Corporate Activism

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Introduction

March 16, 2015 CEO of Starbucks, Howard Schultz, in an act of corporate activism, asks his employees to talk about race relations to try and show his support for the racial issues in America after the shooting of Michael Brown [[1]](#footnote-1). This #RaceTogether campaign involved having the baristas writing “race together” on coffee cups and engaging in conversation about the delicate topic of race.[[2]](#footnote-2) Starbuck’s idea came with massive blowback as the internet exploded. Twitter in particular blew up within the first day of the campaign. Tweets like “I don't have time to explain 400 years of oppression to you & still make my train,” or “y'all realize there are no colored hands in the press photos, right?” surfaced everywhere.one of the company executives Corey duBrowa, was forced to delete his Twitter account because he felt “personally attacked in a cascade of negativity.”[[3]](#footnote-3)The issue was that the campaign came off as “fake” to many activists who saw this as putting more burdens on the underpaid baristas who were disproportionately of color. While many non-activists felt “patronized” by the message that Starbucks seemed to be pushing down their throats.[[4]](#footnote-4) This is just one example of companies that have participated in corporate activism without thoughts to their own employees or customer base. Corporate activism immoral and unethical for the following reasons, it uses the power of a company to try force ideals onto someone else. It uses a corporation’s power to persuade governments to create legislation to force people to act in agreeance of social or political beliefs. It also casts out those who disagree with your social or political beliefs.

Background

It is important to define what Corporate Activism or CA is before continuing to why it shouldn’t be practiced. The most important thing to understand is the difference between CA and CSR or Corporate Social Responsibility.[[5]](#footnote-5) The main difference between CA and CSR is “when” each of them take place and the methods that form as a result. CSR occurs when a company is actively participating in a social/political way that is *already* widely accepted. These are more often smaller and less controversial topics. Some examples would be recycling, integrity, and equality (the controversy around BLM isn’t whetherblack lives matter, its whether America as a country believes that they don’t matter.) They are not quite legal issues (though they some might be), but are responsibilities that could get you in trouble with your peers for not upholding. Because corporations are no more than a group of people, they should be held to and should be expected to promote these social behaviors just like everyone else.

CA occurs when a company is actively participating in a social/political way that is *not* widely accepted.[[6]](#footnote-6) While it isn’t very controversial whether we should be a more honest person, it is highly controversial whether America is a racist country. Some other examples would include, abortion, gay marriage, and transgender (it is important to note that the issue isn’t whether to treat gays and trans as equals but whether or not to promote the actions of being gay or trans.) Because many people will disagree with the company’s stance on one of these topics, they may have to use their power as a corporation to influence the employees or consumers to act in favor of the company’s beliefs. Methods of doing this usually fit in one of two categories, the top-down method, and the bottom-up method.[[7]](#footnote-7) The bottom-up method involves the company pushing those directly involved with the company (employees, shareholders, consumers, etc) into complying either through incentives or threats of punishments. The top-down method involves the corporation trying to get the government to pass legislation to give their views legal backing.

# Evidence

The first reason why CA is unethical and immoral is because it forces the company’s ideals onto the employees. Whether it be the CEO or the corporation, the bottom-up method of CA puts pressure on those who are directly below the company to go along with its social/political views whether or not the individual agrees. “These bottom-up strategies normalize the issue in the marketplace and thus, overtime, can help produce, support, and/or accelerate a change in its value system.”[[8]](#footnote-8) This quote from an article done on corporate activism explains the goal for the bottom-up strategy. The article recognizes that the issue isn’t “normal” and wants to normalize it. A great example of this would be on same sex marriage, this “issue” isn’t what many consider to be normal. In the name of doing social good, the company decides to take upon itself to “normalize” the issue. (I’m not referring to promoting treating gays and lesbian as equals, as that would fall under CSR.) It isn’t a very wide controversy that we should treat everyone equal. The controversy strikes when the company promotes the *act* of same sex marriage. This is because many people, such as traditional religious groups do not believe in same sex marriage.[[9]](#footnote-9) It can create issues when the beliefs that the company is pushing go against what you believe. An example of this is when an employee at game crazy got fired because the game he was required to promote went against his morals and he refused to do so.[[10]](#footnote-10)

Mr. McCarl was a store manager for game crazy in Bountiful Utah and was awarded as the “store director of the year” at the nationwide convention of store managers for having sold the second most copies of Halo 2. He was in line to train to become a district manager over an area in Arizona with 13 stores. A few months later as Christmas approached the corporate policy was that whenever you answered a phone you were to promote the new Grand Theft Auto game. Having moral issues with the game and being located in a highly religious area that were against such games Mr. McCarl chose to abstain from promoting GTA. Eventually one of the higher ups in the company called in and discovered this and got after Mr. McCarl telling him he had to answer the phone the way he was supposed to. Mr. McCarl’s constant refusal to promote GTA lead the vice president of the sales department to give him two options. One, apologize and fall into compliance or two, be fired. Mr. McCarl walked away that day from being manager of on of the most successful stores in the company to unemployed.

What’s unique about Mr. McCarl’s story is that while it doesn’t fall directly under the company pushing a political or social view, it is about putting the company’s beliefs before the employees or even before profits. GTA was a game that I quote from Mr. McCarl, “Is a game that’s going to harm my business.” In the end the game didn’t sell well there just like Mr. McCarl predicted and the company lost a valuable employee.[[11]](#footnote-11)

The second reason why CA is unethical and immoral is because it uses the corporation’s power to try and get the government to create legislation on their ideals. This is what is known as the top-down strategy. To start explaining the unethicality of it here is a quote from the article *The Activist Company,* “Companies may therefore have to resort to disruptive tactics to create coercive influences if change is needed quickly.”[[12]](#footnote-12) These “disruptive” tactics the article is referring to “the extent to which a target of an influence attempt feels that not complying with the wishes of the source will lead to adverse consequences for him or her.” This is another quote from the above article. Examples of these disruptive tactics are when companies threaten to boycott states, like when North Carolina passed laws saying that you had to use the restroom of the gender that you were born with and multiple corporations refused to do business in North Carolina until they reverted the law[[13]](#footnote-13).

The last and final reason why CA is unethical and immoral is because it casts those who disagree with your social or political beliefs as a negative person. The reason for this is because when the companies are so sure of their own ideals that they are willing to do anything to push them, problems occur when others disagree. Anyone who isn’t actively for your cause must be against it, and if they are against it, they must be a terrible person. Because your cause is just and is for the good of all society then those who disagree must be against the good of society. The logic of the ends justifies the means kicks in; anything is justified in the name of stopping those terrible people who disagree with you. Many times in the name of social justice the corporations won’t look fully into evidence of the case that is sparking such causes. An example of this brings us back to the Starbucks #racetogether campaign that was created as a response to the Michael Brown shooting. This shooting is widely considered by many to have been the murder of an innocent black man by the police. Both Kamal Harris, and Elizabeth, two prominent democrats, used the word “murder” in their tweets about Michael Brown’s death five years after the fact[[14]](#footnote-14). On the other hand, the Department of Justice under President Barrack Obama found Michael Brown’s shooter, officer Darren Wilson to have acted in self-defense. “The evidence establishes that the shots fired by Wilson while he was seated in his SUV were in self-defense and thus were not objectively unreasonable under the Fourth Amendment.”[[15]](#footnote-15) The DOJ that investigated the shooting couldn’t find substantial evidence to prove that Wilson had murdered Michael Brown. Many individuals made claims of witnessing the situation while it turned out they were being misinterpreted as such. All witnesses that claimed Brown had turned around and raised his hands saying “don’t shoot” were inconsistent and in contradiction to already established facts. “The accounts of the witnesses who have claimed that Brown raised his hands above his head to surrender and said, “I don’t have a gun,” or “okay, okay, okay” are inconsistent with the physical evidence or can be challenged in other material ways, and thus cannot be relied upon to form the foundation of a federal prosecution”[[16]](#footnote-16)

Even though it was found that the Michael Brown was killed in self-defense companies such as Starbucks used this as a spark to start their #racetogether campaign. When companies are so confident in their social beliefs all else becomes secondary. When companies become so sure of themselves employees and evidence alike are cast to the side.

Opposition

I know that many would disagree with me, using the argument that there are some instances that used correctly CA can be both ethical and moral. The problem of this is that no matter how good your cause may be forcing those who don’t believe the way you do to follow your ideals is a problem. That is the main difference between CA and CSR, in CA you’re forcing your ideals onto another party, in CSR your reenforcing the ideals of the other parties. CSR is for widely accepted topics, so you don’t have to force anyone to believe something they already agree with.

Conclusion

To restate my previous claim, Corporate Activism is both unethical and immoral for the following reasons, it uses corporate power to force your ideals onto someone else. It uses corporate power to persuade governments to create legislation. Lastly it casts those who disagree with you as a negative person. Corporate Activism is becoming more and more prevalent in modern society. While Corporate Activism may be problematic there are alternatives with Corporate Social Responsibility. There are ways as a company to support your community without engaging in Corporate Activism, support non-partisan beliefs and push non-controversial behavior. This way a company can participate in creating a better society while not overstepping their boundaries.

1. Department of Justice, *DEPARTMENT OF JUSTICE REPORT REGARDING THE*

   *CRIMINAL INVESTIGATION INTO THE SHOOTING DEATH*

   *OF MICHAEL BROWN BY FERGUSON, MISSOURI POLICE*

   *OFFICER DARREN WILSON*, memorandum, 2015, 80-81. [↑](#footnote-ref-1)
2. Khushbu shah, *Why Starbucks’ Race Together Campaign Failed*, Eater, 2015 [↑](#footnote-ref-2)
3. Jake Wallis, *Starbucks hit by 'cascade of negativity' after ordering staff to talk racism with customers: Vice President forced off Twitter as angry public turns on 'patronizing' project,* Dailymail, 2015 [↑](#footnote-ref-3)
4. Jake Wallis, Dailymail, 2015 [↑](#footnote-ref-4)
5. Eilert Meike, *The Activist Company,* Nappier Cherup Abigail, UVU, 4 [↑](#footnote-ref-5)
6. Eiler Meike, *The Activist Company,* 4 [↑](#footnote-ref-6)
7. Eiler Meike, *The Activist Company,* 5 [↑](#footnote-ref-7)
8. Eiler Meike, *The Activist Company,* 7 [↑](#footnote-ref-8)
9. Andre Mitchell, *8 major religious groups in US prohibit same-sex marriage, according to study*,

   Christian Today, 2015 [↑](#footnote-ref-9)
10. Interview with Mr. McCarl, 2020 [↑](#footnote-ref-10)
11. Interview with Mr. McCarl, 2020 [↑](#footnote-ref-11)
12. Eiler Meike, *The Activist Company,* 8 [↑](#footnote-ref-12)
13. Eiler Meike, *The Activist Company,* 7 [↑](#footnote-ref-13)
14. Lori Robertson, *Harris, Warren Wrong About Brown Shooting,* FactCheck.org, 2019 [↑](#footnote-ref-14)
15. Department of Justice, memorandum, 2019, 80 [↑](#footnote-ref-15)
16. Department of Justice, memorandum, 2019, 83 [↑](#footnote-ref-16)