Institutional Defense

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Recently, there have been complaints by institutional theorists about strains of the literature that showcase *heroic* actors who all too easily change institutions, *singlehandedly* (e.g., Suddaby et al., 2017). These strains of literature, they argue, import ideas from other fields and thereby destroy the theoretical assumptions of institutional theory (Suddaby, 2010). In other words, institutions should be mighty and unwieldy, towering over the actor.

The *procedural* or *discoursive* strain of institutional theory draws on the work of e.g., Maguire and Hardy (2009), who highlight the agentic actions of Rachel Carson taking on DDT and, by extension, the American chemical industry (Suddaby et al., 2017). Certainly, giving the impetus for the deinstitutionalization of DDT is not a small feat and should be appreciated. But at the end of the day, Suddaby argues, institutional change is typically "an inherently distributed effort of diverse change agents at multiple levels who engage in the day-to-day effort of legitimacy work" (Suddaby et al., 2017, p. 462).

Maguire and Hardy (2009) do let it shine through though that it *has not* been that easy for Rachel Carson. Before she succeeded in her noble goal of protecting the environment and people from a dangerous pesticide, she had to suffer through a barrage of attacks from the industry on her hypotheses and her person. So how easy or difficult is it changing and institution? Oliver (1991) suggests a plethora of weapons an organizations can wield in response to institutional threats.

There are two possible responses to Suddaby when he laments the "hypermaskular" (Suddaby, 2010; Suddaby et al., 2017) actor. One possibility would be to investigate what happened *after* Rachel Carson published her book. To identify her multipliers. And to showcase the texts that constitute the day-to-day work of delegitimization.[1] Another route is to take a second look at her counterparts. Who are the institutional defenders? What steps do they take to protect the legitimacy of the institution? That is the second route. We counter the image of institutions towering over actors, with an image of two larger-than-life actors–or sometimes an actually hopelessly out of his league David and a Goliath–locked into an epic fight over the legitimacy of an institution.

Notably, Oliver (1991) laid the groundwork for this inquiry into institutional actions. Oliver noted that organizations sometimes acquiesce, and compromise, but they may also engage in avoidance, defiance, and manipulation when they sense a threat. More recently, the "agency heavy" literature includes Suddaby and Greenwood (2005) analyzing how one pioneering bank changed the typical structure of the Big Five accounting firms by purchasing a law firm. Or Delmestri and Greenwood (2016) showcasing how an Italian distiller successfully recategorized its product to fit a high status niche. And as a final example, Navis and Glynn (2010) study the establishment of satellite radio as a new market category. True to the nature of the *procedural* or *discoursive* strain of institutional theory, these are all examples of institutions in flux–not to our surprise we find examples of examples that kick off significant change.

Where would we look for examples of "the other side" of institutional

[1] Aka the second chapter of my dissertation.

change? A preferred choice would be a context where the threat to legitimacy is salient, and the institutional incumbents have sufficient organizational resources–experience, network, and finances aka *power*–to face off against the threat. In the next section, I argue that the pipeline industry is one such context, and that there are multiple suitable events to study in that context.

Using this approach of theorizing based on a very salient case, we have to live with the obvious disadvantage that it provides us with a view of the world that is not just "hypermaskular", but "hyperaggressiv". Just like the rather plain descriptions by Heracleous and Barrett (2001) of the London Insurance Market's early venture into electronic risk placing are probably not representative of the great lot of important processes that we try to capture with institutional theory (Hoffman & Jennings, 2015), so do these ones from the pipeline industry provide a skewed view. I would concur that while the case of the pipeline industry may be exceptional in its intensity, it is representative of processes that matter–the viciousness of the discourse on an institution may be a good indicator that it is a process worth paying attention to (cf. Ergene et al., 2020).

Empirical context

Before the Deepwater Horizon oil spill in 2010, the construction of pipelines in the US went over virtually unchallenged. Keystone and Keystone XL are a useful yardstick: the approval process for the original *Keystone* pipeline from 2005-2009 garnered almost no public attention, whereas the approval process for *Keystone XL* was drawn out from 2008-2019, and in 2021 the permit was canceled. While in 2009, there is one hit for the Keystone pipeline[2] in the ten major national newspapers in the US, in 2011 there are 105.[3] Keystone XL in particular became a highly symbolic project, both for the oil and gas industry, and for its opponents. The oil and gas industry is concerned that the defeat of Keystone XL will embolden opponents of fossil fuels (Freitas et al., 2021). For the opponents of Keystone XL, the pipeline has become a symbol for the recklessness of the fossil fuel industry–Keystone XL was intended to carry oil sands, which also started to come under fire for their environmental impacts at around 2010 (Schindler, 2010).

Since the onset of this challenge to the legitimacy of pipelines, two notable pipeline projects have been attempted. First, there is Keystone XL itself. Keystone XL has been challenged on the national, state, and local level. It was a repeated target of demonstrations in Washington, and subject of debate in the 2015 and 2020 Presidential elections. Environmental NGOs raised challenges against the pipeline throughout the approval process in all three states that were to be crossed. And at the local level, activists engaged in blockades against material and equipment.

The Dakota Access Pipeline (DAPL) faced fewer regulatory challenges. The approval process was swift, since DAPL does not cross any international border.

[2]Combined keywords "Keystone", "pipeline", and "TransCanada" via Factiva.

[3]Google Trends shows a similar trend, see https://trends.google.com/trends/explore?date=all&geo=CA&q=%22Keystone%20pipeline%22.

In contrast, the physical resistance against DAPL was much more fierce, culminating in a showdown in South Dakota that has become known as the "Battle at Standing Rock" (Read, 2016). As of 2021, DAPL is transporting oil across the Great Prairies, but has been caught up in legal battles with environmental interest groups that have more than once come close to shutting down the pipeline.

In addition to these big projects, there were a number of smaller projects that attracted resistance. These include Enbridge Line 5, which is under threat of being shut down by the government of Michigan. The shutdown would indicate a new quality of enforcement action against existing pipelines that are believed to be unsafe. Enbridge Line 3 has been caught up in the storm of resistance that brewed up against Keystone XL–Enbridge originally intended to increase the capacity of the line by adding a new segment, but so far the efforts have been halted by Minnesotans. Finally, the American Petroleum Institute (API) is broadly involved with pipeline projects. For the API, the woes of pipeline operators are harbinger of challenges that linger at the horizon for the oil and gas industry as a whole. Sometimes, the API gets involved with specific pipeline projects, often the API lobbies for pipeline, and oil and gas projects in general.

Actors

The purpose of this write-up is to present a selection of the strategic responses of the pipeline industry and their allies to the legitimacy threat that appeared in 2010. The criteria for inclusion is that the events covered in one of the ten largest newspapers in the US. The responses range from direct–preventing pipeline opponents from voicing their opinion–to indirect attempts to influence opinion leaders.

The events highlight that what we think of as the "institution" is a conglomerate of diverse actors. Similar to Montgomery and Dacin (2020), the motivations of new and old "custodians" vary widely, but in aggregate, they pull in roughly the same direction. Keystone XL and the Dakota Access Pipeline have taken on a broad and big meaning–far beyond the financial interests associated with their construction and operation. The pipeline projects have become synonymous with a model of modernity that is built on the exploitation of natural resources for economic prosperity. The conflict over the pipelines is an almost perfect metaphor. A pragmatic industry, driving America forward against the wishes of liberal demagogues. *Note: this should be grounded in the qualitative data.*

The coalitions of pipeline "custodians" is as broad as their ideological base. There are of course the pipeline operators themselves, but many others also act on behalf of these operators. There is the small private security firm TigerSwan that is a bit too proactive in generating strategies against pipeline protesters, and drawing on tactics that employees have picked up in Iraq and Afghanistan. There is the state of North Dakota, which willingly spends $43 million for police forces to make protesting against the Dakota Access Pipeline as unpleasant as possible. The state legislature also adjusted its state law to increase the

legal repercussions for protesters. And finally, the American Petroleum Institute, which sponsored a trip to Alberta to facilitate meetings between American lawmakers and representatives of TransCanada.

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