This paper conducts an empirical study as to whether family firms are more socially responsible than their nonfamily counterparts and explores the conditions in which this difference in social behavior occurs. We argue that family firms, given their socioemotional wealth bias, have a positive effect on social dimensions linked to external stakeholders, yet have a negative impact on internal social dimensions. Thus, family firms can be socially responsible and irresponsible at the same time. We also suggest that institutional and organizational conditions act as catalysts in the relationship between firm type and corporate social responsibility (CSR). General support for our thesis that family firms neglect internal social dimensions came from the study of a sample of 598 listed European firms over a period of 4 years. Moreover, while national standards and industry conditions influence the degree of CSR in nonfamily firms, these factors do not affect family firms. However, family firms' social activities are more sensitive to declining organizational performance.

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