

QUASI Seminar Series, 2020-21

The <u>Rutgers Institute for Corporate Social Innovation</u> (RICSI) is proud to host the Questions & Unanswers About Social Innovation (QUASI) <u>Seminar Series</u>. To participate, please <u>REGISTER HERE</u>.

January 22nd, 2021, 11:30am – 1:00pm EST

Does corporate lobbying benefit society?

Yes: Brian Richter, Assistant Professor of Business, Government & Society, University of Texas-Austin

1. Lobbying is not a bribe and does not involve a transfer of cash between firms and politicians

Allard, N. 2008. <u>Lobbying is an honorable profession: The right to petition and the competition to be right</u>. *Stanford Law & Policy Review, 19(1), 23-68.*

Brenan, M.. 2017 <u>Nurses Keep Healthy Lead as Most Honest, Ethical Profession</u> *Gallup Poll:* 2017 December 26. US Constitution. 1789. Amendment I

2. <u>Lobbying is fundamentally about information provision in a constrained system.</u>

Blanes i Vidal, J., Draca, M. & Fons-Rosen, C. 2012. <u>Revolving door lobbyists</u> *American Economic Review*, 102(7): 3731. De Figueiredo, J. & Richter, B. 2014. <u>Advancing the empirical research on lobbying</u>. *Annual Review of Political Science*, 17, 163-185.

- Hall, R. & Deardorff, A.. 2006. Lobbying as legislative subsidy. *American Political Science Review*, pp.69-84.
- Kim, J. & Sigel J.. 2020. <u>Is U.S. Formalized Lobbying More about Nefarious Corruption or Benign Industry Information Provision? Evidence from Foreign Firms Lobbying in the U.S. University of Michigan Working Paper.</u>
 - 3. <u>Lobbying is generally only effective when broad coalitions of groups politicians do not expect to align agree and ineffective when groups take opposing views.</u>
- Becker, G. 1983. <u>A theory of competition among pressure groups for political influence</u>. *The Quarterly Journal of Economics*, 98(3), pp.371-400.
- Fremeth, A. & Richter, B. 2011. <u>Profiting from environmental regulatory uncertainty: Integrated strategies for competitive advantage</u>. *California Management Review*, 54: 145–165.
- Junk, W. 2019. When diversity works: The effects of coalition composition on the success of lobbying coalitions. *American Journal of Political Science*, 63(3), pp.660-674.

Madison, James. 1787. Federalist 10

- Nelson, D. and Yackee, S.W., 2012. <u>Lobbying coalitions and government policy change: An analysis of federal agency rulemaking</u>. *Journal of Politics*, 74(2), pp.339-353.
 - 4. <u>Lobbying most often yields zero outcome or the status quo.</u>
- Baumgartner, F.R., Berry, J.M., Hojnacki, M., Leech, B.L. and Kimball, D.C. 2009. <u>Lobbying and policy change: Whowins, who loses, and why.</u> University of Chicago Press.
- Hadani, M. and Schuler, D.A., 2013. <u>In search of El Dorado: The elusive financial returns on corporate political investments</u>. *Strategic Management Journal*, 34(2), pp.165-181.
 - 5. <u>Lobbying does not change politicians' policy preferences but allows them to get more policy-work done that is</u> aimed at their constituencies' interests.
- Frisch, S. A. & Kelly, S. Q. 2015. <u>Cheese Factories on the Moon: Why Earmarks are Good for American Democracy</u>. United Kingdom: Taylor & Francis.
- Grose, C.R. and Peterson, J.C., 2020. <u>Economic Interests Cause Elected Officials to Liberalize Their Racial Attitudes</u>. Political Research *Quarterly*, p.511-525
- Hall, R.L. and Deardorff, A.V., 2006. <u>Lobbying as legislative subsidy</u>. *American Political Science Review*, pp.69-84. Mayhew, D.R., 1974. <u>Congress: The electoral connection</u>. Yale University Press.

No: David Levy, Professor of Management, University of Massachusetts Boston

- 1. Lobbying is one component of a broader system of corporate power that undermines democracy.
- Barley, S. 2010. <u>Building an institutional field to corral a government: A case to set an agenda for organization studies</u>. *Organization Studies*, *31*(6), 777-805.
- Carroll, W. & Carson, C. 2003. <u>The network of global corporations and elite policy groups: a structure for transnational capitalist class formation? *Global Networks*, *3*(1), 29-57</u>

Cutler, A., Haufler, V. & Porter, T. (Eds.). 1999. Private authority and international affairs. SUNY Press.

Domhoff, G. 2017. Studying the power elite: Fifty years of who rules America? Routledge.

Fuchs, D. & Lederer, M. 2007. The power of business. Business and Politics, 9(3), 1-17.

Macey, J. & Strine Jr, L. E. 2019. Citizens United as bad corporate law. Wisconsin Law Review, 451.

Sklair, L. 2002. <u>Democracy and the transnational capitalist class</u>. The Annals of the American Academy of Political and Social Science, 581(1), 144-157

2. <u>Corporate lobbying primarily reflects interests of shareholders, not broader stakeholders, and these do not coincide due to the massive externalities inflicted on society and the corporatization of CSR.</u>

Cho, C., Patten, D. & Roberts, R. 2006. Corporate political strategy: An examination of the relation between political expenditures, environmental performance, and environmental disclosure. *Journal of Business Ethics*, 67: 139–154. Fooks, G., Gilmore, A., Collin, J., Holden, C. & Lee, K. 2013. The limits of corporate social responsibility: techniques of neutralization, stakeholder management and political CSR. *Journal of Business Ethics*, 112(2), 283-299

Levy, D., Reinecke, J. & Manning. 2016. The political dynamics of sustainable coffee: Contested value regimes and the transformation of sustainability. *Journal of Management Studies*, 53(3): 364-401.

Slob, B. & Weyzig, F. 2010. <u>Corporate lobbying and corporate social responsibility: Aligning contradictory agendas.</u> In *Business, Politics and Public Policy* (pp. 160-183). Palgrave Macmillan, London.

3. Lobbying in practice usually overwhelms other stakeholders and societal groups, so that business interests dominate policy formation.

De Figueiredo, J. & Richter, B. 2014. <u>Advancing the empirical research on lobbying</u>. *Annual Review of Political Science*, 17, 163-185.

Levy, D. & Spicer, A. 2013. <u>Contested imaginaries and the cultural political economy of climate change</u>. *Organization*, 20(5): 659–678

Meckling, J. 2011. <u>Carbon coalitions: Business, climate politics, and the rise of emissions trading</u>. MIT Press. Sell, S. & Sell, S. 2003. <u>Private power, public law: The globalization of intellectual property rights</u> (V. 88). Cambridge.

It depends: Kathleen Rehbein, Associate Professor of Management, Marquette University

Delmas, M. with Colgan, D. 2018. <u>The green bundle: Pairing the market with the planet.</u> Stanford University Press. Delmas, M., Lim, J., & Nairn-Birch, N. 2016. <u>Corporate environmental performance and lobbying</u>. *Academy of Management Discoveries*, 2(2): 175-197.

den Hond, F., Rehbein, K., de Bakker, F. & Kooijmans-van Lankveld, H. 2014. <u>Playing on two chessboards: Reputation effects between corporate social responsibility and corporate political activity</u>. *Journal of Management Studies*, 51: 790-813.

Fremeth, A. & Richter, B. 2011. <u>Profiting from environmental regulatory uncertainty: Integrated strategies for competitive advantage</u>. *California Management Review*, 54: 145–165.

Lawton, T., Doh, J. & Rajwani, T. 2014. <u>Aligning for advantage: competitive strategies for the political and social arenas.</u>
Oxford and New York: Oxford University Press.

Lyon T, Delmas M, Maxwell J, et al. 2018. <u>CSR needs CPR: Corporate sustainability and politics</u>. *California Management Review*, 60(4): 5-24.

Mellahi, K., Frynas, G., Sun, P. & Siegel, D. 2016. <u>A review of the nonmarket strategy literature: Toward a multi-theoretical integration</u>. *Journal of Management*, 42: 143–173.

Rehbein, K. & Schuler, D. 2015. <u>Linking corporate community programs and political strategies: A resource-based view.</u> *Business & Society*, 54: 794–821.

Rehbein, K., den Hond, F. & de Bakker, F. 2018. Aligning adverse activities? Corporate social responsibility and political activity. In J. Weber and D. Wasieleski, *Corporate Social Responsibility, Business 360* (pp. 295–324). Emerald.

Moderator: Aseem Prakash, Walker Family Professor, University of Washington

These articles, provided by the speakers, underpin the arguments that each scholar will make during the seminar. You are encouraged to explore these articles in advance of the seminar, and we hope that you can use them as a resource in your future studies. Please note that hyperlinks may be inaccessible to some. One day, academic articles may be freely available, but for now, many are held hostage behind <u>paywalls</u>. Please contact the authors directly for any articles you cannot access; typically, authors are more than happy to share their work and appreciate the interest. Or you may pay the ransom to the publishers.