



# The influence of culture and infrastructure on CSR and country image: The case of Kuwait

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## ARTICLE INFO

### Keywords:

Corporate social responsibility  
Global CSR  
Corporate diplomacy  
Country image  
Corporate citizenship  
Comparative CSR

## ABSTRACT

The study examined how CSR is practiced in Kuwait, a country in an understudied region of the world, and considered the impact of the political and economic structure of a country on CSR practices. Semi-structured interviews with a purposive sample of communication executives found strong cooperation between the public and private sectors in Kuwait for CSR projects and for promoting country image, related to the sociocultural context of the country. Kuwaiti corporations associate themselves with the country of Kuwait when engaging in CSR activities in other countries and have a strong sense of corporate citizenship that reflects the collectivistic culture. Understanding CSR in different societal and cultural contexts and how it can affect country image is important for global public relations scholarship as well as for successful business practice.

## 1. Introduction

Corporate social responsibility (CSR) impacts a number of public relations concerns that include corporate reputation, image management, and relationship management (Clark, 2000; Stark & Kruckeberg, 2003). CSR has been studied for decades, but the majority of studies have been conducted in a limited number of countries, and understudied in the context of many parts of the world (Jain, De Moya, & Molleda, 2014). A few studies have looked at CSR practices in countries such as Pakistan (Din, Sohail, & Shahzad, 2008), Kazakhstan (Smirnova, 2012), Thailand (Rajanakorn, 2012), and Romania (White, Vanc, & Coman, 2011), but most CSR studies have been conducted in countries with similar political and economic infrastructures. Even among similar countries, differences have been noted. For example, Freeman and Hasnaoui (2011) conducted a study in four Western countries (Canada, France, the United Kingdom, and the United States) to explore CSR practices, definitions, and conceptualizations, and found that in each country, CSR was viewed and conceptualized differently. Kim, Amaeshi, Harris, and Suh, (2013) found that CSR practices in South Korea differed from those in the United States and the United Kingdom, and concluded that notions of CSR as practiced in Western societies cannot be applied to South Korean society. More research is needed to identify and explain the differences, which is the necessary first step to theory building about CSR in a global context.

Gjølberg (2009) postulated that CSR strategies cannot be separated from contextual considerations such as cultural, political, and economic factors since national environments shape CSR practice (Din et al., 2008; Smirnova, 2012). Thus, a challenge of CSR research in the global environment is not just to describe CSR practice in different countries, but also to explore how the infrastructure of a country (political and economic factors) and societal expectations (culture) may influence it. A country's culture and infrastructure also affects how governments interact with corporations, which impacts CSR (Lim, 2010; Sriramesh, 2009; Zaharna,

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<https://doi.org/10.1016/j.pubrev.2019.05.004>

Received 7 September 2018; Received in revised form 26 April 2019; Accepted 2 May 2019

Available online 09 May 2019

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2001). Furthermore, CSR practices in host countries can affect how the country with which the international corporation is associated is perceived (Goodman, 2006; Lee, Toth, & Shin, 2008). Corporations function as social actors through their CSR activities, which contributes to their country's reputation (Boulouta & Pitelis, 2014; Brown, Vetterlein, & Roemer-Mahler, 2010). Business practices including CSR produce an inverse country-of-origin effect; just as the reputation of a country can affect perceptions of businesses from that country, business practices also have an effect on perceptions of their country of origin (White, 2012). However, the link between CSR practices and country image has been examined in only a limited number of countries (Lopez, Gotsi, & Andriopoulos, 2011; Magnusson, Westjohn, & Zdravkovic, 2015).

Thus, the purpose of the current study is to understand CSR practices in Kuwait, a country in an understudied region of the world. The study examined how Kuwaiti companies view and practice CSR within the cultural, political, and economic structure of the country, how they interact with the government, and how they associate themselves with the country of Kuwait when engaging in CSR activities in other countries. Understanding CSR in different societal and cultural contexts contributes to global public relations scholarship.

## 2. Literature review

The literature review provides an overview of the growing role of corporate social responsibility in the global world order, including the concept of corporate citizenship, and the impact of CSR on the image of the country with which a corporation is associated. It includes studies that have looked at global differences in CSR practice, and how the relationship between corporations and the private sector varies among countries. The current study is positioned in the context of GCC<sup>1</sup> countries, an understudied region in terms of CSR scholarship, and considers the cultural, political, and economic environment in Kuwait that impacts CSR practice.

### 2.1. Growing role of CSR in the global context

Corporate social responsibility is the notion that firms should take social and environmental responsibility for their business operations, and includes concepts such as corporate citizenship, corporate diplomacy, philanthropy, sustainability, and corporate social performance (Carroll, 1999; Freeman & Hasnaoui, 2011; Garriga & Melé, 2004). Companies engage in CSR by conducting activities that are congruent with society's expectations (Beal, 2014; Carroll, 1999; Idowu, 2013), which include respect for and protection of the environment, concern for human rights and safety, ethical conduct and governance, as well as respect for laws and conventions (Carroll, 2015). (Matten and Moon, 2008) found that expectations of CSR, as well as practices, vary among countries.

Four theoretical approaches for the study of corporate social responsibility proposed by Garriga and Melé (2004) include instrumental theories concerned with profits and economic results, ethical theories based on corporate values, integrative theories that place CSR as a response to social demands, and political theories that recognize the power of corporations in society and their responsible use of power. Political theories of CSR include the concept of corporate citizenship, which implies that businesses are citizens in the communities in which they operate, and like citizens, have responsibilities to their government and to their communities. Schwab (2008) describes global corporate citizenship as the conviction that companies not only must be engaged with their stakeholders, but are themselves stakeholders alongside governments and civil society.

Scherer and Palazzo (2011) argued for the problem-solving potential of corporations in global governance, as well as increasing corporate acceptance of a more public role for private business, signaling a "politically enlarged concept of responsibility" (p. 906). Acting as corporate citizens, businesses can affect the broad pattern of social direction reflected in public opinion (Garriga & Melé, 2004). Companies can use social responsibility practices as a tactic to increase their legitimacy and influence in a foreign country and at the same time contribute to their country's public diplomacy (Ordeix-Rigo & Duarte, 2009). Corporate citizenship as a component of CSR suggests that business can actively play a role in a constructing a country's national image.

### 2.2. Differences in government involvement in CSR activities

The conceptualization and implementation of CSR around the world are influenced by social, cultural, political, economic, and ideological factors (Antal & Sobczak, 2007; Argandoña & Von Weltzien Hoivik, 2009; Sriramesh, 2009). Understanding the infrastructural profile of a country, which includes political and economic factors, shows what is feasible in a country in terms of business practices, and understanding the cultural profile informs what will be effective (Zaharna, 2001). The interaction between the public (government) and private (corporate) sectors in CSR practices varies among countries. In some countries, governments are more involved in CSR practice and value the relationship between CSR and country image. The government of Canada, for example, encourages Canadian companies that operate internationally to be socially responsible because of the recognized positive influence on the image of the company as well as on the image of Canada (Government of Canada, 2016). Canada provides CSR guidelines not just for companies, but also for Canadian embassies and diplomatic missions abroad to encourage the business and diplomatic communities to work together to enhance and strengthen the relationship between Canada and other countries through CSR activities (Government of Canada, 2016). Similar to the Canadian government, the Swedish government plays a role in CSR practice in Sweden

<sup>1</sup> Gulf Cooperation Council (GCC), a political and economic alliance of six Middle Eastern countries—Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Bahrain, and Oman.

and actively supports CSR campaigns that enhance Sweden's country image (Din et al., 2008). According to Antal and Sobczak (2007), the national government in France plays a role in shaping CSR.

Governments can facilitate, as discussed above, or thwart CSR processes in their country. Smirnova (2012) found in a study about perceptions of CSR in Kazakhstan, that in Central Asia the political (authoritarian regimes) and economic (poor countries) factors negatively influence the practice of CSR and companies need more freedom to conduct CSR.

CSR practice in the United States is predominately shaped by the private sector with little cooperation, involvement, or strategic coordination between corporations and government. In a Delphi panel study of U.S. corporate communications executives, White and Fitzpatrick (2018) found that U.S. executives felt no responsibility for their company to promote the image of the United States; in fact, they noted risks in being too closely aligned with the U.S. government. However, with or without government involvement, CSR can help create a positive image for a company, which also can reflect positively on the country with which the company is associated (Din et al., 2008).

### 2.3. Corporate social responsibility and country image

National reputation and country image are influenced by many variables that include a country's products, business practices, and CSR activities (Đorđević, 2008; Lopez et al., 2011; Magnusson et al., 2015). There is a reciprocal relationship between country image and corporate image for most countries (Lopez et al., 2011), which White (2012) referred to as an inverse country-of-origin effect. Just as a positive image of a country of origin leads to a positive image of products from that country (i.e. German engineering), a positive perception of a company brand leads to a more favorable national image of its home country (i.e. IKEA and Sweden). Moreover, the effect on country image occurs regardless of whether or not the corporation intended to communicate a positive national image.

Magnusson et al. (2015) supported the interaction between CSR, country image, and global identity and argued that governments should promote positive CSR because it benefits their country's reputation. The reciprocity between corporate social responsibility and country image implies that governments might help firms facilitate their social responsibility activities, and scholars also argue that policy makers should be aware of the influence of their country's businesses and brands on a country's image (Đorđević, 2008; Magnusson et al., 2015). The relationship between government and the corporate sector, however, varies from country to country based on political, economic, and cultural contexts, which must be considered in exploring how governments and companies work together to enhance country image through corporate social responsibility.

### 2.4. CSR in the context of the Middle East

Previous studies have indicated that the culture of a country influences CSR practice (Antal & Sobczak, 2007; Argandoña & Von Weltzien Hoivik, 2009; Freeman & Hasnaoui, 2011), but few studies have systematically looked at CSR practices in the Middle East (Jamali & Sidani, 2012). In Middle Eastern countries, which includes GCC countries, corporate philanthropy is the dominant practice of CSR, influenced by Islamic cultural values. According to Ronnegard (2009), corporate philanthropy is strongly supported in the Middle East because of Islamic beliefs such as *zakat* (obligatory giving as one of the five pillars of Islam). Goby and Nickerson (2016) found that religious beliefs had an effect on CSR expectations in Dubai, since the expectation for philanthropy is an important aspect of Islamic culture.

Dusuki and Abdullah (2007) contend there is an important gap in the literature about CSR in the Middle East since it has been relatively limited by the Islamic perspective of CSR as corporate philanthropy. They note the concept of CSR in Islamic countries has been based on divine revelation stemming from Islam's teachings, whereas in Western nations, the CSR concept is derived from secular ethics and morality. Jamali and Sidani (2012) agree that CSR in the Middle East has distinctive roots based in Islamic culture and is unique in ways that do not always mirror CSR practices in Western countries; however, they also note that business practices as well as social environments are changing in Middle Eastern countries as society is changing and the change is reflected in CSR practices.

Darrag and E-Bassiouny (2013) purport that while Islamic philanthropy will likely continue to provide a strong foundation for CSR in the region, there is a growing distinction between philanthropy and other types of CSR. Dusuki and Abdullah (2007) also support a broader notion of CSR that includes justification within the Islamic religion for showing concern to others and the surrounding environment as part of God's will. Corporations acknowledge their social and moral responsibilities for the well-being of consumers, employees, shareholders, and local communities, balancing Islam's core belief of justice and responsibility toward others with the business models of corporations (p. 33). Other CSR goals are increasingly viewed as a complement to the more entrenched and traditional notion of philanthropic giving that has characterized CSR in the Middle East region (Jamali & Sidani, 2012). Many of the problems in the region (clean air and water, environmental protection, healthcare, education), transcend the boundaries of individual countries, and Jamali and Sidani (2012) contend the region needs partnership and cross-sector collaboration to address these problems, as well as new forms of partnerships that include public and private sector collaboration that can benefit CSR goals.

### 2.5. Factors affecting CSR practice in Kuwait

The current study uses the context of Kuwait to examine the practice of CSR, how country infrastructure and culture affect CSR practice, the relationships between the corporate and government sector, and the impact of CSR on country image. The economic and political infrastructure in Kuwait is such that the public sector and corporate sector are closely intertwined. The economic

development of the country is dependent upon oil (Gulf News, 2011), which provides revenue to both sectors. The government of Kuwait is responsible for the environment, as well as for many services for its citizens including free education and health care, which decreases the need and expectation for corporate involvement in these areas. For example, if a company pollutes in Kuwait, citizens hold the government, rather than the company, responsible. Nonetheless, from a socio-cultural perspective CSR has become an important topic in Kuwait and the Middle East region in recent years (Diab, 2016; Khalid, 2009; Kuwait CSR Summit, 2016). Kuwait's government encourages CSR and is actively involved in it. The Prince of Kuwait, Sheikh Sabah Al-Ahmad Al-Sabah, declared the importance of the private sector role in promoting the region (Khalid, 2009).

Kuwait is a highly collectivistic culture, scoring low (25) as an individualistic culture (Hofstede, 2019). In collectivistic cultures, relationships are highly valued as are families and groups. There is a sense of social cohesion and collective responsibility (Hofstede, 2001). The social dimension of collectivism, as well as the political and economic structure, may help explain the collaboration between the government and private sector and the willingness of both sectors to feel responsible for the other.

## 2.6. Research questions

Based on the literature, the following research questions are posed:

**RQ1.** To what extent do culture and infrastructure variables (political, economic, and societal) influence the CSR practice in Kuwait?

**RQ2.** How does the Kuwaiti government interact with the private sector in CSR practice?

**RQ3.** How do Kuwaiti private companies intentionally promote the image of Kuwait while conducting CSR activities abroad?

## 3. Methodology

A qualitative methodology using semi-structured interviews was used to discover in-depth information about CSR practice in Kuwait based on participants' experiences (Jackson, Drummond, & Camara, 2007; Lindlof & Taylor, 2011; Rubin & Rubin, 2012). An interview guide included questions about the companies' CSR practice and their collaboration with other private or public sectors (See Appendix A). Companies that operate outside Kuwait were asked about their international CSR activities. The interviews were semi-structured in that new questions were added based on the initial participants' responses.

### 3.1. Participants

Eight carefully-selected institutions participated in this study: six private companies and two public institutions. The six private-sector companies (ALARGAN International Real Estate Company, EQUATE Petrochemical Company, Kuwait Energy Company (oil production), Kuwaiti Financial House (KFH), Kuwait National Bank (KNB), and Viva Telecommunication Company) were selected because they operate internationally and have conducted CSR activities in and outside Kuwait. Two public-sector organizations (The National Council for Culture, Arts, and Letters (NCCAL) and the Ministry of State for Youth Affairs) were chosen because they work on behalf of the Kuwaiti government with the private sector in CSR activities, which helped the researchers better understand the public-private relationships in the country.

Interviewees were thought leaders in the areas of corporate social responsibility, the interface of the private sector and government, and the impacts of CSR on national image. Even though the sample was small, the interviewees were key informants about the topic, and saturation of responses and reiteration was reached quickly. From the private sector corporations, three participants were females and three were male; one female participant was interviewed from NCCAL and two male participants from The Ministry of State for Youth Affairs, both of which are public sector organizations. The researchers met institutional IRB protocol for informed consent. Interviews were conducted face-to-face in Kuwait or through Skype during the participants' office hours, lasting about an hour each. All interviews were conducted in Arabic by one of the researchers who is fluent in both Arabic and English, who transcribed the interviews then translated them to English. To enhance trustworthiness, the interviewer rephrased the participants' answers during the interviews to make sure the researcher understood the participants' points, in addition to asking participants to provide examples to further explicate their contentions. As a native of Kuwait, the interviewer understood the cultural context of the responses.

### 3.2. Data analysis

The researchers read the transcripts and labeled data with codes that described categories of meaning (Lindlof & Taylor, 2011; Saldaña, 2016). Twenty-nine codes emerged from the first cycle of coding. The researchers repeated the coding cycle several times, which was followed by analytic memo writing. After finishing the memo writing, the data were coded in a second round (axial coding) which reduced the codes by labeling/placing them into conceptual categories (Charmaz, 2000; Lindlof & Taylor, 2011; Saldaña, 2016; Straus & Corbin, 1990). During this process, the codes were categorized based on their context into five categories: social values, cultural values, reasons for cooperating with the other sector, benefits of private/public cooperation, and country representation (Table 1). Finally, three themes emerged after the axial coding and were identified as conditions of CSR practice (Table 2). The results focus on analysis of the themes that emerged from the data. Direct quotes from the participants are used to illustrate and support the analyses.

**Table 1**  
Axial Categories.

Category	Definition	Example
<b>Social values</b>	Social values that influence CSR practice resulting in specific activities based on the belief that society needs these activities or expects them, such as education, localization of efforts, sponsorship, awareness, festivals, medical, safety, health, and community development.	"Localization is a CSR mission because we are providing jobs for young people and involve more Kuwaiti people in the private sector" (Equate).
<b>Cultural values</b>	The cultural aspects that make companies believe they are obligated to conduct CSR activities such as philanthropic value, goodwill, responsibility, <i>zakat</i> , and charity.	"Our culture requires us to help the people in need. Therefore, we feel a duty to do humanitarian activities" (KNB).
<b>Reasons for cooperating with the other sector</b>	The variables (trust, relationship, partnership, reciprocal help, specialty) that companies and public institutions consider that encouraged them to participate.	"Companies will have a place to spend their CSR budget in a project that have a huge influence in the society, and we also will be able to support more project" (Ministry of State for Youth Affairs).
<b>Benefits of private/public cooperation</b>	The result (bureaucracy vs. flexibility, budget, credibility, opportunity) each sector gets from the other sector from cooperation.	"The company has partnerships with entities in public sector to have better performance that strengthen the development of the community" (Alargan).
<b>Country representation</b>	Companies' consideration of their representation of their country (Country of origin, ambassador, naming, representing Kuwait, responsibility of representing).	"We are proud to represent Kuwait, thus if there are activities that influence the image of Kuwait we want to participate in these activities" (KFH).

**Table 2**  
Major themes and Sub-themes.

Theme	Definition	Example
<b>Social Structure</b>	Societal structure makes companies think about CSR differently. Companies tailor their CSR activities to make it congruent with societal needs and expectations.	"For instance, there is no hunger and poverty in Kuwait, so Kuwait did not sign these principles because these two principles are not applicable for Kuwait" (EQUATE).
Governmental Services	This sub-theme shows that the government of Kuwait provides services to the society, which limits the choices and needs for CSR projects.	"Many of the CSR activities are already provided by the government" (Viva).
Philanthropic Obligation	The cultural philanthropic expectation makes companies feel that they are obligated to pay their moral debt to the society through CSR practice.	"Philanthropy is one of Kuwait's identity, so the bank respect this culture and conduct philanthropic activities" (KFH).
<b>Coordinated Efforts</b>	The private and public sectors cooperate in a way to combine their efforts to provide better CSR project for the society in a mutual beneficial way.	"The government through public institutions such as: Ministry of State for Youth Affairs, Ministry of Information, Tourism Sector in the Ministry of Information the, NCAAL, Ministry of Awqaf & Islamic Affairs, and AlZakat House; has a trend recently to cooperate with the private sector to facilitates the sponsorship as well as supporting the social responsibility practice and distribute the budget in a way that lead to maximum societal benefit" (Ministry of State for Youth Affairs).
<b>Proud Mediator</b>	This theme illustrates that companies' vision of themselves as a mediator between Kuwait and the host country, and they feel proud to represent Kuwait.	"We work as ambassadors for Kuwait, after conducting a study and seeing that people relate us to Kuwait. Thus, we are careful about this point since we represent the country and this makes us more responsible while operating in another country or conducting CSR activities" (Kuwait Energy).

## 4. Findings

Analysis of the interview transcripts found the perception of CSR among the participants is influenced by Kuwaiti cultural values as well as by the country's infrastructure. Three overall themes emerged from the data after comparing and contrasting the five categories that were identified in axial coding. They were: social structure, coordinating efforts, and proud mediator. The theme, social structure, has two sub-themes (governmental services, philanthropic obligation).

### 4.1. Social structure

Participants articulated that the context of society influences CSR practice in Kuwait. The companies consider the global United Nation's 17 CSR goals as an ideal practice for CSR, but showed concern about challenges they face in pursuing some of the goals. Below are the two sub-themes of social structure that help explain the overall theme.

#### 4.1.1. Governmental services

Governmental services in Kuwait influence the CSR practice of private companies because most services for citizens are provided by the government, which limits the CSR activities that companies need to conduct inside the country. In the words of a participant,

“The services the country provides - free education, free health service, care of the environment, etc. - limits the CSR activities we could do because citizens already have these needs provided by the government” (EQUATE). Another participant notes, “There are public agencies that are responsible and care about the environment and the water in Kuwait, which challenges the private sector to have a role in these areas” (Kuwait Energy). This perception was confirmed by a public sector participant.

The extensive governmental services and the high level of economic development of the country affect the types of CSR activities that Kuwaiti companies focus on inside the country, which are primarily sponsorships and training and awareness programs. One participant mentioned that in poorer countries such as Yemen, there is a greater need for CSR projects, while in Kuwait “due to economic stability we do not need some of the CSR projects that we provide in other countries (Kuwait Energy). Since the government is obligated to find jobs for Kuwaiti citizens and most Kuwaiti citizens work in the public sector, companies consider hiring local employees as part of CSR practice since it provides jobs for more Kuwaiti citizens. “In Kuwait, we strive to recruit and train young Kuwaiti graduates and encourage them to play an active role in the development of the economy” (KFH). The two sectors have a mutual aim, which is to connect Kuwaiti citizens who are employed in the public sector with employment opportunities in the private sector via educational and training courses, and especially to encourage young people to work in the private sector as a way to ensure full national employment. Thus, providing training courses or internship programs to connect people with jobs in the private sector is considered CSR.

#### 4.1.2. *Philanthropic obligation*

The culture of Kuwait has a great influence on CSR practice because the society expects companies to engage in corporate philanthropy as a moral and religious obligation. The data show that companies view CSR work as a moral debt they have to pay to the society from whom they derive their success. “We are obligated to do CSR activities for the community because our success comes from the society” (Viva). Participants consider the importance of philanthropy from a religious (*zakat*) and ethical perspective. “Our culture requires us to do these philanthropic activities; we started humanitarian activities even before having a CSR mission” (KNB). The Islamic culture of the country means that philanthropic activities are a priority for Kuwaiti companies, and their philanthropic support is considered as part of societal expectations. “Since it is an Islamic Bank our Islamic culture motivates us to do philanthropic works” (KFH). Thus, a culture of philanthropy is dominant among companies in Kuwait, which take an integrative approach to CSR.

The theme, social structure, responds to the first research question that cultural and infrastructural factors influence and affect companies’ CSR activities. Companies feel an obligation to society that is based in religion and culture. Companies focus on education, sponsorships, and philanthropic donations when conducting CSR inside the country since the government provides most of what society needs.

#### 4.2. *Coordinating efforts*

The second theme demonstrates the close relationship between the private and public sectors in Kuwait. Partnerships and coordination between the private and public sector are common for conducting CSR, which is not the case in many countries. This private-public cooperation has mutual benefits. It helps stretch public sector budgets and allows projects to be completed faster, since government bureaucracy can make public sector projects slow. The government encourages corporations to be involved in big CSR projects. “We ask private companies if they want to participate in our projects to offer influential CSR opportunities for them to be more engaged in society” (Ministry of State for Youth Affairs). This cooperation also gives private companies more credibility. “Some private companies cooperate with the public sector while conducting CSR for credibility, especially since Kuwait is in an early stage of CSR; people think that having the public sector involved in a project makes it more credible” (EQUATE). KFH cooperated with the NCCAL because “they [public sector] had a project that represented Kuwait as the capital of Islamic culture, so we wanted to be part of that project because it represents Kuwait” (KFH).

The theme, coordinating efforts, responds to the second research question. The Kuwaiti government and the private sector combine efforts in a way that has a reciprocal benefit for the two sectors. The coordination between the two sectors is influenced by societal expectations and the collectivistic culture, as well as the entwined political and economic relationship.

#### 4.3. *Proud mediator*

Kuwaiti companies regard themselves as mediators for Kuwait through their operations outside Kuwait and consider their representation of their country of origin as an honor. Four of the six companies in the sample conduct CSR practices outside Kuwait; this section focuses on the four companies that operate internationally. The data showed that participants were aware they are linked to their country of origin and are willing to acknowledge it when working abroad. “The Turkish people will not say that KFH is working on a big project in Turkey, they will say a Kuwaiti company is working on a project in Turkey” (KFH).

Companies intentionally promote the country image of Kuwait and sometimes play a mediator role between the Kuwaiti government and the foreign governments where they operate. For instance, Kuwait Energy played a role in strengthening the economic and political relationship among Kuwait, Egypt, and Iraq through its oil business. The following quote demonstrates the quasi-governmental role that private sector companies are willing to play.

“We invited them [referring to an Egyptian company] to be a partner with us in block-9 in Basra. Egypt is now working in Iraq, and the mediator was Kuwait. The real mediator is Kuwait Energy, a private company, but the relationship between these three partners is a relationship between countries. From a public relations perspective, you cannot separate Kuwait Energy from Kuwait, so this would be considered a relationship between the countries, not just a business relationship” (Kuwait Energy).

Some of the companies associate their name with the country of Kuwait. “Our establishment was that we are Kuwait Finance House, established in Kuwait. When we operate as KFH Group we use the logo of KFH/Kuwait. The name of the bank starts with the name of our country” (KFH). Another participant confirmed this notion. “The first word of our name is Kuwait” (Kuwait Energy). Similarly, Equate sees itself as “a global company based in Kuwait.” The association with the country pressures the companies to act ethically as they are representing their country, and companies view their representation as an obligation and a responsibility. “We are a mediator for Kuwait. After conducting a study and realizing that we represent Kuwait, our head asked us to act more ethically since we represent a country and our role goes beyond the business role” (Kuwait Energy). KFH supported a large nation branding project in a main tourist street in Turkey. “We are proud to represent Kuwait, thus if there are activities that influence the image of Kuwait we want to participate in these activities” (KFH).

The theme, proud mediator, responds to the third research question that some private companies intentionally promote the image of Kuwait through CSR practice that influences the image of Kuwait in the host country, and are even willing to act on behalf of their country as corporate diplomats. Kuwaiti companies consider themselves ambassadors for their country, and readily associate the company with the country of Kuwait.

#### 4.4. Summary of the findings

RQ<sub>1</sub>: Both cultural variables (collectivism and philanthropy as part of *zakat*) and infrastructural variables (political structure and level of economic development) influence and shape CSR practice in Kuwait. The infrastructure of Kuwait (extensive government services for citizens and high level of economic development resulting in little poverty) limits the CSR activities companies need to offer since citizens rely on the government to provide most services and to oversee protection of the environment.

RQ<sub>2</sub>: The political and economic structure creates a close connection between the public and private sectors and both are willing participants in partnerships. The Kuwaiti government engages in partnerships with the private sector as a means to increase services for society, which also reflects the importance of strong relationships as a cultural norm. Public institutions and ministries appreciate and even require partnerships with the private sector. This cooperation is perceived as having mutual benefits that work for the common good. It helps the government increase its number of activities to benefit society, share expenses with the corporate sector, as well as benefit from the positive influence and reputation of private companies. The cooperation helps the private sector identify CSR needs and work with public institutions that are specialized in addressing them (environmental, educational, religious, medical).

RQ<sub>3</sub>: Private companies in Kuwait view their representation of the country as a responsibility, which influences them to act ethically since they are representing a country, not just a company. They feel proud to represent Kuwait while operating overseas and have a strong sense of corporate citizenship. Companies intentionally promote Kuwait in the host countries where they are operating, and work with other governments to benefit the country as well as the company, thus adding value to the country’s public diplomacy efforts and country image.

### 5. Discussion

As the world becomes more interconnected, the role of corporations that work transnationally is expanding. Corporations increasingly face demands from stakeholders to use corporate resources to address social and political responsibilities and function as social actors through their CSR activities, with expectations to be involved in solving global problems (Brown et al., 2010; Scherer & Palazzo, 2011). Thus it is important to understand corporate responsibility in a global context. In order to do so, comparative studies that chart the differences among countries and different regions are a necessary step in theory building. The aggregation of country-specific findings can help build country-relative deductions.

The current study addresses the gap in the literature about CSR in the Middle East, which scholars have noted has been relatively limited by the Islamic perspective of CSR as corporate philanthropy (c.f. Dusuki & Abdullah, 2007; Jamali & Sidani, 2012). The findings of the current study support that corporate social responsibility should be considered in cultural, political, and economic contexts and that companies shape the practice of CSR in ways that fit the infrastructure and cultural values and expectations of the society in which they operate. The findings also reflect the changing role and expectation of corporations in society. Philanthropic work, which is dominant among Kuwaiti companies, is congruent with the values of Islamic culture, but Kuwaiti companies are expanding their CSR practices to include education and training, economic development, and promotion of country reputation. This supports the contention of Darrag and E-Bassiouny (2013) that while Islamic philanthropy continues to be a strong component of CSR in the region, there is a growing distinction between philanthropy and other types CSR. Other CSR objectives, including the notion of corporate citizenship, are increasing used by Kuwaiti companies in addition to traditional philanthropic giving which, according to Jamali and Sidani (2012), has characterized CSR in the Middle East region.

CSR practices in Kuwait are influenced by the entwined political and economic structure of the country as well as by the collectivist nature of society. The practice of CSR in countries such as Kuwait, where governments have more direct influence and where religious and cultural factors affect public-private relationships, will be different than in countries in which the private and public sectors are more clearly delineated. The Kuwaiti government engages in partnerships with the private sector as a means to increase the power of both sectors, which is congruent with the contention of Jamali and Sidani (2012) that the region could benefit from public/private sector collaboration.

Private companies in Kuwait view their representation of the country in their operations abroad as a responsibility. They have a sense of pride in promoting the image of the company and a willingness to work with other governments to benefit the country as well as the company, thus adding value to the country’s public diplomacy efforts and country image. The willingness for companies to

engage in efforts to represent their home country and promote country image abroad is more likely to occur in countries that have close links between government and business as well as a strong sense of cultural obligation for corporate citizenship as an aspect of corporate social responsibility.

The study contributes to theoretical understanding of how corporate actors contribute to building country image through CSR and has practical implications as well. Particularly for smaller countries and for countries with intertwined political and economic relationships, governments should understand the role international corporate activities may play in creating a positive country image and good diplomatic relationships. The close relationship between the government and corporate sectors in Kuwait results in a willingness to take on a diplomatic role in other countries, congruent with Schwab (2008) definition of global corporate citizenship. Kuwait Energy, for example, intentionally represents Kuwait and coordinates activities with other governments, and purposefully tries to strengthen the relationship between other governments and the government of Kuwait.

Internationally, Kuwaiti companies consider their work outside Kuwait as more than a business role, and have a sense of obligation to represent the country when operating abroad that differs, for example, from the U.S. companies that do not perceive a responsibility or obligation to represent the United States in their global practices (White & Fitzpatrick, 2018). This may be attributable to the close infrastructural connection between the private and public sector, as well as the culture, which emphasizes relationships and working for a common good. The readiness to represent Kuwait may also be impacted by the fact that most companies in the study operate in the Middle East region where there is little political conflict between their host countries and Kuwait, and therefore there is no reciprocal negative relationship between the corporation and its country of origin.

However, it is premature to make global generalizations for best practices in CSR. More studies conducted in more countries are needed before even broad regional generalizations can be made. Research is needed in different regions of the world, particularly understudied areas such as GCC countries in the Middle East and in similar countries in which the private and public sectors are closely linked. Finally, more studies need to be approached from a non-Western perspective to extend understanding of the practice and perceptions of corporate social responsibility in a global context. Research from a variety of regions around the world will help bring into focus the concept of global CSR and how it impacts perceptions of corporations as well as the countries with which they are associated, which has broad implications for international public relations.

### 5.1. Limitations and future studies

CSR in Kuwait is in a nascent stage, so the sample of this study was small. Participants from companies that practice CSR on an international scale and public institutions that work with the private sector in CSR were purposefully chosen for the study. The findings were analyzed based on participants' responses that illustrated positive outcomes, which might not be the same as the actual CSR practice of these companies. Case studies could be used in future research to confirm the perceptions, as well as other important issues such as CSR communication, transparency, and socially responsible investment as the practice of CSR continues to mature in Middle Eastern countries.

Future studies are needed to explore the relationship between political and economic infrastructure and coordination of private-public endeavors to promote national image. Additionally, more studies in collectivistic countries are needed to consider how collectivism affects the willingness of companies to represent their country of origin when working abroad and how cultural perceptions and expectations affect corporate social responsibility.

## Appendix A. Interview guides

### Questions for Private Companies:

- 1 What does CSR mean to your company?
- 2 Why does your company conduct CSR activities?
- 3 Do you have cooperation with another institution while conducting CSR activities? Why? How?
- 4 Does the Kuwait government encourage the firms to promote social responsibility? How?
- 5 When the company plans for a social responsibility projects in a foreign country, does the company try to associate the country of Kuwait with its activity or not? Why?
- 6 How does the image of Kuwait affect and get effected by the company's activity in the foreign country?

The following two questions were added after conducting the first two interviews:

- 1 Do you consider sponsorship as part of the CSR? Why?
- 2 Why are you using the name "Kuwait" in your brand when you operate outside Kuwait?

### Questions for Public Institutions:

- 1 What does CSR mean to your institution/ministry?
- 2 Why does the institution conduct CSR activities?
- 3 Why/how/when does the institution have partnership with private companies in CSR projects?
- 4 How does this collaboration influence the society and the image of Kuwait?

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