
Contention and Corporate Social Responsibility



Sarah A. Soule

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This book examines anticorporate activism in the United States and includes analysis of anticorporate challenges associated with social movements as diverse as the Civil Rights Movement and the Dolphin-Safe Tuna Movement. Using a unique dataset of protest events in the United States, the book shows that anticorporate activism is primarily about corporate policies, products, and negligence. Although activists have always been distrustful of corporations and have sought to change them, until the 1970s and 1980s, this was primarily accomplished by seeking government regulation of corporations or through organized labor. Sarah A. Soule traces the shift brought about by deregulation and the decline in organized labor, which prompted activists to target corporations directly, often in combination with targeting the state.

Using the literatures on contentious and private politics, which are both essential for understanding anticorporate activism, the book provides a nuanced understanding of the changing focal points of activism directed at corporations.

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For Alice, Ben, and Bill

Contents

<i>Figures</i>	<i>page</i> x
<i>Tables</i>	xi
<i>Preface</i>	xiii
1 INTRODUCTION	1
2 UNDERSTANDING SOCIAL MOVEMENTS, CONTENTIOUS AND PRIVATE POLITICS, AND THEIR CONSEQUENCES	29
3 ANTICORPORATE PROTEST IN THE UNITED STATES, 1960–1990	53
4 THE EFFECT OF PROTEST ON UNIVERSITY DIVESTMENT	80
5 PRIVATE AND CONTENTIOUS POLITICS IN THE POST-1990 ERA	104
6 CONCLUSION	145
<i>Appendix A. Description of Data Used in Chapter 3</i>	161
<i>Appendix B. Modeling Technique Used in Chapter 3</i>	164
<i>Appendix C. Sources of Data for Analysis in Chapter 4</i>	165
<i>Appendix D. Modeling Technique Used in Chapter 4</i>	166
<i>Bibliography</i>	167
<i>Index</i>	189

Figures

1.1	Media Attention to Corporate Social Responsibility, 1970–2007	<i>page</i> 24
2.1	The Nested Nature of Factors External to Social Movements	47
3.1	Proportion of Protest Targeting Businesses in the United States, 1960–1990	54
4.1	Number of Colleges and Universities Divesting, 1977–1989	94
4.2	Number of Shantytowns in the United States, 1977–1989	95
6.1	The Targets of Anticorporate Activism	150

Tables

1.1	Tactics of Anticorporate Activists in the United States	<i>page</i> 18
2.1	Internal Factors Influencing the Consequences of Anticorporate Social Movements	43
3.1	Logistic Regression Models Predicting Police Presence and Police Use of Force and/or Violence at Protest Events in the United States, 1960–1990	74
4.1	University and College Divestment in the United States, 1977–1989	96
5.1	The Targets and Issues of Anticorporate Activism: Case Illustrations from the Post-1990 Period	105

Preface

This project on anticorporate activism began in the early 1990s when I became interested in understanding the diffusion of innovative protest tactics and the effects these can have on organizational decisions. This became the subject of my dissertation project, which was on the student divestment movement and its effects on university divestment from South Africa. But, like so many other projects, this was only the beginning. As an assistant professor at the University of Arizona, I watched the United Students Against Sweatshops take over the administration building in an effort to force the university to stop buying university apparel from companies using sweatshop labor. And I was in Tucson when the Earth Liberation Front took responsibility for torching a McDonald's restaurant in protest of that company's poor environmental and animal rights record. These and other events outside of Tucson in this period demonstrated to me that anticorporate activism was alive and well in the 1990s and was not something that collapsed with the fall of apartheid and the end of the student divestment movement. But, as someone drawn to the history of the labor, peace, and civil rights movements, I also recognized that anticorporate activism was not something that the student divestment movement had invented.

While at Arizona, I began collaborating with Doug McAdam, John McCarthy, and Susan Olzak on the daunting task of collecting protest event data on all public protests that occurred in the United States between 1960 and 1990 and was reported in the *New York Times*. In our deliberations about what to include on our coding mechanism, we decided to include a code for whether or not the protest event in question targeted a business or corporation. We did this in large part because of what we saw going on in Tucson and the rest of the nation at the time, but I don't

think we imagined that so many of the protest events we would ultimately collect would, in fact, target businesses. This fact made me realize that the anticorporate protest I was watching in the 1990s and knew to exist in the civil rights, labor, student divestment, and peace movements, was more widespread than I imagined.

Thus, I decided to write this book to illustrate the continuity in anti-corporate activism in the United States, from early events such as the Boston Tea Party, to current activism against corporate homebuilders. While the bulk of my data, as readers will see, come from the 1960 to 1990 period, I hope that this book illustrates commonalities in themes, claims, and tactics over a much longer period. And I hope that the book will provide some theoretical ideas for others interested in anticorporate activism, whether they are trained in sociology, political science, or organizational studies.

Along the road to completion of this book, I have had a great deal of support and assistance from colleagues, friends, and loved ones. The person who deserves the most thanks for his assistance, advice, and sound criticism is Sid Tarrow. Sid was present when I began my dissertation research in the early 1990s and shaped that work in important ways. But he was also present when I began this book many years later, offering advice on how to craft it, offering ideas on literatures, and offering much-needed moral support. I also owe a great deal of thanks to Christian Davenport, who encouraged me to think about writing this book to begin with and who, with his ability to see the big picture on such projects, offered invaluable advice on how to pull the many threads of it together. My collaborator and friend, Brayden King, deserves thanks for encouraging me to think about outcomes of protest that transcend state policy change and to look in more detail at the work of organizations scholars in business schools for different frameworks for understanding this phenomenon.

I am also deeply appreciative of my former colleagues at the University of Arizona. While historically and presently a terrific group of scholars, for the topic of this book I could not have asked for a better set of colleagues and friends with whom to talk about the core ideas herein. In particular, Lis Clemens, Joe Galaskiewicz, Kieran Healy, Doug McAdam, Miller McPherson, Woody Powell, Marc Schneiberg, Lynn Smith-Lovin, and David Snow all contributed to the formation of many of the ideas in this book, as did many of the other faculty members and graduate students at Arizona.

Preface

Along the way, others have served as sounding boards for my ideas and have provided comments or support and/or played a major role in the collection of the data used in this book. I owe these people thanks, too. They include: Jenn Earl, Jeff Larson, John McCarthy, David Meyer, Deb Minkoff, Mike Mulcahy, Susan Olzak, Huggy Rao, Alan Schussman, Verta Taylor, Nella Van Dyke, Liz Warburton, and Mayer Zald.

I also thank the Cornell Institute for Social Sciences and especially the members of the Contentious Knowledge Project, where I was a Fellow when I began this book, and I thank the National Science Foundation for providing funding for the collection of much of the data used in this book. I also thank Libby Wood and Lew Bateman of Cambridge University Press for their comments, insight, and support through this process. It has been a wonderful experience to work with the Cambridge team.

Finally, and perhaps most centrally, I wish to thank my family for their role in the completion of this book. David and Ivan Geraghty were the source of sanity throughout this process, forcing me to realize that there is, in fact, a world beyond the computer and the boxes and boxes of coded protest events. Their patience and love made this possible, despite a move from Cornell to Stanford when I was completing this book. And my sister, Elizabeth Soule, helped me immensely by picking up the slack with family matters in ways too innumerable to mention. I wish many thanks to you all for your guidance and support. While the book is dedicated to my parents and stepfather, I could not have completed it without the help of these family members who are present to read it and share my joy in its completion.

Palo Alto, California

Introduction

On December 16, 1773, three coordinated groups of New Englanders sneaked on board three of the East India Company's ships in Boston Harbor, located several hundred chests of tea (worth over a million U.S. dollars in today's currency), and flung the tea overboard. This action followed a boycott of the East India Company's tea and a pamphleteering campaign designed to raise awareness and consciousness of New Englanders about the Tea Act of 1773, which (among other things) raised taxes paid by colonists on tea. While most remember these as some of the key events kicking off the American Revolution and, as such, directed at the British crown, it is important to recognize that these events were also some of the first anticorporate events in American history.

What were the New Englanders so incensed about? At the heart of this early protest campaign was anger at a multinational company, which had all but achieved a monopoly, and the British government, which supported the East India Company. Because the East India Company had amassed a large surplus of tea in England and was competing with American tea smugglers in the colonies, the Company was at risk of losing a great deal of money. The King and many Members of Parliament held shares of the Company and thus passed the Tea Act of 1773, which increased taxes paid by colonists on tea, while simultaneously lowering taxes levied on the Company so it could offer its tea at a far lower price than smaller companies, thereby driving smaller companies out of business. The monopoly by the Company coupled with increased taxation (without representation) led the colonists to criticize both the Company and the government that had passed the Tea Act. Thus, they were incensed at the actions of a company that was able to influence the

government to pass legislation that was arguably not in the best interest of the people.¹

This set of events is remarkably similar to anticorporate events in more recent times. At the most basic level, the tea-dumping activists in 1773 were frustrated with the East India Company's ability to exert influence over the government and they were angry, more generally, at the unchecked growth of corporate power – power that was coupled with political influence. While the growth of corporate power and corporate influence in politics are not the only grievances that modern anticorporate protesters articulate, they are without doubt central ones. Much like many modern day anticorporate protesters, such as José Bové who led others in the destruction of a McDonald's restaurant in Millau, France and led farmers in Brazil to uproot genetically modified crops belonging to Monsanto, these protesters used tactics of direct action designed to halt the operations of the East India Company. More generally, the Boston tea activists' actions, while directed against a specific company, reflected a deep dissatisfaction with multiple targets, existing at different levels. The event (like many modern day anticorporate events) was about corporate malfeasance to be sure, but it was also about the government's inability or unwillingness to intervene and regulate a corporation that was, in their view, running amuck.

The Boston Tea Party was certainly a dramatic and early example of anticorporate sentiment and action. And if it were an isolated event, we might be tempted to dismiss it as unlike the recent wave of anticorporate activity in the United States. However, a broader historical view shows that there has always been distrust and fear of corporations in the United States – factors that have often led to collective action around the activities of corporations.² From the temperance movement, which targeted alcohol

¹ For lengthier discussions of the Boston Tea Party as an anticorporate protest event, see Hartmann (2002: 45–63) and Danaher and Mark (2003: 23–26).

² Lipset and Schneider (1987) discuss the general trend in declining confidence in corporations (as well as the other major societal institutions) over the course of the twentieth century, as does Vogel (1996) who connects the distrust in business and government to the growth of the public interest movement in the United States. More recent data from the General Social Survey in the United States show there has been a sharp decline in respondents' confidence and trust in corporations since the 1970s; about 31% of respondents reported that they had a great deal of confidence in corporations in 1973, but only 17–18% did so from 2002–2006. And, more recently, a November 2007 Harris poll found that less than 15% of respondents reported trusting corporations.

Introduction

manufacturers, to the bloody labor strikes of the late 1800s and early 1900s; from the Bank of the United States controversy to the Populist Rebellion (that was explicitly anticorporate); from the “trust-busting” of the Progressive Era to the growth of the Labor Movement in the 1930s and 1940s, corporations have repeatedly come under activist-generated fire. And, when we think of the post-1960 period of activism in the United States, we soon recognize that corporations have been the targets of activism associated with the Civil Rights Movement (Vogel 1978; Chafe 1981; Luders 2006), the New Left Movement (Sale 1973),³ antinuclear protests (Walsh 1986; Epstein 1991), the anti-Vietnam war movement (Vogel 1978), the nuclear freeze movement (Meyer 1992), the antitobacco movement (Wolfson 2001; Danaher and Mark 2003), the antiapartheid movement (Soule 1997; Massie 1997; Seidman 2007), the labor movement (Manheim 2001; Kay 2005; Martin 2008), and presumably many other social movements.

The subject of this book, as illustrated by the example of the Boston Tea Party, is activism directed at nongovernmental, for-profit corporations. Corporations, such as the East India Company, Ford Motors, Honeywell, McDonald’s, Dow Chemical, and Nike, are frequently the targets of social movement actors and, if some observers are correct, the frequency with which corporations are targeted has increased in recent years. While in this book I focus on anticorporate activism, I will again and again note that much of this activism is not simply directed at corporations. As we will see throughout this book, there are often multiple targets of what we classify as anticorporate activism, just as was the case in the Boston Tea Party, which targeted both a corporation and a state. This multiplicity of targets, existing at different levels in several institutional domains, is a central theme of this book. And, in fact, this is the theme that leads me to situate the topic of this book as being of equal interest to sociologists, political scientists, and organizations scholars, all of whom have begun to pay more attention to anticorporate activism. The ultimate goal, then, is to draw on these disparate literatures and traditions in an attempt to offer a framework for understanding anticorporate activism. But, first, it is important to describe this form of activism in more detail and explore some of the reasons for its genesis.

³ The 1962 Port Huron Statement explicitly called for “challenging the unchallenged politics of American corporations” (Danaher and Mark 2003: 58).