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Reconsidering the Link between Corporations and Society: Insights from a Counter-Corporate Movement Perspective

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Objective of the presentation/study

Objective of this presentation:

- Examining the under-considered conceptions and reflections of contemporary **counter-corporate movements** regarding **corporations' role, influence and control in society.**

→ Focus on the case of the Occupy Movement in the US



→ Stressing some **general implications for business and academic research**

Social movements?

Definition of a social movement:

- “A **collective challenge** by groups with purposes and solidarity in sustained and mainly **contentious interaction** with elites, opponents and authorities” (Tarrow, 1995: 229).

Goal of a social movement:

- **Contesting received interpretations of social/societal phenomena** and offering competing analyses (Lehrner and Allen, 2008)
- **Challenging the status quo**

Counter-corporate social movements?

(Starr, 2000)



FOCUS: The Occupy Movement and the Role of Business in Society



The Occupy Movement: Contextual Elements

- Stereotypical dismissive generalizations of the Occupy Movement (OM) have been regular (see Bray, 2012).

“... a rag-tag gathering of mostly young people pitching tents in city squares...” (Thompson, 2012: 48).

- Main media too content to focus on catchy slogans written on cardboards and to “spill ink on clichés” (Milke, 2012: 8)

“... 'Occupy' anti-capitalism protests spread around the world...” (Gabatt, 2011)

The Occupy Movement: Contextual Elements

Table 5. Issues That Led Respondents to Support OWS, by Extent of Involvement, 2012.

Issue	All Respondents	Less Active	Actively Involved
Inequality/the 1%	47.5%	50.0%	45.4%
Money in politics/Frustration with D.C.	25.5%	20.7%**	29.4%**
Corporate Greed	18.5%	18.2%	18.8%
Student Debt/Access to education	17.4%	15.4%	19.0%
Unions/labor rights issues	13.0%	15.7%*	10.9%*
Health Care	12.4%	12.4%	12.4%
Jobs, unemployment	11.9%	14.5%*	9.9%*
Antiwar, environment, women's rights issues	11.4%	9.0%*	13.3%*
Solidarity with Occupy-like movements	11.0%	9.9%	11.9%
Immigrant Rights	10.4%	14.8%**	6.9%**
Capitalism as a system	9.2%	4.3%**	13.1%**
Civil liberties issues	8.2%	6.8%	9.4%
Racism/race related issues	7.1%	7.4%	5.4%
Housing/Foreclosures	6.5%	7.7%	5.4%

** P < .05 * P<.10

N=727

Note: Total adds to more than 100% because respondents could give more than one answer. "Less Active" respondents participated in fewer than 6 of the activities shown in Table 1; "Actively Involved" respondents participated in 6 or more activities.

Source: Authors' survey.

Granting serious attention at the OM: 3 corporations-focused 'streams of arguments'

Political

Socio-
economic

overlook

verb

gerund or present participle: overlooking

/əʊvəˈlʊk/

1. fail to notice.

"he seems to have overlooked one important fact"

synonyms: miss, fail to notice, fail to observe, fail to spot, fail to see, leave, leave unnoticed; *informal* slip up on

"he overlooked a mistake on the first page"

Cultural
occupancy

Political 'dominancy' stream of argumentation



Core of the argument:

Large corporations illegitimately exert power over the lives of citizens without addressing the political accountability that should be associated with their dominance.

Political 'dominancy' stream of argumentation

1. large corporations now factually have – through relentless efforts at influencing the institutional status quo – imposed over other institutions as the **dominant political actor in society**.

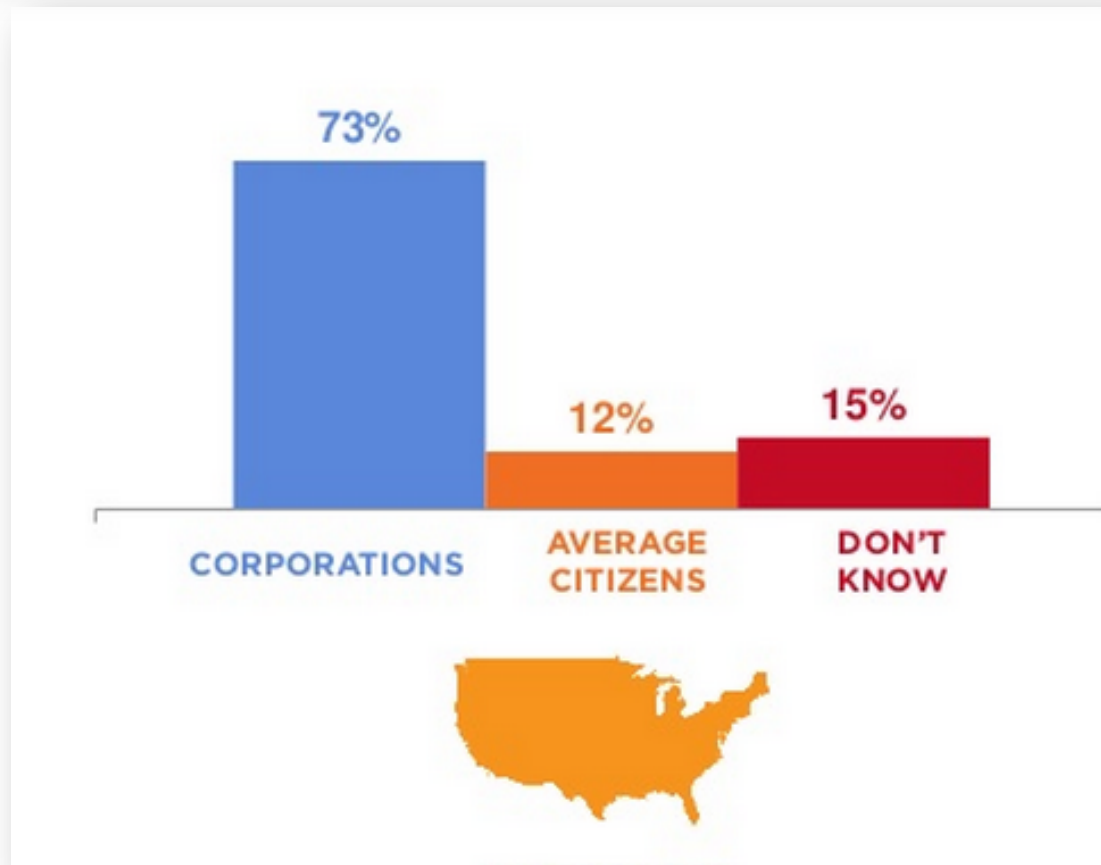
“Democracy no longer means what it was meant to (...). Each of its institutions has been hollowed out, and it has been returned to us as a vehicle of the corporations, for the corporations, by the corporations”. (The Occupied Chicago Tribune -2)

2. Corporate actors have been able to increasingly bear upon and **control political decision-making processes** at local, national and transnational level. In that context, corporations are **not paying their fare share**.

“It is not a crime to demand that our money be spent on meeting people’s needs, not for massive corporate bailouts”. (The Occupied Wall Street Journal -5)

Political 'dominancy' stream of argumentation

Q: In your opinion, is government more on the side of average citizens or corporations?



Source: Burson-Marsteller & CNBC, 2014 (1000 Americans)

Political ‘dominancy’ stream of argumentation

“In developed economies 45 percent of the public now believe corporations have too much influence over governments”

“At the global level, 62 percent of the general population say corporations take advantage of tax loopholes to avoid paying their fair share rather than paying what they owe”

Source: Burson-Marsteller & CNBC, 2014



europa

EL PAÍS theguardian gazeta LA STAMPA Süddeutsche Zeitung Le Monde

30,000 lobbyists and counting: is Brussels under corporate sway?

From mobile phone charges to nations' interests, these shadowy agitators are estimated to influence 75% of European legislation

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Socio-economic (free market) 'sycophancy' stream of argumentation



Core of the argument:

The growing disconnect between level of corporate profits and the conditions of average citizens represents the failure of corporate capitalism. Large corporate actors fail to develop an ideology that would support its legitimacy.

Socio-economic (free market) 'sycophancy' stream of argumentation

1. Large corporations are seen as **obsequious flatterers of a fanatic free-market ideology** and are obedient servants of a finance-dominated accumulation regime creates **significant inequalities**

“In this time, neo-liberal economics increasingly structures public institutions (...), we are faced with the idea that some populations are considered disposable.” (Tidal: Occupy Theory -1)

2. Corporate-induced **crises contribute to intensify this corporate agenda** and fosters the expansion of corporate power and people-neglecting ideology

*“When people are panicked and desperate and no one seems to know what to do, that is the **ideal time to push through their wish list of pro- corporate policies**: privatizing education and social security, slashing public services, getting rid of the last constraints on corporate power.” (The Occupied Chicago Tribune -1)*

Socio-economic (free market) 'sycophancy' stream of argumentation

Top 5 Global Risks in Terms of Likelihood

2011	2012	2013	2014
Storms and cyclones	Severe income disparity	Severe income disparity	Income disparity
Flooding	Chronic fiscal imbalances	Chronic fiscal imbalances	Extreme weather events
Corruption	Rising greenhouse gas emissions	Rising greenhouse gas emissions	Unemployment and underemployment
Biodiversity loss	Cyber attacks	Water supply crises	Climate change
Climate change	Water supply crises	Mismanagement of population ageing	Cyber attacks

21%
CEOs are focusing on reducing poverty and inequality as a priority over the next 3 years

Source: PWC 17th Annual Global CEO Survey, 2014 (1344 CEOs in 68 countries)

Source: World Economic Forum Global Risks Report, 2014 (700+ respondents, associated to the WEF)

Cultural 'occupancy' stream of argumentation



Core of the argumentation:

Increasing influence on and control by large corporations over the media and cultural spheres. *"They can buy (...), journalists, politicians, academics, schools, publishing houses, television stations, bookshops and even activists".*

Cultural ‘occupancy’ stream of argumentation

1. Development of a of **mass media** production, distribution, ownership, and funding which is **dominated by corporations and does not serve the public interest anymore**

*“[Our] **mental environment [is] so saturated with commercial messages** that it is changing the very way citizen-consumers speak, think, feel, and interact (...). From the moment your alarm sounds in the morning to the hours of late-night TV and web surfing, commercial elements flood into our brains at the rate of around **three thousand marketing messages per day***

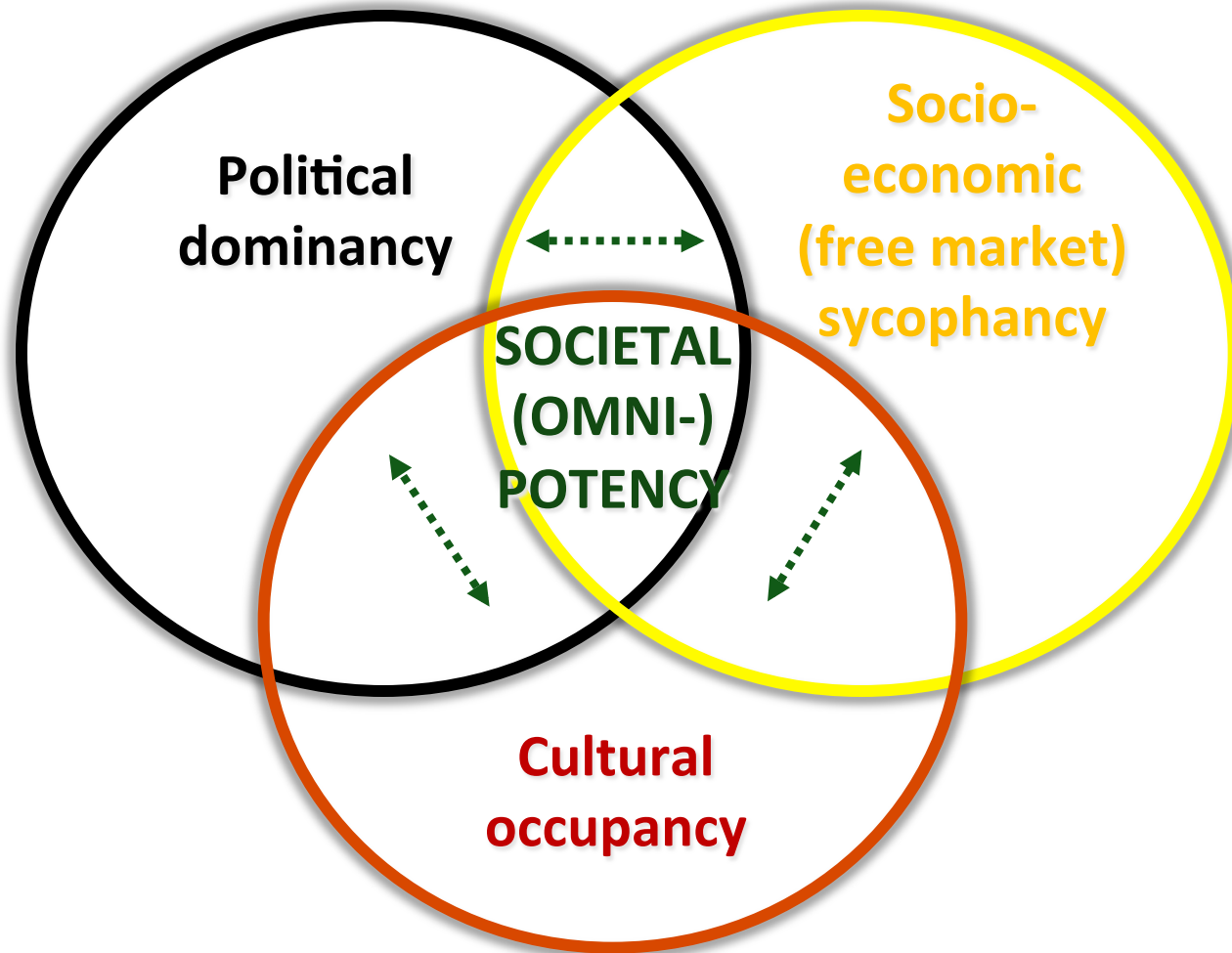
(Adbusters – 9)

2. **Degradation and un-equalizing effects**, and even loss of public services with the advent of **privatization in the education sector** and the corporate lobbying that lead to it

*“The **boom in private for-profit colleges** has been encouraged by conservative lawmakers, who **promote the private sector in education** as in other areas, supposedly to bring competition to the education market”. (The Boston Occupier -11)*

Discussion:

What is the story told by the OM?



The Occupy Movement should be seen as an important symbol of what is wrong in the current story about business, which has progressively become useless...

Discussion: Corporate implications

- Authentic, **multi-dimensional and deep-seated frustration and unhappiness** with large corporations and their influence on society across the globe
- ‘Members’ and supporters of counter-corporate movements are/should be considered as **stakeholders of large corporations**
- Corporations’ failure to engage with highlighted critics might eventually lead **more massive counter-corporate movements to be heard again**

“If business is only about profits and money and if business people are self-interested and greedy, then the protests are to be expected”

(Ed Freeman, 2011, Interview with Hürriyet Daily News)

Discussion: Academic implications

- Deepening analyzes of the changing **contours of counter-corporate contestation and civil society–business relations** (Margolis and Walsh, 2003; Soule, 2009)
- Granting **more room to counter-publics in stakeholder theory-related research** (Wexler, 2003)
- Investigating conscious and unconscious **‘domination’ processes installed by corporate actors** – as modern “Leviathans” (Chandler and Mazlish, 2005)
- Reconsidering/Enlarging **notions of corporate responsibilities** (Doane, 2005; Greenwood, 2007; Matten and Crane, 2005)
 - Corporations’ **political role & responsibility** (see Fougère, 2011; Palazzo and Scherer, 2008; Scherer and Palazzo, 2011)
 - Influences of **corporations on extant cultures** and associated corporate responsibilities (Maon and Lindgreen, 2014; Gonzalez and Haley, 2014))

Thank you very much for your attention...

