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Legal Regulation of Corporate Social Responsibility

A Meta-Regulation Approach of Law for Raising CSR in a Weak Economy



Springer

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This book is dedicated to my father, who passed away when I was a teenager but who first inspired my interest in the domain of knowledge.

Preface

Even though corporate social responsibility (CSR) has become a widely accepted concept promoted by different business stakeholders, business corporations' internal strategies, known as corporate self-regulation in most of the weak economies, respond poorly to this responsibility. It seems that most of the weak economies' laws relating to corporate regulation and responsibilities do not possess any recurrent bearing insisting on corporate self-regulation to create a socially responsible corporate culture. How the laws and legal regulations relating to CSR could contribute to the inclusion of CSR principles at the core of corporate self-regulation, without being intrusive in normal business practice, is the phenomenon investigated in this book.

This book proposes that a 'meta-regulation' approach to laws relating to corporate regulation and social responsibility would be an effective legal strategy to incorporate CSR principles into corporate self-regulation. It conceptualizes this legal strategy as a fusion of responsive and reflexive modes of regulation, particularly by converging the patterns of private ordering and state control in contemporary corporate law from the perspective of a weak economy. It describes different meta-regulation strategies for laws to link social values to economic incentives and disincentives and to indirectly influence companies to incorporate CSR principles at the core of their self-regulation strategies.

Most of the weak economies' laws relating to companies and their social responsibilities have the scope to contain a meta-regulation approach. This book assesses that scope taking Bangladesh as a case study. It concludes that inclusion of this regulatory approach in weak economies' laws would be suitable to alleviate regulators' limited access to information and expertise, enlist corporate commitment, and enhance the self-regulatory capacity of companies. This is also necessary to overcome the inherent limitations of prescriptive rules to raise CSR in weak economies.

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Abbreviations

BELA	Bangladesh Environmental Lawyers Association
BGMEA	Bangladesh Garments Manufacturer and Export Association
BILS	Bangladesh Institute of Labour Studies
BSCIC	Bangladesh Small and Cottage Industries Corporation
CG	Corporate Governance
CSR	Corporate Social Responsibility
EPB	Export Processing Bureau
EPZ	Export Production Zone
ESP	Enlightened Shareholder Primacy
EU	European Union
GDP	Gross Domestic Product
ILO	International Labor Organization
NG	New Governance
NGO	Non-Government Organisation
OECD	Organization for Economic Cooperation and Development
PAC	Political Action Committee
RMG	Ready-Made Garment
UNDP	United Nations Development Program
UNIDO	United Nations Industrial Development Organization
USA	United States of America
WBCSD	World Business Council for Sustainable Development

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