria for Positive Duties of Individuals in the Corporate Context

Although the negative duties of corporations have been intensively discussed and researched, the more elusive phenomenon of positive duties such as making an active effort to help people in need represents a major research void. On the level of individual actors, clear criteria exist to define cases of ethical failures to assist a person, or in other words, of disregarding one's positive duties. The study at hand uses a framework of criteria developed to define positive duties of individuals from contemporary deontological philosophy developed by Mieth (2012). First, the framework is transferred to the corporate level to derive normative criteria for the positive duties of corporations. Second, the author uses a quantitative-empirical approach to test the framework.

Keywords: (Discretionary) Corporate Social Responsibility, Corporate Philanthropy, Duties of Corporations, Multinational Corporations

Wann haben Unternehmen eine positive Pflicht, sich philanthropisch zu engagieren? Eine empirische Anwendung der fünf Kriterien von Mieth für positive Pflichten von Einzelpersonen auf den Unternehmenskontext

Obwohl die negativen Pflichten von Unternehmen intensiv diskutiert und erforscht sind, ist dies bei den schwerer greifbaren positiven Pflichten nicht der Fall, und dieser Bereich stellt eine bedeutsame Forschungslücke dar. Auf der Ebene individueller Akteure existieren klare Kriterien, um zu definieren, wann eine positive Pflicht verletzt wurde. Die vorliegende Studie nutzt einen aktuellen Ansatz zur Definition von positiven Pflichten von Individuen aus der deontologischen Philosophie. Erst wird der Ansatz auf die Ebene von Unternehmen übertragen, um normative Kriterien für positive Pflichten von Unternehmen zu definieren. Dann verwendet die Autorin einen quantitativ-empirischen Ansatz, um das Modell zu testen.

Schlagwörter: (Diskretionäre) Corporate Social Responsibility, Unternehmerische Philanthropie, Pflichten von Unternehmen, Multinationale Unternehmen

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1. Introduction

»The powerful international actors like the major national governments, the large transnational firms, and crucial international organizations like the IMF exercise the greatest non-natural power on the planet. If these social forces cannot be subjected to moral constraint – that is, made to fulfill negative duties – our lives will be buffeted by unruly giants under no compulsion to pay most of humankind any heed. And if their gargantuan force cannot be at least in part harnessed for the solution of some of our species' worst problems – that is, made to implement some positive duties – the lost opportunity will be spectacular« (Shue 1988: 697).

»Powerful as they have become, large global companies can no longer make do merely with not doing any harm. Increasingly, what we may legitimately expect of them is that they engage proactively in finding and implementing viable solutions for prevailing global problems« (Wettstein 2010: 275).

The questions whether companies have responsibilities that go beyond mere profit maximization and whether companies' taking over of social responsibility is a blessing or a curse has kept practitioners as well as academics busy over the last decades. Bowen's (1953) »Social Responsibilities of the Businessman« has ignited a vivid discussion circling around corporate responsibilities. While some philanthropists had been donating significant amounts of money to good causes even a lot earlier, more recently, corporations as a whole have developed elaborate strategies to address social and environmental problems and thereby responded to new expectations of their stakeholders in terms of corporate social responsibilities (CSR; cf. Bassen et al. 2005, Beschorner 2008; Scherer/Picot 2008; Hiß 2009). A massive growth in CSR activity lends evidence to this development: For instance, US economy CSR spending rose by 42 percent from 2007 to 2012 and, to name just one example, Microsoft invested over 900 million US-Dollar in CSR activities (cf. Reputation Institute 2012). Thereby, private businesses are increasingly taking over tasks and responsibilities that used to be state responsibilities and are, thus, gaining not only increased economic but just as well political power (cf. Crane/Matten 2016).

Also, on a more general level, the power of large corporations has experienced a steady increase over the last decades. Corporations typically control substantial resources while enjoying considerable freedom to choose where and under which legal frameworks they want to conduct their business. In many cases, the business practice of multinational corporations is accompanied by negative externalities for the environment, local citizens, political stability, and social development. Traditional regulatory mechanisms (i.e., legal frameworks) often fail in such cases, as corporate activities cross national borders and are hard to trace (cf. Crane/Matten 2016). In her paper »Better to shop than to vote?« Hertz (2001) even states that politicians are actively stepping aside, unable and unwilling to take corporations to task themselves in fear of jeopardizing their relationships with them.

This rise in corporate power and the increasing engagement of private business in social causes has not only elicited praise but also harsh criticism. Gond, Palazzo, and Basu (2009) even discuss instrumental corporate social responsibility using the mafia-metaphor. Similarly, in his paper »The Good, the Bad, and the Ugly«, Banerjee (2008) argues that the discourses of corporate citizenship, corpo-

rate social responsibility, and sustainability are ideological movements that are intended to legitimize and consolidate the power of large corporations. Already in the 1950s, in his paper »The Dangers of Social Responsibility« (Levitt 1958) spoke of the upcoming era of the »socially responsible enterprise« (1958: 42) and saw urgent dangers in the elevated power and new social responsibilities of corporations. He proposed that »business statesmanship may create the corporate equivalent of the unitary state« (ibid.: 44), »a twentieth-century equivalent of the medieval church« (ibid.), or even a new form of fascism (cf. ibid.: 46). He speculated that »the corporation would eventually invest itself with all-embracing duties, obligations, and finally, powers – ministering the whole man and molding him and society in the image of the corporation’s narrow ambitions and its essentially unsocial needs« (ibid.: 42).¹

Today the global poor are reported to represent 42 percent of the world’s population with less than one percent of the global product (cf. World Bank 2006: 289). These conditions prevail despite the fact that the so-called »poverty gap« (i.e., the collective consumption of these 2,735 million people living below the World Bank’s two US-Dollar per day poverty line) is less than one percent of the gross national incomes of the high-income countries. Thomas Pogge, Director of the Global Justice Program at Yale University, has repeatedly pointed out that confronted with such facts, we as the citizens of the rich countries may concede that we should do more to help the poor (cf. Pogge 2002: 2). At the same time, environmental issues such as climate change, species extinction, or pollution of the natural environment are more urgent and pressing than ever before.

Seeking quick and easy-to-implement solutions for the above described problems, more and more people indeed turn to companies as the corporate citizens of the world’s globalized economies. Whereas demand for global justice traditionally only concerned states and their citizens, given private business’ new political role and power, debates are increasingly circling around the question whether such demand can be directed at them, too (cf. Pies et al. 2009; Wettstein 2010, 2012a, 2012b; Kolstad 2009, 2012). It is the central goal of this paper to derive criteria that can be used to delimit the duties that private businesses have to respond to such calls.

Although the negative duties of corporate citizens (i.e., not doing any harm to their stakeholders) are well established, this is not the case for the more elusive phenomenon of positive corporate duties. As a consequence, a considerable number of authors explicitly calls for a better consideration of Multinational Corporations’ (MNC) positive duties to alleviate poverty and inequality on a global scale (ibid.). More specifically, they expect MNCs to take over a sub-political role in those cases where the primary duty-bearers (i.e., nation states, international organizations) fail (cf. Kolstad 2009, 2012). For instance, Pies, Hielscher, and Beckmann (2009) see companies as the major engines of growth and poverty reduction and hence argue that they should rank among the major subjects of a

1 For a more detailed overview of this discussion, please see Davis and Blomstrom (1971), Luthans and Hodgetts (1972), Steinmann (1973), or Picot (1977).

modern theory of global justice. In line with this, Wettstein (2012a, 2012b) conceptualizes MNCs as quasi-governmental institutions and argues that their emerging primacy in the evolving global political economy requires them to now take on the role of primary agents of justice.

Obviously, these authors are not the only ones sharing this new understanding of companies as corporate citizens. In a recent opinion poll conducted by *The Guardian* (2014) regarding the question »Should corporations get involved in the poorest markets at this point, or should this be left to governments, Non-Governmental Organizations (NGOs) and citizens?« 83 percent of the respondents agreed that »corporations have an important role to play«.

Against the background of the enormous political power of MNCs in our globalized world and the simultaneous ineffectiveness of regulation mechanisms on the international level, individual purchase decisions have often been compared to voting decisions (e.g., cf. Hansen/Schrader 1997). By rewarding and sanctioning the suppliers of their every-day necessities, consumers transfer/deduct power to/from these corporations and thereby co-create the global MNC landscape. But when exactly do we as citizens expect corporations to transcend their traditional role as shareholder value maximizers and take over positive duties? Exploring individual reactions to discretionary Corporate Social Responsibility (CSR) engagement, past research has identified some important boundary conditions, such as company-cause fit (e.g., cf. Gupta/Pirsch 2006) and respondents' perception of the company's intrinsic (instead of profit-seeking) motives for supporting the cause (e.g., cf. Du et al. 2010). However, up to now, no comprehensive framework exists that helps to effectively delimit the positive duties of corporations to engage in discretionary CSR.

On the level of individual actors, various authors have tried to tackle the question of when one person has a duty to help another and various conceptualizations of positive duties have been developed (for an overview see Mieth 2012). The paper at hand applies a recently published approach by Mieth (2012) that derives five criteria (need, responsibility, reasonableness, permissibility, and probability of success) for positive duties of individual actors, transfers them to the level of philanthropic CSR action, and empirically explores whether these criteria help to explain individual assessments of CSR activities as fulfilling a positive duty or not. A large-scale cross-industry survey study (70 unique companies from various industries; N=857 non-student respondents) is conducted to test whether respondents more likely regard a CSR activity as a fulfillment of a positive duty of the company if Mieth's (2012) five criteria for positive duties are met to ensure a high degree of external validity, the empirical study tests individuals' reactions to *authentic* CSR activities of 70 well-known multinational companies.

Whereas the first part of the manuscript has the goal to derive a normative framework for positive duties of corporations, the second part has the goal to test whether this framework explains individual assessments of real CSR activities and is thus more descriptive in nature. In the empirical part, the paper at hand focuses on the activities of multinational corporations. Discussing the positive duties of corporations, most authors focus on MNCs as they have the greatest power and

impact in terms of both negative externalities of their activities and positive contributions. However, most of the arguments discussed in the first part of the paper are transferable to small and medium enterprises as well.

Results indicate that, out of the five criteria developed by Mieth (2012), only need and responsibility significantly determine whether a CSR activity is seen as the fulfillment of a positive duty of a company. Importantly, adding Mieth's five criteria to the model significantly increases the adjusted R-Square of the model and renders the effect of important CSR perception variables identified in past research (i.e., company-cause fit and intrinsic motives for supporting the cause) insignificant. Thus, the results indicate that, the more urgent the need to support a certain cause and the higher the perceived responsibility of the specific company to step in, the more a company is seen by its stakeholders as having a positive duty to engage in a certain CSR activity.

This study makes several contributions which will be outlined in the following: First, by transferring Mieth's (2012) five criteria for positive duties from the individual to the corporate level, this study develops a normative framework that can be applied to delimit the positive duties of corporations. Second, this study generates seminal empirical evidence on the question in how far individual actors use these criteria in judging real philanthropic CSR activities of companies as fulfilling a positive duty or not. Thereby, this study not only contributes to developing a deeper understanding of corporate duties, but also adds to the stream of research exploring individual reactions to CSR. For managerial practice in the area of CSR, this study generates some relevant implications as well. The framework developed in this paper can be used as a checklist for CSR managers to locate and fulfill their positive duties as private business actors in complex, globalized markets.

The remainder of the paper is structured as follows: the next two sections will review existing approaches that argue for and try to delimit positive duties on the level of individual as well as corporate actors. Section 3 will present the empirical study and results. Section 4 will discuss the results and give a conclusion.

2. Positive Duties of Individual Actors and Corporations

2.1 Duties of Individual Actors

Definitions. *Negative duties* are considered as duties to do no harm and to omit certain actions (cf. Lichtenberg 2010) or, as Shue (1988: 688) puts it, they require us »not to do things«. Negative duties are general duties in that they apply to everyone and are borne from universal rights, which all humans possess (cf. Shue 1988). A person's right to live, e.g., requires everyone else to refrain from terminating this person's life. Disregarding one's negative duties leads to legal punishment and/or social sanctions by others.

Positive Duties on the other hand require persons to actively do or provide something (cf. Shue 1988; Lichtenberg 2010) – they are duties to provide aid or support. Thereby, they go beyond existing law and are not universal. The aid or

support that is provided can be any resource a person possesses which can help others to pursue their rights, like time, clothes, or money. Although compliance with positive duties cannot be formally enforced, the adherence to these subtle rules is seen as meritorious. Thus, the commitment that they imply is merely of a weak character. Mieth (cf. 2012) speaks of a primacy of negative over positive duties, although she also defines positive duties as being morally binding.

A thought experiment which is often referred to in the discussion around positive duties, is Peter Singer's »drowning child in the pond« example. Singer (1997) challenged his students by confronting them with the following situation:

»I ask them to imagine that their route to the university takes them past a shallow pond. One morning, I say to them, you notice a child has fallen in and appears to be drowning. To wade in and pull the child out would be easy but it will mean that you get your clothes wet and muddy, and by the time you go home and change you will have missed your first class. I then ask the students: do you have any obligation to rescue the child? Unanimously, the students say they do.«

In his 1972 paper »Famine, Affluence, and Morality«, Singer argues that just as we have a positive duty to aid the drowning child, we are morally obliged to remedy global hunger by donating money to NGOs who transfer the money to the regions that are affected by famines. In his argumentation, this duty includes donations of such size that we do not have to sacrifice anything of *comparable moral importance*.

Some acts even go beyond what is defined as a positive duty. If an actor, for example, risks his own life to save somebody else's, this type of action is often referred to as *supererogation*. The first contribution to the literature that explicitly coined the term »supererogatory acts« was Urmson's (1958) »Saints and Heroes«. In contrast to positive duties (which are at least of a weakly binding nature), supererogatory actions are meritorious, but their omission is not at all immoral (cf. Mieth 2012). The category of supererogatory acts of »saints« and »heroes« makes sense to overcome what has been labeled as the »overdemandingness-objection« (cf. Lichtenberg 2010), i.e., the fact that many mere mortals would feel overburdened to face the wide range of supererogatory acts as positive duties. Supporting this view, Shue (1988: 697) explains that »the duties of ordinary people must be less demanding than the performances of saints and heroes because duty bearers are themselves right bearers, too, and may justifiably choose not to be heroes.« However, an important question that still remains unanswered is the question of which positive duties can be understood as *strongly* or *weakly binding* and which acts go beyond these duties and should be categorized as supererogatory (cf. Mieth 2012).

Recently, Mieth (2012) has developed a set of five criteria to define positive duties of individual actors. Doing so, she starts off from Urmson's (1958) and Singer's (1972) arguments but significantly extends their points by making use of another example, i.e., the »Parable of the Good Samaritan«. The bible excerpt from Luke 10:30-35 reads as follows:

»Jesus replied, a man was going down from Jerusalem to Jericho, and he fell among robbers, who stripped him and beat him and departed, leaving him half dead. Now by chance a priest was going down that road, and when he saw him he passed by on the

other side. So likewise a Levite, when he came to the place and saw him, passed by on the other side. But a Samaritan, as he journeyed, came to where he was, and when he saw him, he had compassion. He went to him and bound up his wounds, pouring on oil and wine. Then he set him on his own animal and brought him to an inn and took care of him. And the next day he took out two denarii and gave them to the innkeeper, saying, 'Take care of him, and whatever more you spend, I will repay you when I come back.'⁶

The conduct of the Good Samaritan is seen as the prototypical form of a supererogatory act (cf. Mieth 2012). But in how far can certain elements of the course of action be seen as a binding positive duty? Mieth analyzes the parable in comparison to Singer's drowning child in the pond example and derives five criteria that determine the degree to which an act can be categorized as a weakly binding positive duty instead of a supererogatory act. The criteria are:

1. *Need*: The victim in the parable is in dire need. If the Samaritan refuses to help him, he will very likely die. Mieth poses that the more the recipient of the support is in dire need of help, the more an act of helping can be categorized as a positive duty.
2. *Responsibility*: In Mieth's argumentation, somebody can be seen as responsible if this person happens to find him or herself in the situation to be able to help. Thereby, the accountability of the negative consequences of a failure to render assistance can be seen as an important factor. The Samaritan is obviously the only person who happens to be around and who is willing to help. If he refuses to help the victim, nobody else will do so and he will most likely die. Mieth derives that the more an actor can be seen as responsible to provide help, the more the act of helping can be categorized as a positive duty.
3. *Reasonableness*: The Samaritan does not have to sacrifice anything of essential importance to savior the victim of the attack and to at least get him out of acute danger. Mieth argues that the more the act can be seen as reasonable in a sense that the actor can be expected to carry this burden, the more an act of helping can be categorized as a positive duty.
4. *Permissibility*: In many cases, the criterion of permissibility has to be taken into account, i.e., whether an actor has to break moral or legal rules to help the recipient of the support. The Samaritan does not have to interfere with legal rules or harm anybody else to save the victim. Thus, Mieth argues, the more the act can be seen as permissible, the more can we speak of a positive duty.
5. *Probability of Success*: In the given case, the Samaritan can be quite sure that by taking the victim to the inn he will most likely reach the goal to save the man from an immediately life threatening situation. Further, by paying the inn-keeper to take care of the man, the Samaritan ensures that the man will have time to recover. Mieth suggests that the higher the probability of success of the action, the more the act of helping can be categorized as a positive duty.

By applying these five criteria, Mieth (2012) arrives at the conclusion that while in Singer's drowning child in the pond example, saving the child classifies as a positive duty, the behavior of the good Samaritan can only be labeled as binding

to a certain extent: while saving the man from the life-threatening situation can indeed be categorized as a positive duty, the act of paying the inn-keeper to take further care of the man falls into the realm of supererogatory acts and is not morally binding. Mieth concludes that these five criteria offer a viable solution to delimit the positive duties of individual actors.

The following section will be devoted to reviewing the existing literature on positive duties of corporations. Moreover, using Mieth's (2012) categorization of criteria, the section will summarize first approaches which discuss similar criteria to define the scope of corporate positive duties.

2.2 *Duties of Corporations*

When people attribute moral responsibility, they usually attribute it to individual moral agents. However, there is a literature stream that argues that corporations (as other groups of people) can have a *collective moral responsibility*. This stance is usually grounded in two arguments. First, companies have a corporate internal decision structure which is designed in ways that make it impossible to trace the corporations' decisions back to individual decisions. Second, in the form of their corporate culture, corporations typically manifest a set of beliefs and values that establishes what is generally regarded as right or wrong in the corporation and that has strong guiding impacts on individual decision processes (cf. Crane/Matten 2016).² The following section will be devoted to transferring the criteria Mieth (2012) developed for the definition of individual positive duties to the context of the corporate collective.

Positive Duties of Corporations. On the level of corporations, the discussion circling around positive duties is by far more embryonic and split in tone than the discussion on the individual level. For instance, Bishop (2008: 120) asserts that although »corporations may have supererogatory obligations on humanitarian grounds, such as an obligation to philanthropy« they »have no obligation to ensure a society in which human rights are fulfilled« (ibid.: 119). John Ruggie, a special representative to the Secretary General of the United Nations, states a similar view. He argues that although MNCs may be in a position to aid persons to fulfil their basic human rights, it would be mistaken to transfer this responsibility from states to MNCs (cf. Ruggie 2008: 4). Instead, the appropriate responsibility for MNCs is to respect rights, by which he means »not to infringe on the rights of others – put simply, to do no harm« (ibid.: 9). Ruggie recognizes that corporations may at times have to take positive steps in order to avoid doing harm. Nevertheless, the ultimate focus of their activities should be to take reasonable measures to ensure that their activities do not violate fundamental rights. Exemplifying instances in which corporations have to take positive steps, Hsieh (2009: 251) argues that companies do have a »responsibility to promote the development of minimally just background institutions in countries where they operate that lack

2 For a comprehensive discussion of the question whether corporations can be regarded as moral actors please see Neuhäuser (2011).

such institutions.« Still, in line with Ruggie, he traces this responsibility back to a merely negative duty not to do harm.

Some authors go one step further and explicitly assign positive duties to companies or even criticize Hsieh's (2009) approach for not demanding more from companies (e.g., cf. Wettstein 2012a, 2012b). For instance, Bilchitz (2010) puts forward two arguments for the claim that corporations have positive obligations for the realization of rights: 1) by questioning the limits of private property rights, and 2) by taking a social benefit perspective. Kolstad (2012: 276) even goes as far as to accuse Ruggie's report of being flawed from an ethical perspective as the arguments in it »fail to consider the implications of interactions between corporations and states.« He claims that »to create an international order that effectively secures human rights, the door to positive duties for corporations that John Ruggie tried so emphatically to shut needs to be reopened« (ibid.: 284)

Social connection approach. Recently, Wettstein (cf. 2010, 2012a, 2012b) has strongly advocated the claim for positive duties of MNCs. In his view, the new position of authority of multinational companies implies a positive duty to promote just institutions in host countries. Further, he argues that the political responsibilities of multinational corporations may even go far beyond this particular duty and »may be symptomatic for a much more profound shift from an individual to a collective age« (Wettstein 2010: 281). Defining responsibilities (not positive duties) of consumers and corporations, this argument has most prominently been made by Young (cf. 2006). In her *social-connection model* or *political model of responsibility*, she argues that »most of us contribute to a greater or lesser degree to the production and reproduction of structural injustice precisely because we follow the accepted and expected rules and conventions of the communities and institutions in which we act« (ibid.: 378). Young states that because globalization has created a system in which we are interconnected even with those far away from us and may potentially cause them harm (see also Scherer et al. 2009; van Oosterhout 2010), we have the responsibility to concern ourselves with their wellbeing. Having understood that, we should take responsibility for altering the processes to avoid or reduce injustice. As an example, she refers to the responsibility to join with others in a public discourse to persuade one another of courses of collective action that will contribute to ameliorate structural injustices. In Young's view, corporations carry an especially great responsibility because they dispose of an enormous power to change the status quo.

Division of moral labor. However, just as individual actors, corporations would be overburdened by taking over the task to savior the wide range of potentially needy recipients. To overcome this problem, some authors discuss what is referred to as a *division of moral labor* implied by positive duties. On an individual level, Shue (1988: 690) already pointed out that »all the negative duties fall upon everyone, but the positive duties need to be divided up and assigned among bearers in some reasonable way. Further, a reasonable assignment of duties will have to take into account that the duties of any one individual must be limited, ultimately because her total resources are limited and, before that limit is reached, because

she has her own rights, which involve the perfectly proper expenditure of some resources on herself rather than on fulfilling duties toward others.« Similarly, it has been argued that companies have a duty to survive in an economic sense or even to fulfil the interests of their shareholders before attending to the needs of other parties (e.g., cf. Friedman 1970; Carroll 1991).

Regarding this division of moral duties, O'Neill (2001: 189) distinguishes between primary agents of justice, who have »capacities to determine how principles of justice are to be institutionalized within a certain domain,« and secondary agents of justice, who are »thought to contribute to justice mainly by meeting the demands of primary agents, most evidently by conforming to any legal requirements they establish.« Under ideal conditions, i.e., when states are able to bring about and maintain justice, MNCs should represent secondary agents of justice. However, under non-ideal conditions in which states lack the power to establish a just state of affairs, »justice has to be built by a diversity of agents and agencies,« (ibid.: 201) and MNCs, according to O'Neill, are among those agencies.

Similarly, Kolstad (cf. 2009) argues that corporate conditional duties to protect, promote, or fulfil rights can be activated if the state and other designated duty-bearers fail to discharge their duties. More specifically, he explains that an ordinal arrangement of successive duty-bearers, designating secondary, tertiary duty-bearers and so on, is required for rights to be guaranteed. After the default of a succession of duty-bearers, corporations may be next in line, and should hence address the task of protecting, promoting, or fulfilling human rights.

However, just as on the level of individual actors, it seems very hard to draw the line between more or less morally binding positive duties of corporations and to assign specific duties to individual companies. Is Google the one to address global hunger? Should Walmart take care of women's rights? Assuming that the claim of positive duties for corporations is justified – what are the criteria that help us come up with a reasonable division of moral labor? Are Mieth's (cf. 2012) criteria applicable in case of MNC behavior? And finally, do individuals apply these criteria when judging the CSR activities of companies as either fulfilling a positive duty or not?

Although the discussion on positive duties of corporations has mostly featured duties such as the enforcement of human rights in the supply-chain (e.g., cf. Kobrin 2009), the possible scope of corporations' positive duties can be seen as much wider. Most big companies already engage in activities grouped under the umbrella terms »corporate (social) responsibility« or »corporate citizenship«. These activities encompass many domains, ranging from good corporate governance, employee support, philanthropic giving, and local community support to environmental activities and collaborations with NGOs.

In the following section, evidence of criteria to define positive duties of companies from the literature will be assembled and categorized according to Mieth's (cf. 2012) schema. Closely following Mieth's thoughts, the section aims to develop normative criteria for positive duties of corporations. Subsequently, in the more descriptive empirical study, an operationalization of the five criteria and the subjective perception of a CSR activity as fulfilling a positive duty will be

developed. The survey study will be used to test whether individuals use Mieth's criteria to judge the CSR activities of real firms as either representing a positive duty or not.

3. Applying Mieth's Five Criteria to the Corporate Context

Need. The need of the targeted recipients of corporate philanthropic actions can differ significantly. For instance, a company could either decide to focus on fighting hunger in Africa or on supporting the local youth orchestra in the town close to their headquarters. Obviously, many people would agree that the need of the hungry people in Africa is superior to the need of the local youth. Therefore, being ›in dire need‹ can be understood as not being able to satisfy basic human needs (i.e., for safety, nutrition, or healthcare).

Surprisingly, the need criterion is not explicitly referred to in the discussion around positive duties of corporations. Only Young (2006: 385) mentions the severity issue when defining corporate responsibilities by arguing that ›where basic rights are violated in a widespread fashion over a long term, world citizens have greater responsibility to take action directed at redress than for lesser injustices«.

Applying Mieth's (cf. 2012) understanding of the need criterion to the corporate context we can propose that companies have an increased positive duty to engage in a helping activity the higher the severity of the need of the recipients is. Thus, more formally:

Need Criterion: *The higher the severity of the need, the more a company has a positive duty to render assistance.*

Responsibility. Further, the stakeholders' perception of whether a specific company is responsible for satisfying a certain need or not could differ. In the above example, the stakeholders of the company could perceive the company's responsibility to support the local community by financing the youth orchestra as significantly higher than its responsibility to fight hunger in Africa. This could be a perceived responsibility borne out of geographical proximity between company and cause and probably closer interpersonal links (e.g., the local youth could be the children of the company's employees).

Supporting these considerations, Wettstein (cf. 2012a, 2012b), referring to Campbell (2006) and Miller (2005), names ›proximity« and ›being best placed to intervene« (Wettstein 2012: 754) as important determining factors for the scope of a company's positive duties. In line with this, Young (cf. 2006) sees ›connection‹ (in a sense of direct involvement) as one pragmatic criterion to discern the priority given to responsibilities because it reduces the anonymity of market processes. In this context, the philosophical literature has intensively discussed the moral intuition of ›compatriots take priority«, i.e., the political analog of the common belief that ›charity begins at home«, which has been brought up in the philosophical dialogue by Shue (1980: 131f.). He describes this basic human intuition using the ›pebble in the pond« analogy: like a pebble dropped into a pond

we see ourselves as the center of a system of concentric circles that become fainter as they spread. We feel that our duties are like the concentric ripples around the pebble: strongest at the center and rapidly diminishing towards the periphery.

Another parameter for responsibilities that Young (cf. 2006) names is ›privilege‹, i.e., the degree to which an actor has benefitted from the prevailing structural injustices. This second factor fits well into the liability model of responsibility. In a liability framework, a perceived responsibility can be traced back to a harm that the company has caused. For instance, Philipp Morris could be regarded as responsible to donate to lung cancer research, or a company such as BP that has caused the Gulf of Mexico oil spill could be considered as obliged to support the natural recovery of the affected areas. Further, a company like Shell that has profited from injustices in Nigeria for decades can be seen to have a positive duty to take over positive duties in that country.

Another reason for a company to be seen as responsible to act could very pragmatically be that the first duty-bearer failed to fulfil the assigned duties. This would be in line with Mieth's argument as to the accountability of the negative consequences of a failure to render assistance. Hence, in countries where government-provision of certain public goods is lacking, private businesses could be regarded as more responsible to intervene than in countries where the public good provision works well. Thus, applying the responsibility criterion to the corporate context would imply:

Responsibility Criterion: *The more a company can be regarded as being responsible to render assistance (either in terms of spatial proximity, direct involvement, privilege, past harm done, or simply because they are the only ones who can help), the more this company has a positive duty to provide help.*

Reasonableness. In the corporate context, the criterion of reasonableness can also be applied to judge whether it can be reasonably expected of a company to carry the burden implied by a positive duty. Surely, supporting the local youth orchestra does not seem to be a too heavy burden to carry even for small and medium enterprises (SMEs). Fighting global hunger, however, is a burden that no company seems to reasonably be able to carry alone. In such cases, a sensible division of moral labor has to be found. But what would be reasonable? Whereas large MNCs obviously dispose of vast resources, smaller companies cannot be expected to carry the same burden. Further, companies that perform well have greater available resources that they could potentially invest in good causes than companies fighting for economic survival. Thus, the reasonableness criterion can be understood as encompassing the reasonable scope/extent of the duty, e.g., the amount of resources that a company can reasonably be expected to allocate to such activities. Wettstein (2012a: 25) puts this problem as follows: ›Thus, in order to be plausible, the ›fair share‹ of responsibility of each responsible agent must be limited both in scope and extent.« Thus, applying the reasonableness criterion to the corporate context would imply:

Reasonableness Criterion: *The more the burden implied by an act of helping can be reasonably expected from a company to take, the more the company has a positive duty to provide help.*

Permissibility. Although philanthropic CSR activities actively designed by companies usually conform to moral and social norms, there still might be significant variance in perceptions whether philanthropic CSR is in itself permissible. People could be of the opinion that it is just plain wrong or illegitimate for a company to allocate financial resources to activities that do not belong to their core business.

Levitt (1958: 42) was one of the first to explicitly describe this problem. In his view, »the trouble is not that it [business] is too narrowly profit-oriented, but that it is not narrowly profit-oriented enough.« He sees two basic responsibilities that private businesses should assume: »to obey the elementary canons of every-day face-to-face civility (honesty, good faith, and so on) and to seek material gain« (ibid.: 49). Every act that transcends these two basic responsibilities is, in Levitt's view, an illegitimate and dangerous adoption of social responsibilities.

This view has been most prominently advocated by Friedman. In his ubiquitous quote he states that »there is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud« (Friedman 1970: 6). He argues that only human beings have a moral responsibility for their actions and that it is the managers' responsibility to act solely in the interests of shareholders. In his view, social issues and problems are the proper province of the state rather than corporate managers (managers cannot and should not decide what is in society's best interest). This is because they are neither trained to make such decisions nor are they elected to do so. In Friedman's view, democratic political mechanisms, not market mechanisms, are the appropriate way to determine the allocation of public goods.

And indeed, little is known about the rationales that guide companies' donation allocation decisions. Useem (cf. 1986) reports that 70 percent of firms report that the influence of the CEO on both the size and the nature of giving programs exceeded that of all other factors. Durand (cf. 1996) names personal interests of a company's executives and their families as important determinants of corporate giving. Although many companies now take a more strategic approach to corporate philanthropy, the point that the decision-makers are neither trained nor elected to redistribute resources is still valid. Supporting this view, Sasse and Trahan (2007: 36) argue that »questions of where to spend philanthropic dollars are far afield from focused business objectives. These types of questions involving considerations of fairness require political solutions, messy and sub-optimized as they often are, with ultimate accountability resting with elected officials. Because corporations lack solid pricing mechanisms to evaluate social outcomes, CSR spending can easily be perceived as arbitrary.«

Hsieh (2009: 252) brings up the permissibility issue in the discussion around positive duties by explaining that »the legitimacy issue refers to the permissibility

of corporate involvement in activities traditionally associated with political institutions (e.g., the establishment and implementation of global rules and regulations) given that corporations are not directly accountable in the way that governments ideally are«. He adds that, in the context of MNCs, some people might also feel that it is inappropriate for MNCs to be involved in local political decisions in a host country. In a similar vein, Bilchitz (2010: 7) explains that some people might believe that »imposing positive obligations upon corporations would require corporations and the individuals underlying them to contribute to activities that lie outside their core economic function. It would involve requiring an entity specifically created for a narrow economic purpose to fulfill a wider social purpose.«

Further, in an MNC context, some activities designed to enforce human rights could interfere with local cultural or even legal restrictions (e.g., girls' schools). The more the act of helping can be seen as permissible regarding both the role that the company takes over and the consequences that the act of helping has for third parties, the more a company can be seen to have a positive duty. Thus:

Permissibility Criterion: *The more a company's activity to provide support can be seen as permissible, the more this activity can be categorized as a positive duty.*

Probability of Success. Perceptions of the probability of an MNC activity's success could very well differ, too. Returning to the above example, the task to finance the local youth orchestra seems by far more promising in terms of reaching the intended goals than the task to fight hunger in Africa. Further, when targeting a problem as huge as global hunger, big players such as large MNC's would seem better fit to solve the issue than small and medium enterprises (SMEs). Also, the means chosen by the corporations to address the problem can be more or less effective and efficient. Providing a certain region with food-packages could be a way to address a short-term famine caused by a disaster. However, long-term structural problems that cause hunger would call for more sustainable long-term changes. More precisely, Mieth's criterion of the probability of success could summarize three sub-criteria, i.e., 1) the actor's capability to reach the goal, as well as 2) the effectiveness and 3) the efficiency of the chosen means. The capability criterion has already been discussed as an important precondition for the reasonableness of assigning a certain positive duty to a specific actor.

Wettstein (2012a: 755) states that »capability obligates.« Similarly, Young (cf. 2006) names »power« as one parameter to judge responsibilities. More specifically, she elaborates:

»Organizations and institutions, moreover, vary in their power and ability to influence structural processes. Some of the large major clothing retailers, for example, such as Benetton, Gap, or Guess?, have built transnational systems not only of retail outlets, but directly contract with small manufacturers. Because of the size, reach and relative influence of such organizations, it makes sense to expect major decision makers in them to take responsibility for working conditions« (ibid.: 386).

Kolstad (cf. 2009) also discusses the capability of MNC's in terms of size and bargaining power to act as agents of global justice and to help to enforce human rights. In this context, he raises the issue of varying capabilities:

»The capability and efficiency of corporations in different areas vary, of course, according to their characteristics. For instance, a company with unique competence in deep-water oil drilling would be in a position to influence a government reliant on revenues from such a resource. So size and bargaining power are certainly two of several factors that would influence the position and inclusion of a corporation in the ordinal arrangement of duty-bearers« (ibid.: 579).

In summary, applying the probability of success criterion implies:

Probability of Success Criterion: *The higher the probability of success of a certain act of helping (i.e., the capability of the agent as well as effectiveness and efficiency of the chosen means), the higher is the positive duty of a corporate actor to perform this activity.*

Synopsis. Building on the above derived conceptualization we should say that a company has a positive duty to render assistance the more...

1. the recipient of the support is in dire need;
2. the company is responsible to help (either due to spatial proximity, direct involvement, privilege, or because the negative consequences of a failure to render assistance could be traced back to this specific company);
3. the scope/extent of the action is reasonable, i.e., if the company can be regarded as being able to carry the burden implied by the activity;
4. the act is permissible, i.e., if it does not infringe with the rights of third parties and is legitimate; and
5. the probability of success is high, i.e., if the company can be seen as capable to handle the task and if the chosen means are effective and efficient.

Figure 1 summarizes the conceptual framework of criteria for corporate positive duties that have been developed in this section.

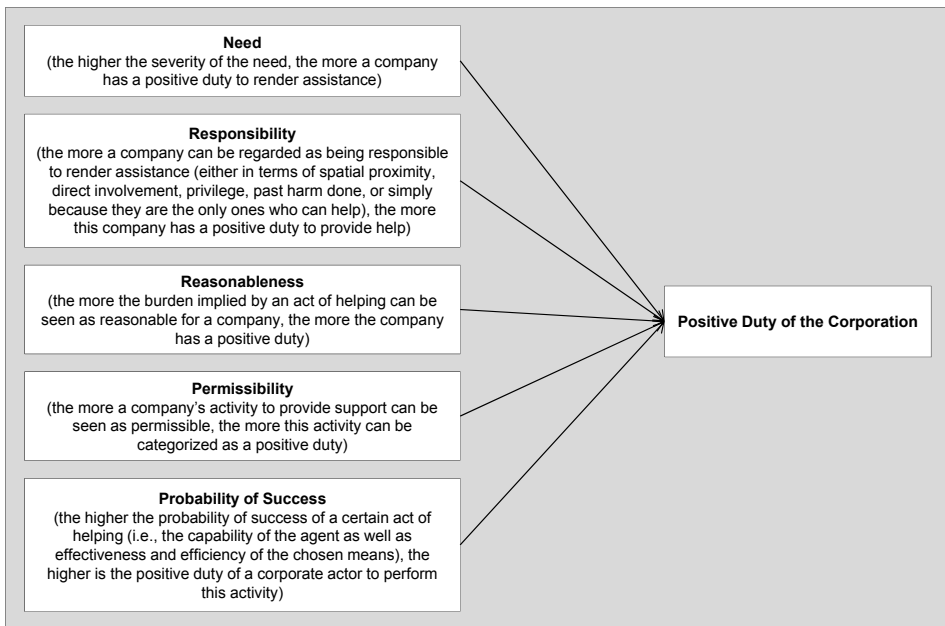


Figure 1: Conceptual Framework (Source: Own illustration)

4. Empirical Study

4.1. Method

Design of the study. The study at hand used a survey among 857 non-student respondents, asking them to evaluate one company from a set of 70 firms (most of them are included in Interbrand's Top 100 Brands list; for an overview of all companies in the sample see Appendix C). Respondents were randomly assigned to companies. The respondents were confronted with some general information about the company and more specific information on one of the firm's most prominent CSR activities. The study was administered as a pencil and paper survey. In the first part of the questionnaire, all respondents were provided with a short description of the company (approx. 100 words) and asked whether they had ever been customers of the company in the past. Then, they were provided with a text including information on the most prominent CSR activity of the company (approx. 150 words). After having read the stimuli, respondents were asked to assess whether they believed that the company has a positive duty to provide this type of support. Subsequently, respondents were asked to evaluate the perceived 1) need of the recipients of the support, 2) responsibility of the company to support the cause, 3) reasonableness of the burdens implied by the activity, 4) permissibility of the CSR activity, and 5) probability of success of the CSR activity. As important variables influencing CSR perception identified by past

research, respondents were also asked to rate the company-cause-fit and whether they believed that the CSR activity of the company is driven by intrinsic motives. Further, as additional important controls, respondents were asked to assess in how far they had a positive general attitude towards private businesses taking over societal responsibilities, how well they could recall negative media reports about the company, and to what degree they perceived the products/services of the company to be luxury goods.

Data collection procedure. Between seven and sixteen respondents were recruited for each company by asking pedestrians in an inner-city area to volunteer (for an overview of the number of observations per company see Appendix C) resulting in a total of 857 observation for all companies. 70 companies were selected representing a cross-industry sample of major European business-to-consumer brands as indicated by Interbrand³ (such as Apple, BMW, Gillette, and Walmart). As the study was conducted in Germany, some interesting examples of companies which are not included in the Interbrand list but which are well-known for corporate (ir-)responsible behavior were added to the sample (as, e.g., Fairphone, Alnatura, Lidl, or Fifa). The text fragments contained information about the company and the CSR activity most prominently communicated on the company's corporate webpage for each of the 70 firms. Thereby, special care was taken to devise the text fragments as comparable as possible and use the same information bits. Specifically, for the 100 word text fragment to convey the general company information, the text introduced the name of the company, described the products/services the company offers, provided the readers with information about the country of origin and the place of the company's headquarters, and reported the size of the company. Similarly, for the text fragment describing the CSR activity of the company, the text focused on some basic facts about the engagement (i.e., who is the recipient of the support, and what are the nature and the extent of the company's commitment). To further ensure the comparability of the text fragments, two doctoral students were asked to independently read all text fragments with special attention to whether they were comparable across companies and discuss their comments with the researcher. The text fragments were then adapted if necessary. The rest of the questionnaire was standardized and identical across all firms (a sample text fragment for one company is displayed in Appendix A).

Sample description. The final sample consisted of 857 respondents. 53.1 percent of the respondents were female and the mean age was 28 years. Of the 857 respondents, 367 reported to have patronized the company never before. The remainder (57.18 percent) reported having been a customer of the respective company that was featured in the questionnaire they received. In all analyses, it was controlled for the effect of previously having been a customer of the company.

3 C.f. <http://interbrand.com/best-brands/best-global-brands/2013/ranking/> (last accessed Oct. 2nd 2017).

4.2 Measurement

To capture the respondents' perceptions of company-cause-fit and intrinsic motives, the questionnaire drew from existing concepts and measurement instruments from the literature and adapted them, if necessary. All items in the questionnaire were rated on 7-point Likert scales.

To capture the respondents' perception of the company-cause fit, we drew from Menon and Kahn's (cf. 2003) scale and integrated three items (i.e., 1) »[COMPANY NAME] and the cause fit well«, 2) »The cause fits the brand very well«, and 3) »[COMPANY NAME] and the cause complement one another«).

The questionnaire measured whether the customers perceived the CSR activity to be driven by intrinsic motives by using a measure based on Du, Bhattacharya, and Sen (cf. 2007): 1) »[COMPANY NAME] engages in charitable projects out of genuine concern to be socially responsible.« The researcher supplemented this single item with two additional statements based on the conceptual definition of intrinsic motives for supporting a cause (i.e., 2) »I believe that [COMPANY NAME] does good deeds out of non-selfish motives« and 3) »I think [COMPANY NAMES] social engagement stems from an honest wish to do good«).

To capture the respondents' general attitude towards corporate social activities, the questionnaire included three straightforward items: 1) »I like it when private businesses support social causes«, 2) »I like it when companies take over societal responsibilities«, and 3) »I appreciate it when companies do good deeds.«

Further, as additional controls, one item on the respondents' recall of negative media about the company (i.e., »I can remember negative media reports about [COMPANY NAME]«) and one indicating whether they perceived the products/services of the company to be a luxury good (i.e., »[COMPANY NAME]'s products/services are luxury goods«) were added.

To capture the respondents' perceptions of Mieth's five criteria for positive duties as well as their perception of a company as having a positive duty to step in, three to seven items to capture each construct were developed. For this purpose, interviews with twelve CSR managers were conducted in which the researcher discussed the issue of positive duties of corporations with them. Based on a thorough review of the existing literature on positive duties of corporations, Mieth's definition of the criteria of individuals' positive duties, and on the statements of the CSR managers in the interviews, an initial set of items was developed. This set was then discussed with a group of researchers and the most concise and valid items were chosen for a pretest. In this pretest, the initial instrument was tested on a sample of 200 non-student respondents. The final scale with three to seven items capturing each criterion was created based on the pretest's results. Importantly, factor analyses revealed that the factors »reasonableness« and »permissibility« are not discriminant as they load on the same factor. Thus, to avoid issues stemming from multicollinearity, these two criteria were merged to one factor for all further analyses. A full list of all items and the evaluation of the internal consistency of the scales is reported in Appendix B. All scales exceed the required threshold value of Cronbach's α below 0.7 (cf. Nunnally

1978). Table 1 summarizes the results of the factor analysis (Principal-Axis Factoring; Varimax Rotation). All items show high factor loading on the intended factor and low cross-loadings on other factor. When reasonableness and permissibility are merged to one factor, the results of the factor analysis as well as a subsequent Fornell-Larcker test (cf. Fornell/Larcker 1981) attest the discriminant validity of the scales.

4.3 Results

Descriptive data analysis. For all further analyses, the items measuring one construct are integrated to form an equally-weighted index. Table 2 reports descriptive results as well correlations between the constructs.

Analysis of variance. To determine whether customers' perceptions of the five criteria significantly differ between the 70 companies/CSR activities, an ANOVA is conducted using the company ID as independent and each of the five criteria as dependent variables, subsequently. Indeed, the perceptions of need ($F(70, 857) = 4.846, p < 0.001$), responsibility ($F(70, 857) = 3.381, p < 0.001$), reasonableness and permissibility ($F(70, 857) = 1.248, p < 0.089$), and probability of success ($F(70, 857) = 1.959, p < 0.001$) vary significantly across companies.

Regression analysis. In a second step, regression analysis is used to explore whether the criteria determine the respondents' assessment of whether the CSR activity represents the fulfillment of a positive duty. The dependent variable is the respondents' assessment whether the company has a positive duty to engage in this type of CSR activity. The analysis includes two models: in the first model (see table 3, model 1), only the constructs that have previously been identified as important factors influencing individual judgments of a company's CSR activity (i.e., company-cause fit, perception of intrinsic motives, attitude towards CSR, negative media, perception of the company's products/services as being luxury goods, a dummy variable for whether the individual has been a customer of the company before, age, and gender) were included. In a second model (see table 3, model 2) the five criteria for positive duties developed by Mieth were added.

Regarding the explanatory power of the model, adding the five criteria increases the Adjusted R-Square value of the model from 0.089 (Adjusted R-Square model 1) to 0.468 (Adjusted R-Square model 2). This is a strong indicator of the relevance of the five criteria for explaining the respondents' perception of corporate positive duties. Further, adding Mieth's criteria renders the effects of company-cause-fit and intrinsic motives insignificant.

Having a look at the coefficients of the criteria reveals that only two of the five criteria have a significant effect on the dependent variable 'positive duty' ($\beta_{\text{need}} = 0.143; p < 0.000$ and $\beta_{\text{responsibility}} = 0.634; p < 0.000$). The standardized coefficients thereby indicate that responsibility by far has the strongest effect. Thus, the higher the severity of the need of the recipients of the support and the stronger the responsibility of the company, the more a CSR activity is seen as a positive duty of the company.

Items	Factors			
	1	2	3	4
The recipients are in dire need of the support.	.234	.111	.161	.895
The recipients really require the help.	.207	.092	.162	.908
The recipients are very needy.	.167	.126	.172	.838
[COMPANY NAME] is responsible for bettering the situation.	.138	.773	.053	.186
It lies in the field of responsibility of [COMPANY NAME] to support this cause.	.102	.852	.024	.130
[COMPANY NAME] is the most obvious duty-bearer in this situation.	-.011	.861	.087	.049
There is a link between [COMPANY NAME] and the cause.	.144	.740	.104	-.032
[COMPANY NAME] and the cause are geographically close.	.061	.628	.170	-.154
The cause can be seen as a reparation for past harm done.	-.039	.651	.064	.100
[COMPANY NAME] is responsible to support the cause because no one else is a there to help.	-.020	.715	.140	.147
Supporting this cause is a reasonable burden for [COMPANY NAME] to carry.	.692	.207	.117	.158
It lies within the competences of [COMPANY NAME] to engage in this activity.	.608	.272	.186	.114
[COMPANY NAME] is able to support the aid.	.772	.091	.148	.115
The resources that [COMPANY NAME] has to spend to support the cause are reasonable.	.747	.052	.115	.117
It is permissible for [COMPANY NAME] to support the cause.	.794	-.024	.250	.148
Spending resources to support the cause is justifiable for [COMPANY NAME].	.818	-.045	.255	.110
Supporting the cause does not harm the rights of third parties.	.676	-.075	.338	.063
The role, that [COMPANY NAME] takes over by supporting the cause, is permissible.	.690	-.015	.341	.070
Supporting the cause is very likely to be successful in terms of averting the adverse conditions.	.328	.097	.804	.191
The goals set can be achieved by [COMPANY NAME]'s action.	.316	.128	.821	.108
There is a high probability that the social engagement will be crowned by success.	.293	.145	.792	.136
[COMPANY NAME] has sufficient competences to successfully support the cause.	.391	.113	.689	.092
The aid provided by [COMPANY NAME] is the most efficient way to help in this situation.	.170	.253	.691	.126

TABLE 1: Factor Analysis Results (Source: Own illustration)

Variables	Descriptives			Correlations												
	min	max	mean sd	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]
1. Positive Duty	1	7	3.831 1.772	1												
2. Need	1	7	5.043 1.615	.287**	1											
3. Responsibility	1	7	3.442 1.438	.667**	.215**	1										
4. Reasonableness and Permissibility	1	7	5.601 1.192	.177**	.379**	.178**	1									
5. Probability of Success	1	7	4.776 1.340	.222**	.379**	.291**	.580**	1								
6. Company-Cause Fit	1	7	4.521 1.660	.201**	.213**	.247**	.312**	.430**	1							
7. Intrinsic Motives	1	7	3.336 1.542	.170**	.158**	.249**	.150**	.369**	.421**	1						
8. Attitude towards CSR	1	7	5.933 1.355	.129**	.219**	.067*	.500**	.340**	.234**	.063	1					
9. Negative Media	1	7	2.35 1.775	.141**	.114**	.155**	-.040	-.026	-.110**	-.193**	-.051	1				
10. Luxury Products	1	7	3.89 1.961	.075*	.053	.036	.083*	.042	.082*	.121**	.075*	-.116**	1			
11. Customer	0	1	n.a.	.035	.093**	.016	.080*	.043	.093**	.029	.041	.104**	-.243**	1		
12. Age	15	73	28.45 9.935	.052	.018	.024	-.068*	.040	.037	.102**	-.023	-.008	-.061	-.008	1	
13. Gender	0	1	n.a.	-.049	-.055	-.042	-.025	-.085*	-.097**	-.101**	-.114**	.050	-.037	.006	-.107**	1

TABLE 2: Descriptive Statistics and Correlation Matrix (Source: Own illustration)

Dependent Variable: Positive Duty

Independent Variables	Model 1				Model 2					
	b	sd	Coeff.	t	p-value	b	sd	Coeff.	t	p-value
Need						.156	.031	.143	5.068	.000
Responsibility						.782	.034	.634	23.251	.000
Reasonableness and Permissibility						-.001	.051	-.001	-.021	.983
Probability of Success						-.062	.046	-.047	-1.366	.172
Company-Cause Fit	.145	.040	.135	3.643	.000	.019	.032	.018	.601	.548
Intrinsic Motives	.149	.042	.130	3.509	.000	-.012	.034	-.010	-.339	.735
Attitude towards CSR										
Negative Media	.194	.034	.194	5.785	.000	.034	.027	.034	1.279	.201
Luxury Products						.062	.031	.069	2.012	.045
Customer	.019	.055	.012	.342	.732	.031	.042	.019	.733	.464
Age	.008	.006	.044	1.323	.186	.008	.005	.042	1.662	.097
Gender	-.085	.118	-.024	-.718	.473	-.050	.091	-.014	-.557	.577
Adjusted R-Square					.089					.468

TABLE 3: Regression Results (Source: Own illustration)

The coefficients of some of the control variables also reach significance. Not very surprisingly, the analysis reveals a positive effect of a positive attitude towards CSR. Thus, the more the respondents appreciate it when companies take over societal responsibilities, the more they rate the CSR activities as positive duties of the companies. Further, the more the company is seen as a provider of luxury goods, the more the CSR activity is seen as a positive duty of the company. In model 1, the analysis reveals a further interesting effect which is rendered insignificant in model 2: the more respondents can recall having heard negative news about the company, the more they feel that the CSR activity represents a positive duty. Table 3 summarizes the effects of the regression analyses.

Moderation analysis. An additional moderation analysis reveals that there are no significant interactions in the effects of the five criteria on the dependent variable. For this purpose, the variables for the criteria are mean centered and interaction terms are computed by multiplying the combinations of criteria. While controlling for the direct effects of the criteria, none of the interaction terms reach significance.

4.4 Robustness checks

Common-method-bias. Common method variance (CMV) can be a problem in any single-source survey-based study that uses the same type of scales (i.e., Likert-scales). Therefore, Harman's single factor test in line with recommendations of Podsakoff et al. (cf. 2003) was conducted. The unrotated factor solution revealed six factors with Eigenvalues greater than one, accounting for 67.48 percent of the total variance (the first factor accounts for 28.97 percent of the total variance), strongly suggesting the absence of a single general factor in the data set.

5. General Discussion

While the negative duties of corporations have been intensively discussed in research contributions from various disciplines, this is not the case for the more elusive phenomenon of positive duties. By applying Mieth's framework of criteria for positive duties of individuals and transferring it to the corporate context, the study builds a first conceptual ground on which criteria for positive duties can be normatively discussed. Moreover, the study generates empirical knowledge on how these criteria shape individual assessments of the extent to which authentic CSR activities of large international corporations are regarded as a binding positive duty. These results have important implications for theory as well as management which will be outlined in the following in more detail.

5.1 Theoretical Implications and Avenues for Future Research

First, and on the most basic level, this study adds to the conceptual understanding of corporate duties in general. Up to now, academia is lacking a holistic framework to define the positive duties of corporations. It is commonly accepted that

corporations should avoid doing harm to people and the environment. But in which cases do they have a moral duty to make a positive contribution to better the world we live in? Given our complex globalized economies, this question seems nearly unanswerable. Still, using the criteria developed by Mieth can provide some very helpful guidance to answer this question. When applied on corporate level, her five criteria, initially developed to delimit positive duties of individual actors, tie in very well with the recent discussion around positive duties. Indeed, the criteria serve to consolidate many previously disconnected arguments for positive duties of firms.

While deriving the criteria for positive duties on the corporate level, one criterion seemed to be especially crucial and polarizing, i.e., the ›permissibility criterion‹. Even if there is a dire need, the company can be seen as responsible, the burden seems reasonable for the company to carry, and the probability of success is high, those who object to corporate social involvement as representing an illegitimate assumption of political responsibilities per se would still not see a positive duty for the company to intervene. They would argue that corporate managers are not democratically elected to make these decisions and may not have the necessary skills to do so – which is a very valid point. However, given that corporations nowadays already widely assume these kinds of responsibilities, it would obviously make sense to more intensively discuss theoretical models and practical applications of democratic decision-making in organizations. If in fact, companies are organizations that take over a political role, redistributing resources and providing important public goods, should we not completely rethink and redesign the currently old-fashioned governance of these institutions (which are based on hierarchies and power)?

Second, the results of the empirical study contribute to the knowledge on individual perceptions of corporate positive duties. They reveal that individual decision makers especially apply the need and the responsibility criterion to determine in how far a company has a duty to support a certain cause. In this context, it has to be mentioned that the design of the empirical study (using authentic CSR activities of real companies) has clear advantages, but also drawbacks. Of course, on the one hand, letting respondents assess real CSR activities of companies instead of hypothetical scenarios ensures a high degree of external validity of the results. On the other hand, real CSR activities of corporations are typically chosen with care and mostly fulfill many of the criteria established by Mieth. For instance, companies will seldom implement CSR activities that interfere with local customs or that harm third parties (and thus disregard the permissibility criterion). Exploring such conflict situations would be a very promising avenue for further research. A follow-up study could use hypothetical scenarios to explore cases in which CSR activities could be seen as, e.g., impermissible or unreasonable. Moreover, real CSR activities of companies often focus on causes that are ›attractive‹ in terms of their appeal to a consumer audience in corporate communications and causes that are not as popular or stigmatized in some way can easily miss out on corporate donations (cf. Body/Breeze 2016). It would be especially interesting for future research to investigate perceptions of corporate positive duties to sup-

port ›unpopular‹ causes or even to compare these to popular causes using hypothetical scenarios. This might help to identify biases in the corporate allocation of resources to alleviating social issues. Still, even accepting that the real activities featured in the survey typically fulfill many of the criteria for positive duties, there is considerable variance in the data (indicated by the descriptive data analysis, see table 2) and it is interesting that only two of the criteria developed by Mieth turn out to have a significant influence. It would be an interesting next step for future research to investigate why these differences occur.

Third, this study also contributes to the more general literature on consumer reactions to CSR. Thereby, it broadens the perspective taken so far and incorporates the individuals' assessment of the moral duties of corporations to make a positive contribution. Past research has focused on consumers' reactions to companies' CSR engagements. An interesting new perspective could also be to look at companies' omissions of certain actions. Would consumers judge a company for a failure to render assistance and sanction the company as a consequence? This would be another starting point for interesting follow-up studies.

5.2 *Practical Implications*

This study also has important implications for CSR management. Anecdotal evidence and industry reports (e.g., the current report ›From Good Intentions to Good Results« issued by goetzpartners 2017) reveal that many CSR managers lack guidance to decide on the right CSR strategy for their company and that, as a consequence, the efforts of many of the largest companies remain anything but strategic. The study at hand provides such guidance by establishing clear criteria that can be used as a kind of checklist when locating the duties and responsibilities of the company. This could be of significant help for managers trying to choose the right CSR strategy from the vast universe of possible causes that could be supported.

The empirical results also attest that consumers want to see companies take action in cases of urgent need and when they see the companies as being responsible. The empirical data suggests that the respondents in this sample agree that companies should make a positive contribution beyond doing no harm.

Thus, to satisfy the expectations of stakeholders and the wider public, it would make sense to start off from the responsibility criterion and develop a comprehensive awareness of the impact the company can have in negative as well as in positive terms. Within the spectrum of positive duties, companies should apply the need criterion (instead of, e.g., the expected persuasive impact on relevant stakeholders) to prioritize causes.

One drawback of the empirical study conducted in this paper is that the choice of companies was limited to large MNCs. Although the criteria defining positive duties of companies are applicable to SMEs as well, it could be a fruitful path to conceptually and empirically explore potential differences between companies of varying size in the future. This would be especially helpful for CSR managers seeking practical advice.

6. Conclusion

Assuming that we regard companies as collective entities with a moral responsibility, we can use the criteria developed on the level of individual actors to delimit positive duties on the corporate level. All five criteria (need, responsibility, reasonableness, permissibility, and probability of success) can be used to consolidate the ongoing discourse around corporate positive duties. In determining whether corporations' CSR activities represent a positive duty or not, individuals apply the responsibility as well as the need criterion. Important questions, however, remain unanswered and are left as avenues for future research. Should the criteria be hierarchically ordered according to their relative importance from a normative standpoint? How many of them have to be fulfilled for a positive duty to exist – all of them? If certain important structural preconditions are not met (e.g., corporate philanthropy could per se be regarded as illegitimate due to the undemocratic governance in most corporations) – can we speak of a positive duty to take on social responsibilities at all?

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APPENDIX A: *Sample Stimulus*

The McDonald's Corporation is a chain of fast food restaurants with 34,000 branches in 119 countries. About 1.8 million people work for McDonald's or their franchises. The first restaurant was opened in 1940 by Richard und Maurice McDonald in San Bernardino, California. Awareness towards McDonald's rose in 1948 when the brothers reorganized their business as a hamburger stand using the in gastronomy innovative production line principles as well as the aspect of self service. Businessman Ray Kroc joined the company as a franchise agent in 1955. He subsequently purchased the chain from the McDonald brothers and oversaw its worldwide growth. In December 1971 the first branch opened in Munich, Germany and is still operating today.

The Best Medicine – The McDonald's Children's Aid Foundation

Social responsibility is anchored in McDonald's corporate philosophy on a global level. The biggest project of this type in Germany is the McDonald's Children's Aid Foundation. Critically ill children need not only the best medical care possible, but also comfort and love of their families. The young patients are often treated in specialized hospitals, far away from the parental home. Travel expenses and charges for overnight accommodation quickly exceed the parents' monetary possibilities. Therefore the foundation builds and maintains Ronald McDonald

houses close to distinguished hospitals. Since 1987, the McDonald's Children's Aid Foundation enabled 70,000 families to stay together during those difficult times. 18 houses were built in Germany. Furthermore, three McDonald's Oases offer a retreat during the ambulant treatments in the hospitals. In addition, the foundation supports other projects concerned with children's well-being.

APPENDIX B: Measures and Scale Evaluation

Constructs and Measurement Items	Cronbach's α	Source
Positive Duty <ol style="list-style-type: none"> 1. [COMPANY NAME] has a moral duty to support this cause. 2. If [COMPANY NAME] would not support this cause, the management could be accused of moral wrongdoing. 3. It would be wrong of [COMPANY NAME] not to help in this situation. 4. From a moral perspective, I expect [COMPANY NAME] to support this cause. 	0.943	Scale developed for this study
Need <ol style="list-style-type: none"> 1. The recipients are in dire need of the support. 2. The recipients really require the help. 3. The recipients are very needy. 	0.974	Scale developed for this study
Responsibility <ol style="list-style-type: none"> 1. [COMPANY NAME] is responsible for bettering the situation. 2. It lies in the field of responsibility of [COMPANY NAME] to support this cause. 3. [COMPANY NAME] is the most obvious duty-bearer in this situation. 4. There is a link between [COMPANY NAME] and the cause. 5. [COMPANY NAME] and the cause are geographically close. 6. The cause can be seen as a reparation for past harm done. 7. [COMPANY NAME] is responsible to support the cause because no one else is a there to help. 	0.902	Scale developed for this study

Constructs and Measurement Items	Cronbach's α	Source
<p>Reasonableness & Permissibility</p> <ol style="list-style-type: none"> 1. Supporting this cause is a reasonable burden for [COMPANY NAME] to carry. 2. It lies within the competences of [COMPANY NAME] to engage in this activity. 3. [COMPANY NAME] is able to support the aid. 4. The resources that [COMPANY NAME] has to spend to support the cause are reasonable. 5. It is permissible for [COMPANY NAME] to support the cause. 6. Spending resources to support the cause is justifiable for [COMPANY NAME]. 7. Supporting the cause does not harm the rights of third parties. 8. The role, that [COMPANY NAME] takes over by supporting the cause, is permissible. 	0.916	Scale developed for this study
<p>Probability of Success</p> <ol style="list-style-type: none"> 1. Supporting the cause is very likely to be successful in terms of averting the adverse conditions. 2. The goals set can be achieved by [COMPANY NAME]'s action. 3. There is a high probability that the social engagement will be crowned by success. 4. [COMPANY NAME] has sufficient competences to successfully support the cause. 5. The aid provided by [COMPANY NAME] is the most efficient way to help in this situation. 	0.921	Scale developed for this study
<p>Company-Cause-Fit</p> <ol style="list-style-type: none"> 1. [COMPANY NAME] and the cause fit well. 2. The cause fits the brand very well. 3. [COMPANY NAME] and the cause complement one another. 	0.955	Adapted from Menon and Kahn 2003
<p>Intrinsic Motives</p> <ol style="list-style-type: none"> 1. [COMPANY NAME] engages in social causes out of a genuine concern to be socially responsible. 2. I believe that [COMPANY NAME] does good deeds out of non-selfish motives. 3. I think [COMPANY NAME]'s social engagement stems from an honest wish to do good. 	0.932	Adapted from Du, Bhat-tacharya, and Sen 2007

APPENDIX C: Companies in the Sample

Company	Frequency	Company	Frequency
Adidas	14	Kleenex	8
Alnatura	15	Krombacher	10
Amazon	10	L'Oréal	15
Apple	9	Landrover	9
Audi	15	Lidl	14
BMW	15	Louis Vuitton	10
BOSS	11	Lufthansa	14
BP	12	McDonald's	14
Budweiser	15	Mercedes Benz	11
Burberry	11	Nestlé	13
Burger King	9	Nike	14
Canon	12	Nintendo	8
Cartier	7	Nissan	10
Chevrolet	16	Pampers	12
Coca Cola	14	Panasonic	13
Corona	15	Panerai	9
DM	15	Patagonia	12
Fairphone	12	Pepsi	12
Fifa	9	Phillips	10
Ford	11	Pizza Hut	13
Gap	9	Porsche	11
Gilette	12	Prada	11
Gucci	13	Primark	13
H&M	12	Ralph Lauren	14
Harley Davidson	17	Samsung	11
Heineken	14	Shell	11
Hermès	12	Siemens	11
Honda	13	Smirnoff	10
Hyundai	10	Sony	13
IBM	8	Sprite	16
IKEA	13	Starbucks	9
Jack Daniels	10	Toyota	16
Johnny Walker	10	Volkswagen	12
Kellogs	17	Zalando	12
Kentucky Fried Chicken	13	Zara	11
KIA	15	Total	857