

RICSI QUASI Seminar Series: 2/19/21 Chat Transcription

Do Social Movements Improve Corporate Behaviors?

Yes: Sarah Soule; No: Brayden King; It Depends: Mae McDonnell; Moderator: Jerry Davis

11:38:08 From Mike Barnett to Everyone : Please enter your questions and comments here. We'll pull from these questions later in the seminar. And we'll archive the comments and post them, along with the presentations, video, and readings online on the RICS website.

11:39:20 From Irene M Henriques to Everyone : Divestment in fossil fuel companies

11:41:25 From Nicholson, Jesse-Burton to Everyone : I'm a PhD student at the University of Pittsburgh, and wanted to ask a couple of questions, do the speakers think that social movements have to be, or are always, directed at corporations or governments (those in power)? My second question is what do the speakers see as the main gaps in the literature?

11:43:18 From Brian Kelleher Richter to Everyone : Measurement seems really challenging here: it's possible that there could be more subtle ways this could happen that don't leave a paper trail, no? E.g. they may begin internal long-run planning, brainstorming, etc. that we can never observe directly without being inside the firm.

11:49:42 From Nicholas A Poggioli to Everyone : Who judges whether a corporate change is an "improvement." Recent theoretical work on heterogeneous stakeholder preferences claims a corporate action could be seen as an improvement by one stakeholder and as a deterioration by another.

11:51:52 From Jiancheng Du to Everyone : Does social movement a means or end? Of hypocrisy, does it 'improve' corporate behaviors? Thanks.

11:52:26 From Jiancheng Du to Everyone : \* Does social movement a means or end? If hypocrisy, does it 'improve' corporate behaviors? Thanks.

11:52:39 From Mike Barnett to Everyone : I'm thinking of issues about how long the effects last, and how offsetting movements/countermovements shape this.

11:53:50 From Tom Lyon to Everyone : To Nicholas' question: Protests against Bed Bath and Beyond for dropping My Pillow products. <https://wjno.iheart.com/featured/florida-news/content/2021-01-22-conservatives-protest-retail-chain-after-my-pillow-products-are-pulled/>

11:54:05 From Mike Barnett to Everyone : #fakenews, Tom

11:54:39 From Jiancheng Du to Everyone : @ Mike Barnett Thank you.

11:56:46 From Sarah Gordon (UM - Ross) to Everyone : Thanks so much for your work! I'm wondering if the panelists have concerns about the extent to which firms are beholden to activism. With the rise of "cancel culture" I think we're seeing uncomfortable boundary conditions regarding the relationship between activism and institutions. Do you ever see this relationship becoming problematic, or do you have concerns about how corporations and activists act as checks and balances on each other (which sounds kind of silly, given that corporations obviously have a lot more structural power than activists!)

11:56:46 From Timothy Werner to Everyone : Here's a great poli sci piece on how private regulation crowds out mass public, activist, and political elite support for public regulation:  
<https://www.cambridge.org/core/journals/american-political-science-review/article/abs/does-private-regulation-preempt-public-regulation/4EDDD5AE317613AC3B0894A817056C42>

11:57:48 From Sarah Soule to Everyone : @Tim - thanks for posting this! I was thinking of this piece (by my colleagues) and I couldn't remember where it was! :)

11:58:41 From Tom Lyon to Everyone : @Tim -- Yes, that's a really nice piece of work.

11:59:20 From Mike Barnett to Everyone : So social movements can get firms to do things . . . but to do the right things? Substantively? Over time?

12:00:31 From Alvarez, Sharon A to Everyone : Right things according to whom??? That question was posed above and has not really been addressed.

12:00:34 From Tom Lyon to Everyone : The paper Tim shared gets at the key question: does activism towards a company accelerate broader change or preempt it?

12:01:10 From Enrique Guerra-Pujol to Everyone : I like @Mike's point: "right" depends on one's view of CSR

12:01:15 From Mike Barnett to Everyone : Exactly: "right things" is in the eye of the beholder / stakeholder

12:01:51 From Nicholas A Poggioli to Everyone : @Sarah Gordon: We might also ask if corporations improve social movements. TNC, Environmental Defense Fund, Sierra Club have closely partnered with large firms, leading to greater funding, visibility, structural power, etc. for environmental movement. Is the movement still affecting firms, or are firms now part of the movement?

12:01:58 From Jonathan Doh to Everyone : @Brayden. When NGOs initiate campaigns involving multiple target firms concurrently (or an entire industry or commodity), doesn't that partly mitigate the "one off" concern?

12:03:30 From michellewestermann-behaylo to Everyone : @Mike Barnett and Irene Henriques: would your paper about the rise of the digital age mean that social movement's potential to change the world is gone? Do the findings of empirical data from the era before the digital age apply in today's world?  
Barnett, M. L., Henriques, I., & Husted, B. W. (2020). The rise and stall of stakeholder influence: How the digital age limits social control. *Academy of Management Perspectives*, 34(1), 48-64.

12:04:02 From Sandra Waddock to Everyone : The big problems can't (likely) be solved by firms at all, since they are subject to their own ecosystems and pressures thereof. That ecosystem still demands growth and profits and far too many companies still define their purpose as maximizing shareholder wealth. System change requires intervention by/at the system level--that's probably a combination of activism by civil society actors, policy change, different types of pressures on firms--that begin to shift purpose and orientation. Think new metrics in part, that derive from new purposes (e.g., what Donaldson & Walsh 2015 call collective value). Think policy change. Think ground up changes. Think structural changes and governance changes...among many other things.

12:04:19 From Mike Barnett to Everyone : HI Michelle. Basically, we just say that the digital age hasn't helped stakeholders gain power over firms in aggregate, even though the mechanisms are easier.

12:04:23 From Ihsan Beezer to Everyone : Is a hope for social movements the professionalization of it? Interesting offerings in this area, such as <https://gla.americansforprosperityfoundation.org/grassroots-activist-certification/> -- does the panel see a professionalization of social movements in recent (say 10 years) times?

12:04:51 From Timothy Devinney to Everyone : There is an assumption that “social movements” are movements for “good” and they are working to change the company, which is “bad”. But “social movements” can be working toward “bad” (I won’t say evil) motives in the sense that they are attempting to move the firm to align with their preferences but those may not be aligned with the society at large (e.g., Western NGOs pushing an agenda that might be culturally at odds with other society’s belief systems).

12:04:53 From Mike Barnett to Everyone : I'm wondering if our joint JOM review piece (2020) might be more relevant, as it talks about (lack of) social impact from "good" corporate practices.

12:05:18 From Mike Barnett to Everyone : Yes @Tim: recall Disney battle over gay rights -- one group arguing for it, another against it. Both arguably social movements.

12:05:49 From Tom Lyon to Everyone : Does the US count as a "weak state"?

12:06:09 From Nicholas A Poggioli to Everyone : Tom, just Ohio

12:06:21 From Jerry Davis to Everyone : The eternal golden Brayden

12:06:42 From Timothy Werner to Everyone : I think Texas takes the crown as a weak state this week

12:07:34 From Sandra Waddock to Everyone : Would insurrectionists at the Capitol on Jan 6 be part of a social movement?

12:07:34 From Mike Barnett to Everyone : They're the worst, except for all the other options . . .

12:07:34 From Tom Lyon to Everyone : Ihsan, you are trying to scare us with that post, aren't you?

12:07:38 From Irene M Henriques to Everyone : So do we have a counterfactual here?

12:08:17 From Tom Lyon to Everyone : @Sandra Yes, white supremacy seems to be a social movement, no?

12:08:19 From Andy Li to Everyone : With “stronger states” that have government-owned, massive corporations, would it be more difficult to trigger change (due to governmental power) or easy (due to the government’s ability to regulate companies quickly and solidly?)

12:08:24 From Jonathan Doh to Everyone : @Brayden: Lots of informal coordination/knowledge sharing among "Big 3" global conservation organizations (WWF, TNC, CI) and an incredible amount of leader/employee movement among them and ; i.e. new head of TNC is former #2 at CI; President/CEO of WWF was 15 years at TNC). My wife has worked in global freshwater at all three.

12:09:28 From Timothy Devinney to Everyone : I know of many but don't want to get into that argument! I think the issue is that it is a battle over whose preferences are going to crowd out the others. These arise far more in an international context. E.G., these conflicts arise as one society attempts to impose a monetary regime on another via global pathways.

<https://onlinelibrary.wiley.com/doi/abs/10.1002/gsj.21>

12:09:44 From Andy Li to Everyone : What can international companies do to increase such international government-business regulation? What are some hurdles you perceive, given this post-pandemic US-China relations?

12:10:36 From Robert Tomasko to Everyone : Corporations try to aim regulations at their competitors

12:10:37 From Ihsan Beezer to Everyone : @Tom - Secretly, yes. Adding the link to an actual course added to the dramatic effect, no?

12:10:40 From Nishant Kathuria to Everyone : I think both formal and informal institutions need to be addressed. e.g. while formal regulation gives a framework and strength to the minorities, social movements helps to increase awareness and urgency of acceptance informally. Though, formal institutions may be preceded by social movements as well.

12:11:04 From Mike Barnett to Everyone : Exactly the point I've come to (along with Irene Henriques & Bryan Husted): we need to bring government back into the business & society relationship.

12:11:28 From Sandra Waddock to Everyone : @Mike Barnett. Yes!

12:11:44 From dorozco to Everyone : In business law we teach how big social movements like the rise of organized labor led to the Fair Labor Standards Act, how the Civil Rights movement led to anti-discrimination statutes, all of which impact company behavior. Yet, some companies go beyond regulatory standards. I see somewhat similar parallels with decentralized finance and cryptocurrencies today. Perhaps the state may be losing power as an intermediating force to catalyze change?

12:12:04 From Mike Barnett to Everyone : Thing BiGS! Business interrelating with Government & Society

12:12:16 From Tom Lyon to Everyone : @Ihsan It worked! The conservative movement has had enormous persistence and success in greatly undermining confidence in government as a solution-provider.

12:12:19 From Kathleen Rehbein to Everyone : David Vogel may have been right in 1995??!!

12:12:33 From Tom Lyon to Everyone : @Vogel is usually right.

12:13:13 From Nicholas A Poggioli to Everyone : Mintzberg, too: Mintzberg, H. (1996). Managing Government, Governing Management. Harvard Business Review, May-June.  
<https://hbr.org/1996/05/managing-government-governing-management>

12:13:19 From Mike Barnett to Everyone : Timing is a key issue (deal with it in 2019 piece in Business & Society) -- moving in advance, instead of after being forced -- voluntary nature of actions matter.

12:14:03 From Tom Lyon to Everyone : @Mae Congrats on that OS piece!

12:18:10 From Enrique Guerra-Pujol to Everyone : Also, there are radically different views of CSR (regardless of politics)

12:18:20 From Mike Barnett to Everyone : Ideology . . . and idiotology quite often.

12:18:22 From Charles H. Cho to Everyone : @Mike: +1

12:19:33 From Naomi Gardberg to Everyone : Gardberg & Newburry showed that conservative boycotts are unsuccessful in general. Noisy but no effect.

12:19:41 From michellewestermann-behaylo to Everyone : Is this because firms have become more progressive?

12:20:00 From Nicholas A Poggioli to Everyone : @Naomi can you share a link to the paper?

12:21:54 From dorozco to Everyone : Interesting read by the way that inverts the question entirely:

12:21:56 From dorozco to Everyone : [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3337991](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3337991)

12:22:24 From Enrique Guerra-Pujol to Everyone : "It depends" is always the right answer!

12:23:00 From dorozco to Everyone : So true!

12:23:14 From Nicholas A Poggioli to Everyone : Question for panel: Building on Mae's comment about field-level change, with increasing polarization (in the US), are we seeing competition between ideologically-aligned fields, rather than social movements targeting a single field?

12:23:29 From Tom Lyon to Everyone : Good point Jerry--did Biden really win the election like all you Libs say??

12:23:49 From Mike Barnett to Everyone : Tom Lyon is Q

12:24:37 From Tom Lyon to Everyone : @Mike Sssshhh!!!

12:24:58 From Mike Barnett to Everyone : inquisitive. Tom Lyon is inquisitive. That's all (don't send your hordes)

12:26:05 From Enrique Guerra-Pujol to Everyone : wow!

12:28:54 From Ke Cao to Everyone : some might just be collective grievance? thought in the US Trump has upped the bar of being an movement target.

12:29:01 From Irene M Henriques to Everyone : I have a set of twins - identical

12:30:22 From Markus Taussig to Everyone : We \*can\* do the drug study model!

12:30:38 From Enrique Guerra-Pujol to Everyone : i.e., who is the control group?

12:32:29 From Brian Kelleher Richter to Everyone : Also, how to measure outcome is an issue (already discussed)

12:32:31 From Mike Barnett to Everyone : How long do the antibodies last?

12:33:01 From Gary Chapman to Everyone : Could you go lower than the firm level and see what parts or subsidiaries or departments or products are facing boycotts and which aren't, or the extent of the boycott in different parts or products?

12:33:14 From Markus Taussig to Everyone : Organizations like Jameel Poverty Action Lab would be very excited, I think, to fund an RCT on a social movement intervention. Would be cool to find an interested organization interested in testing a pilot initiative potentially affecting many firms..

12:33:37 From Mike Barnett to Everyone : I'm not sure we need to get down to the fine grained level of drug effects, so the standard need not be that pure.

12:33:43 From Nicholas A Poggioli to Everyone : A favorite paper on assumptions baked in to regression and other statistical methods Berk, R., & Freedman, D. A. (2010). Statistical Assumptions as Empirical Commitments. Statistical Models and Causal Inference. A Dialogue with the Social Sciences, 23–44. <https://doi.org/10.2307/2077035>

12:34:18 From Andy Li to Everyone : I cannot hear you guys

12:34:34 From Andy Li to Everyone : Sorry I don't know what is wrong

12:34:46 From Sarah Soule to Everyone : Andy, I think it is on your end? Everyone is else is ok.

12:35:34 From Mike Barnett to Everyone : College grad in '92. Just my baby face (and snow white hair)

12:35:45 From dorozco to Everyone : The SOPA event was huge. Legislators backed off completely.

12:38:02 From David Obstfeld to Everyone : pro incipient corporate facism

12:38:03 From Tom Lyon to Everyone : There are very fine people on both sides of incipient corporate facism.

12:40:02 From Enrique Guerra-Pujol to Everyone : Great discussion, by the way ...

12:41:52 From Jonathan Doh to Everyone : Not much discussion of role of media/ investigative journalism in exposing scandals, etc. Some would argue that this: <https://www.amazon.com/Made-China-Prisoner-Letter-Americas/dp/1616209178> was partially responsible for this: <https://www.nytimes.com/2021/01/13/business/economy/xinjiang-cotton-tomato-ban.html>

12:42:01 From Brian Kelleher Richter to Everyone : To add fuel to the fire, while I'm sympathetic to Mae's and Mike Barnett's arguments that government might mediate outcomes, why should we trust governments to decide what's an improvement or not (some social movements including Tom Lyon's very fine people would not trust governments as arbiters)

12:44:04 From Jerry Davis to Everyone : Any students out there with pressing questions?

12:44:41 From Nicholson, Jesse-Burton to Everyone : I had asked, do the speakers think that social movements have to be, or are always, directed at corporations or governments (those in power)?

12:45:28 From Rob Phillips to Everyone : Jerry's last two bullet points evidence a contrast worth thinking about: to wit, if owning the shorts is NOT a social movement, what about the more general sense of anger and angst underlying and motivating the incipient corporate facism. Would it help or

hurt to add a specificity of complaint requirement? For example, it must be something that only this (or at least a limited industry subset) company does that grates on activists?

12:45:49 From Markus Taussig to Everyone : @Brian, it's all relative, but i guess I see government as the most accountable of the different options.

12:46:05 From Andy Li to Everyone : In countries with massive-government-owned organizations, would it be a) easier to implement change due to their massive corporate influence, or b) more difficult because they may not take in suggestions? How could we trigger international business improvements, given the post-pandemic US-China relations?

12:46:53 From David Obstfeld to Everyone : Jerry: There is an important ongoing process question regarding the "systematic" study of arrows in the repertoire of contention quiver and how they interact... outside of regression-framed queries with IVs and DVs targeting ASQ... is there room for this and ways to marshal support progressive causes. simple question...

12:47:15 From Andy Li to Everyone : How could companies and countries with different social and cultural ideologies strive to collaborate on some common ground?

12:47:26 From Jiancheng Du to Everyone : Would you talk possible dark side of social movements? How could it go wrong? Does the driver of corporate behavior differ from economic principles? Also, what is the role of us, scholars: scientists or activists? Thanks.

12:48:02 From Ziko Konwar to Everyone : A cross-national (or at least comparative) "country" empirical context may help in understanding the pathways/questions posed better perhaps?

12:48:57 From michellewestermann-behaylo to Everyone : How much to rely on government depends on your government. There are 250+ sovereign nations in the world, at all different levels of functioning. This is why we end up turning to corporations to fix things in the world (whatever we meant by "fix")

12:49:25 From Enrique Guerra-Pujol to Everyone : the irony is just how little diversity and inclusion or equity there is in Tenure Track

12:49:32 From Ian MacFarlane (he, his) to Everyone : practitioner CEO here, albeit on the progressive end of the spectrum (100% ESOP employee owned, legal benefit corp). Agree with Mae to view external signals as beneficial to informing org development (minimally to avoid negative headlines), and also with Jerry that its complicated especially to get the TMT onboard.

12:50:03 From Nicholas A Poggioli to Everyone : We might broaden to ask how social movements affect market structure as one of many actors (firms, regulators, etc.) influencing market structure. Then follow-on questions include who benefits/loses from what structures, which stakeholders want what structural changes and why, etc. This ties into Henderson's argument that managers are obligated to support the institutions of capitalism that structure markets so their firms exist.

12:50:04 From Enrique Guerra-Pujol to Everyone : if we academics can't even get our own houses in order ...

12:52:16 From Nicholas A Poggioli to Everyone : IMO, Henderson's claim that managers have an obligation to capitalism first and their firms second, such that they must harm their firms if it is required to maintain capitalism, is one of the more provocative out there. So, for example, conceding to activist

demands to defuse their efforts to more broadly harm capitalism is the right thing to do, even if it hurts their share price in the short term.

12:54:04 From Andy Li to Everyone : Hello, I am Yifan (Andy) Li, a Rutgers Business School international sophomore majoring in finance and accounting. In countries with massive-government-owned organizations, would it be a) easier to implement change due to their massive corporate influence, or b) more difficult because they may not take in suggestions? How could we trigger international business improvements, given the post-pandemic US-China relations? How could companies and countries with different social and cultural ideologies strive to collaborate on some common ground?

12:54:14 From Tom Lyon to Everyone : I have to drop off to get ready for the 1 pm zoom, but this has been a great session! Thanks to the presenters and to Mike for organizing these.

12:55:07 From Timothy Devinney to Everyone : Perhaps a good example of this is what is going on with HSBC. HSBC is caught between Western activists and the HK/Chinese government. Before the HK securities law was passed they treated HK protesters neutrally/positively. After the law passed they found that they are squeezed between governments. The UK govt gives HK BNO passport holders the right to get a visa for working in the UK and the Chinese government retaliates. HSBC fires some employees in HK and the UK government goes after them.

12:56:36 From Ace Beorchia to Everyone : Doc student here: As academics who have time to think about and study these topics, to what extent do you feel the need to engage in social movements to improve the world (as you define improvement)?

12:56:54 From Alvarez, Sharon A to Everyone : Great session - thank you to the organizers and to the panelists.

12:56:57 From Nicholas A Poggioli to Everyone : Yes Timothy HSBC is caught between two competing market structures, with ties to two separate forms of police state enforcing those structures.

12:58:35 From aofair@kenan-flagler.unc.edu to Everyone : @Jerry-- Arguably firms at scale is not the ONLY way-- government regulation could serve the same end.

12:58:44 From Ke Cao to Everyone : just would like to share, the term of "social movement" in the Chinese language context seems to be rarely used, and when it was used, it has strong connotation of revolutions.

12:58:46 From Markus Taussig to Everyone : yes

12:58:47 From David Obstfeld to Everyone : what about Costco?

12:58:50 From Robert Tomasko to Everyone : Jerry is talking about vaccine-makers ..

12:59:57 From Hadi Shaheen to Everyone : Thank you all!

13:00:21 From Timothy Devinney to Everyone : @Jerry .... Walmart actually wanted to go fully organic but its customers did not buy into that ... and they dumped the idea. In Australia they had to ban old lightbulbs because even when the price was zero no one took them. Again it was people who were not 'socially responsible'



13:00:23 From Nicholas A Poggioli to Everyone : Editors, publish papers from non-US contexts, even when they don't have lots of or great data!

13:01:01 From Hyuk Yang to Everyone : In terms of outcome how do we make sure that we have the right measurement? For example, if we are concerned about diversity, it is just gender based, racial base, or gender+race? How do we make sure we have the right measure?

13:01:38 From Nicholson, Jesse-Burton to Everyone : Thank you all for a wonderful session, it has been great!

13:01:43 From Charles H. Cho to Everyone : We definiltey publish non-US context research (in our journal) but US dominates so much the journal scene (read: so called "top" journals) so...

13:01:52 From Sandra Waddock to Everyone : Another great session. Thanks @Mike and all panelists.

13:02:39 From Ante Glavas to Everyone : thanks!

13:02:54 From michellewestermann-behaylo to Everyone : Thank for a great debate Mike, Mae, Brayden, Sarah and Jerry!

13:02:56 From Christine Beckman to Everyone : Great conversation Sarah, Brayden, Mae and Jerry. Thanks!

13:03:20 From Ed Carberry to Everyone : Great session! Thanks Mike, Sarah, Mae, Brayden, and Jerry!

13:03:20 From Frank de Bakker to Everyone : Thanks Mike and panelists!

13:03:28 From Jeana Wirtenberg to Everyone : Outstanding session. Thanks @Mike and all the panelists and participants.

13:03:34 From Brian Kelleher Richter to Everyone : Thanks so much to Mike and all of the panelists!

13:03:35 From dorozco to Everyone : Congrats!!!

13:03:36 From Alison E. Holm to Everyone : Thank you for a great session!!

13:03:37 From Andy Li to Everyone : Thank you all so much for this circumspect and insightful conversation. Wish you all the best in your endeavors, and look forward to potentially contributing to this noble mission.

13:03:40 From Paul Seaborn to Everyone : Great session. Thanks!

13:03:44 From Ke Cao to Everyone : great session. thanks

13:03:47 From Nishant Kathuria to Everyone : Thank you all :)

13:03:49 From Charles H. Cho to Everyone : Thank you!

13:03:50 From Rob Jansen to Everyone : Thank you for the talk and discussion! Thanks for organizing!

13:03:50 From Marina Gama to Everyone : Thanks!!!

13:03:51 From Georg Wernicke to Everyone : Great session, merci everyone!

13:03:52 From Ace Beorchia to Everyone : Thanks, all!

13:03:55 From Elena C. Pierard to Everyone : thank you!!

13:03:56 From Naomi Gardberg to Everyone : Thank you!

13:03:58 From Grace Augustine to Everyone : great session - thank you all! and (almost) felt like we were all in the same room

13:04:02 From Deborah Flamengo to Everyone : [www.business.rutgers.edu/ricsi](http://www.business.rutgers.edu/ricsi)

13:04:18 From Natalia Yakovleva to Everyone : thank you. great session

13:04:47 From Mohamad Sadri to Everyone : Thank you, great discussion!

13:04:57 From Francisco Aragon to Everyone : Thanks for a great session

13:05:08 From Ellie Okada to Everyone : THANK YOU!

13:05:09 From Lin Fangwen to Everyone : Thanks for organising! Great session!

13:05:11 From Jiancheng Du to Everyone : Thank you.