Initiating political corporate social responsibility: publicized scapegoats as catalysts of collective action between multinational corporations and fringe stakeholders

Thibault Daudigeos
Grenoble Ecole de Management

Vincent Pasquier
Grenoble Ecole de Management

Bertrand Valiorgue
France Business School – CRCGM – chaire Alter-Gouvernance
bertrand.valiorgue@france-bs.com

Abstract

Since the much-publicized Nike scandal of 1997 concerning working conditions in the sweatshops of Indonesia, several similar cases have hit the headlines. Each time, these corporate scandals feature asymmetric struggles between giant corporations and fringe stakeholders – workers, local residents and communities – the very existence of whom the scandal reveals. These corporate scandals have received little attention in the two developing theoretical frameworks that propose to explain the relationships between multi-national corporations (MNCs) operating in emergent countries and their fringe stakeholders: the research streams of stakeholder politics and political corporate social responsibility (political CSR). Our objective in this article is to investigate the role played by corporate scandals and scapegoating processes for counterbalancing, at least for a while, the asymmetric relationship between MNCs and fringe stakeholders. The ideas of the anthropologist René Girard occupy a central place in our reasoning. We follow Girard’s thoughts, which emphasize that scapegoating processes explain how conflicts may be regulated when political institutions and cultural systems are weak and encounter difficulties in mediating conflicting relationships. We view scandals, media lynchings and corporate scapegoats as essential elements in political processes between MNCs and their fringe stakeholders. Our contributions for organizational scholars are threefold. First, we contribute to the perspectives of stakeholder politics and political CSR by revealing the processes through which publicized scapegoating helps catalyse collective action between an MNC and its fringe stakeholders. We identify three main processes: convergence on a single corporate target, publicization of deviant behaviour, and organizational contagion. Our second contribution concerns the moderation of the agentic vision proposed by stakeholder politics and political CSR. We argue that the emergence of fringe stakeholders on the agendas of MNCs hinges on complex processes comprising strategic actions and spontaneous unanticipated organizational dynamics. Lastly, we delineate future works for organizational scholars working on political CSR by highlighting the importance of organizing public spaces for dialogue and deliberation.

Key words

Political CSR, Stakeholder politics, Scapegoats, Corporate scandals, René Girard
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Introduction

Since the much-publicized Nike scandal of 1997 concerning working conditions in the sweatshops of Indonesia, several similar cases have hit the headlines – for example, Total in Burma and (more recently) the Rana Plaza textile factory in Bangladesh. Each time, these corporate scandals feature asymmetric struggles between giant corporations and fringe stakeholders – workers, local residents and communities – the very existence of whom the scandal reveals. The repetition of these media lynchings is such that the stigmatization of deviant behaviours on the part of multinational corporations (MNCs) in emerging countries seems to be an essential part of the current phase of globalization (Canales, 2010; Cottle, 2006; McDonnell and King, 2013). However, these phenomena receive little attention in the two developing theoretical frameworks that propose to explain the relationships between MNCs operating in emergent countries and their fringe stakeholders: the research streams of stakeholder politics and political corporate social responsibility (political CSR).

The field of stakeholder politics looks at how stakeholders use political activities to gain legitimacy with and influence over contested organizations (de Bakker and den Hond, 2008; King, 2008; Soule, 2012). Constructed from the resource-mobilization perspective (RMP) initially developed in political science, the most recent studies cast considerable light on the elements and processes necessary for organizing the mobilization of stakeholders (de Bakker et al., 2013). In the case of the asymmetric relationships between fringe stakeholders and MNCs, stakeholders’ capacity to increase their influence and legitimacy depends on the indispensable presence of transnational activists able to organize the movement of contestation and to frame the stakeholders’ identities and interests on an international scale.
(McCarthy and Zald, 1977; Tilly and Tarrow, 2006; Tarrow, 2005; Kraemer et al., 2013; Keck and Sikkink, 1998). We propose in this work to nuance this super-agentic vision of stakeholder politics and scale-shift processes. To do so, we give corporate scandals and publicized scapegoats a key role in mobilizing stakeholders and endowing them with the capacity to gain influence and legitimacy.

Political CSR defends the idea that MNCs must take an active part in political processes and assume political responsibility in order to close governance gaps (Palazzo and Scherer, 2008; Scherer and Palazzo, 2011). MNCs must organize a dialogue with their stakeholders, promote peace when conflicts arise, increase transparency in business practices, and participate in the production of public goods and the treatment of externalities (Scherer et al., 2009; Moon et al., 2005; Fort and Schipani, 2004; Haufler, 2009). Like stakeholder politics, political CSR opens up intriguing theoretical and practical challenges (Scherer and Palazzo, 2011), but it has so far suffered from an over-simplistic vision of collective action and political bargaining between MNCs and their fringe stakeholders. In most cases, this framework postulates that an MNC’s political responsibility is to organize a dialogue with its stakeholders. Nevertheless, this supposes that these stakeholders already exist, appear on the business executives’ radar, express clear interests, and are ready to negotiate and work hand-in-hand with MNCs (Rowley and Moldoveanu, 2003). If we follow King and others when they say that managers become aware of stakeholders only when a social movement emerges (King, 2008; Soule, 2012), then the significance of political CSR depends on the capacity of stakeholders to get organized, to defend clear expectations, and to develop their capacity to appear on corporate executives’ radar (Basu and Palazzo, 2008) – or the capacity of MNCs to help stakeholders get organized (Baron, 2001). As for stakeholder politics, political CSR implies that highly agentic actors set aside asymmetric power relationships and empower stakeholders with clear and manageable expectations. Our article shows how publicized scapegoat processes can, at least for a time, counterbalance this asymmetric relationship and empower fringe stakeholders.

The ideas of the anthropologist René Girard occupy a central place in our reasoning. We follow Girard’s thoughts, which emphasize that scapegoating processes explain how conflicts may be regulated when political institutions and cultural systems are weak and encounter difficulties in mediating conflicting relationships. In this article, we use the scapegoating process as a metaphor to understand how a collective movement among weak and dispersed stakeholders may emerge, and lead to political CSR and the closing of governance gaps. This
article postulates that publicized scapegoats act as catalysts for collective mobilization. We view scandals, media Lynchings and corporate scapegoats as essential elements in political processes that lead to rebalancing, at least for a while, asymmetric relationships between powerful MNCs and their fringe stakeholders.

Our contributions for organizational scholars are threefold. First, we contribute to the perspectives of stakeholder politics and political CSR by revealing the processes through which publicized scapegoating helps catalyse collective action between an MNC and its fringe stakeholders. We identify three main processes: convergence on a single corporate target, publicization of deviant behaviour, and organizational contagion. These processes give momentum to the factors necessary for collective action to emerge. Our second contribution concerns the moderation of the agentic vision proposed by stakeholder politics and political CSR. We argue that the emergence of fringe stakeholders on the agendas of MNCs hinges on complex processes comprising strategic actions and spontaneous unanticipated organizational dynamics. Specifically, in the case of fringe stakeholders and MNCs, publicized scapegoats may play a role in catalysing a collective movement and producing the scale shift necessary to force MNCs to develop new political responsibilities. Lastly, we also contribute to delineating future works for organizational scholars working on political CSR by highlighting the importance of organizing public spaces for dialogue and deliberation.

Our article starts with a focus on the problem of the emergence of a social movement among fringe stakeholders. We then use the scapegoat metaphor to reflect on how a catalyst may help to overcome this problem and initiate a political collective action. In conclusion, we discuss our contributions and delineate new research agendas for stakeholder politics and political CSR.

I- How do fringe stakeholders mobilize? Barriers, resources and limits to collective action

In this first part, we present the resource mobilization perspective (RMP), which explains how fringe stakeholders organize themselves to contest MNCs’ practices. We underline the limits of this research stream, particularly when fringe stakeholders have to carry out a ‘scale shift’ and convince international non-governmental organizations (NGOs) to defend their claims. We illustrate these difficulties through the Socapalm case.

a- The problem of collective action among fringe stakeholders
Numerous theoretical works and empirical studies have shown the difficulties of stakeholders in mobilizing and contesting MNCs. Fringe stakeholders do not immediately endanger the working and survival of the enterprise, and involve very weak resource dependency (Eesley and Lenox, 2006; Berman et al., 2005). They have no contractual relations with the enterprise, which makes using legal procedures for creating a dialogue and obtaining reparation much more complicated (Clarkson, 1995; Vasi and King, 2012). They suffer from their geographical, cultural, and political remoteness, and do not come within the scope of MNCs and their strategic priorities (Keck and Sikkink, 1998; Tarrow, 2005; Smith et al., 1997; Jensen and Sandström, 2011). They know little or nothing of one another, and have diverse and sometimes conflicting expectations (Rowley and Moldoveanu, 2003).

As den Hond and de Bakker emphasize, this situation may change only if these demanding stakeholders are able to bring down two types of barriers (Den Hond and De Bakker, 2007):

- **Strategic barriers**: individual commitment in a contest movement may be considered risky and costly, with no guarantee that this movement will ever be successful, especially if stakeholders are weak and dispersed. It may be risky because fringe stakeholders face much more powerful actors, who can punish participation in collective demands with physical, economic, social or symbolic sanctions. It may be costly because collective mobilization needs resources to collect and share information, coordinate with other stakeholders and organize transactions with the MNC. Even if fringe stakeholders may collectively gain from acting together, individually they may perceive strong strategic barriers to doing so. Fringe stakeholders thus face the well-known dilemma of collective action (King, 2008). The more isolated and dispersed they are, the more acute the dilemma is.

- **Cognitive barriers**: a current mistake is to interpret stakeholders’ behaviour naively as being predominantly guided by the rational pursuit of their stake-defined interests. Potential constituents may not recognize their common plight. Without a sense of shared experience and grievances, individuals may feel that their problems are personal and may not look for collective solutions (King, 2008). The collective action also has to be structured around identities and a nexus (Rowley and Moldoveanu, 2003). It is important too for fringe stakeholders to have shared values and ideologies (Den Hond and De Bakker, 2007). The latter structure the tactics and repertoires of actions they will use to win and maintain influence over the enterprise (Zietsma and
Winn, 2008). The more widely the stakeholders are scattered, the more complicated it becomes to coordinate their identity and organize cognitive actions (Bruijn and Whiteman, 2010).

Confronted with these theoretical and practical issues, the most recent studies are based on the RMP developed in sociology and political science (Tilly and Tarrow, 2006; Tarrow, 2005; McAdam et al., 1996) to help understand the processes by which fringe stakeholders overcome these strategic and cognitive barriers.

**b- How to overcome strategic and cognitive barriers: the resource-mobilization perspective**

If the RMP is followed, four factors are necessary to explain the emergence of a movement of contestation: mobilizing structures, political opportunities, repertoires of actions, and framing processes (Della Porta and Tarrow, 2005; McAdam et al., 1996; King, 2008; Yaziji and Doh, 2013). The mobilizing structures are collective vehicles – informal as well as formal – through which people mobilize and engage in collective action (McAdam et al., 1996). They pool individuals in pre-existing structures and facilitate individual involvement by, first, providing individuals with an outlet for aggregating their opinions and efforts; and, second, distributing the costs of involvement widely so that no single individual bears the social and economic costs of participation (Soule, 2012). The political opportunities are moments of weakness, sometimes fortuitous, in the life of an organization or organizational field, which provide the stakeholders with opportunities for action (Den Hond and De Bakker, 2007; Zietsma and Winn, 2008). The mobilizing structures and political opportunities are often insufficient to convince individuals to engage in collective action. Framing processes are necessary (Benford and Snow, 2000). They are defined as ‘conscious strategic efforts by groups of people to fashion shared understandings of the world and themselves that legitimate and motivate collective action’ (McAdam et al., 1996). They involve the strategic use of shared meanings and definitions to invoke claims on stakeholders’ identities and a cultural sense of responsibility to a cause. They create a common sense of fate and personal responsibility among stakeholders (Polletta and Jasper, 2001). A fourth component is involved in stakeholder mobilization: repertoires of actions. They correspond to organizational routines and tactics developed and used to carry out stakeholders’ goals (Den Hond and De Bakker, 2007; King and Pearce, 2010; Yaziji and Doh, 2013).
The RMP has provided many insights to help understand the social and organizational process that enables the stakeholders to gain in influence and legitimacy, and to overcome the strategic and cognitive barriers. Notably, it has created a historical rupture with former views on social movements, which were not really interested in their organizational and strategic components (King and Pearce, 2010). Nevertheless, we wonder whether the RMP has gone too far in this direction, giving a dramatic importance to agency in its account of activism and stakeholder mobilization. This is especially the case with the mobilization of an MNC’s fringe stakeholders, who are located in an emergent country where democratic political institutions are weak.

In this situation, a scale shift – from local to transnational – is often necessary to bring influence and legitimacy to the claimants (Keck and Sikkink, 1998; Tarrow, 2005; Gerhards and Rucht, 1992). To bring about this scale shift, stakeholders must in practice convince powerful international NGOs of the legitimacy of their claims, and build transnational advocacy networks (TANs) to defend their causes and modify the MNCs’ behaviour (Davis et al., 2008). These TANs bring together local, national and international social movements and international NGOs (Tarrow, 2001). Domestic activists provide grass-roots information about local struggles, while their transnational supporters use their clout with international organizations and other governments to achieve domestic-policy change and empower anti-corporate activism (Keck and Sikkink, 1998; Kraemer et al., 2013; Tarrow, 2001). The scale shift is underpinned by the presence of transnational activists and transnational mobilizing structures that organize the movement and frame the stakeholders’ identities and interests.

The RMP account of how fringe stakeholders purposely overcome the dramatic strategic and cognitive barriers they face may seem over-optimistic. Following Kraemer, Whiteman and Banerjee, we think that there are three major shortcomings in the current RMP account of how stakeholders gain influence and legitimacy over MNCs (Kraemer et al., 2013). First, the focus is primarily on powerful and formally organized Western NGOs, and very little is known about grass-roots organizing and framing (Böhm et al., 2008). The contestation is already there, and the issue of the conflict is determined by the support of an international NGO that will contribute its skills and resources to contest the corporation. Second, it is generally presumed that the coalition that will form between the international NGOs and local stakeholders is mechanical and stable. In reality, however, there are conflicts between the local stakeholders and the international NGOs, which have agendas that differ – or which may thwart and hinder organizing and framing at the grass-roots level (Rodrigues, 2011).
Moreover, there is competition between the various local stakeholders to be heard and supported by the international NGOs. The latter consider only some of the many local claims that arise and, as Jordan and van Tuijl note, successful and equitable cases of cooperation and interaction in transnational campaigns are the exception rather than the rule (Jordan and Van Tuijl, 2000; Khan et al., 2007). Third, the presence of political entrepreneurs is necessary. Tarrow speaks of ‘rootless cosmopolitans’, designating the people who effect both the grassroots organizing/framing and the coordination of the local movement with the powerful international NGOs (Tarrow, 2005). This presence of transnational activists presupposes a super-agentic capacity on their part to accomplish this double task successfully – which is rarely found in empirical reality.

In the following section, we expose the conflict between local-community members and a giant palm-oil producer in Africa; this exemplifies the problem of the emergence of collective political action between MNCs and their fringe stakeholders, and the limitations of the current analytical perspective.

c- The problem of the emergence of collective political action in the Socapalm case

Socapalm is a giant palm-oil producer located in Cameroon. Its plantation of palm trees at Kienke is the biggest in Cameroon, with more than 20,000 hectares of land, producing 26,000 tonnes of palm oil each year. For years, it has been coping with sporadic violent struggles with local-community members. Since 2000, Socapalm has been owned mainly by the Cameroon state (27%) and a private holding called Palmcam (63%). Behind Palmcam is a large company from Luxembourg called Socfin, which is jointly owned by Bolloré (40%) and two Belgian families. Bolloré is a French family-owned conglomerate with more than 33,000 employees and a turnover of 33 billion euros in 2012. In recent decades, Socapalm has considerably extended the surface area of its plantations, transforming primary equatorial forest into industrial lands with little consideration for local stakeholders’ interests and rights (Gerber, 2008; Gerber, 2011; Gerber and Veuthey, 2010).

Diversity and dispersion of stakeholders

In Cameroon, Socapalm is mainly contested by local communities whose mutual actions are poorly coordinated. Regarding the neighbourhood, Socapalm’s activities and its constant expansion affect several communities of peasants. First, Bulu communities are dispersed in 10 villages around the plantation. Each has its own political authorities. Bulu peasants have their
own independent plantations at the border of the Socapalm concession, which creates a lot of tension about property and the use of resources. The other main local stakeholders are the Bagyeli Pygmies, who live by nomadic agriculture inside the primitive forest itself. Four Bagyeli communities still live inside the Socapalm plantation and two others at the periphery. Historically, Bulu and Bagyeli communities have been fighting each other to exploit the forest and, in the last decades, the Bulu have been considered dominant (Gerber, 2011; Mbile, 2008). Local communities are only loosely connected to Socapalm employees, since the latter come mainly from other regions, or even from abroad. Fewer than 1% of the plantation workers come from Bulu or Bagyeli communities (FOCARFE, 2009).

**Heterogeneity of claims**

Grievances from local communities are diverse, with claims for a clear delineation of the borders of the plantation, a stop to its endless extension, financial compensation for expropriation of or damage to their lands, the construction of collective infrastructures, assistance with their own plantation, and positions on the management board of Socapalm (Gerber, 2008). Grievances are targeted at various bodies: Socapalm, of course, and sometimes Bolloré or Socfin – but also the Cameroon state, as part-owner of the plantation, and local authorities, the economic interests of which are aligned with those of Socapalm. Finally, Socapalm’s subcontractors, such as private security or transportation companies, are sometimes also targeted (Gerber, 2011).

**Sporadic uncoordinated political struggles and spontaneous outbursts of violence**

No central organization – whether a union, local authority or NGO – represents a federation of local communities’ or workers’ interests. Since 2000, many sporadic uncoordinated conflicts have emerged: strikes; violent fights, with deaths and serious injuries; and destruction of land, production facilities and machines (Gerber, 2011; Pigeaud, 2008; Ricq and Danielle, 2009). The local police and even the army regularly come in to arrest workers or local people, and to protect Socapalm’s interests (Gerber and Veuthey, 2010). All local stakeholders suffer from an endless series of actions and counter-actions by both parties.

**The relative inefficiency of local and transnational mobilization**

As mentioned earlier, despite countless local initiatives, there are no local organizations and political entrepreneurs strong enough to make all the claimants coalesce. However several
large international NGOs are active in the region and strive to find a solution to the conflict. Among them are the world-renowned WWF (World Wildlife Fund), two Dutch organizations (Tropenbo and SNV) and CIFOR (Center for International Forestry Research), based in Indonesia. All four are involved in managing the Campo-Ma’an National Park, the 264,000 hectares of which are located next to the Socapalm forests. They regularly contest the expansion of the plantation, and organize campaigns to denounce the environmental damage caused by industrial use of the land. Surprisingly, they have been contested by the local communities, who criticize them for prioritizing the protection of the environment over the short-term interests of the local population. A national organization – CED (Centre pour l’Environnement et le Développement) – does exist to defend the rights of the Bagyeli Pygmies, but it does not unite local identities and interests, being fiercely criticized by the Bulu communities (Gerber, 2008). Overall, despite this absence of unity, the mobilization of community leaders, and of the national and international organizations mentioned earlier, has led to some recognition of the Socapalm issue in the media on a global stage. However, this remains limited and no notable change has been noticed in the field (Gerber, 2011).

The Socapalm case shows that the mobilization of fringe stakeholders and the emergence of a social movement capable of enhancing the salience and legitimacy of their claims are far from mechanistic. While all the tribes in the immediate environment of the palm grove may have an interest in joining forces to assert their rights and gain influence over Socapalm, the inter-ethnic divisions and absence of shared values prevent this collective movement from emerging. The conflicts and local disagreements persist, and the governance gaps remain, while Socapalm confines itself to repressing fringe stakeholders’ claims by mobilizing the army or private security forces. Despite countless local initiatives and the action of national and international organizations, experts still observe poor social dynamics, and a lack of momentum to force Socapalm and its stakeholders to reach an agreement. All the ingredients identified by the RMP to create a collective mobilization are here, but with no real effect. How these elements could combine to gain momentum remains a mystery.

The advances proposed by the RMP at the crossroads of stakeholder politics and transnational social movements shed light on the necessary factors for clearing cognitive and strategic barriers. Not much, however, is known about how these factors crystallize. In this article, we therefore focus our analysis on the emergence of stakeholder contestations in the context of diluted stakeholder interests and identities, and absent structures of coordination between local claims and TANs. We focus on how a publicized scapegoat may help to trigger the
collective mobilization and give momentum to transnational activism. Shedding light on the dynamics of the birth of social movements among fringe stakeholders will help us understand the conditions for the emergence of political CSR.

II- Publicized scapegoat as a catalyst for political collective action between MNCs and their fringe stakeholders

In this second part, using Girard’s work, we introduce the function of scapegoating as a primary institution to solve conflicts and channel violence. Then, we show how the scapegoating metaphor may help us understand how stakeholder contestation accelerates and a scale shift is achieved. We illustrate our point of view with the recently publicized Apple–Foxconn corporate scandals.

a- Girard and the function of scapegoating

Girard is not the first anthropologist to take an interest in the role of scapegoats in the workings of religious systems and so-called primitive societies (Bonazzi, 1983). He continues a long tradition in anthropology which, from the work of Frazer until the more recent developments of Bloch, has endowed the scapegoat with a key role in the way religions function, and social order is maintained, in these societies (Carter, 2003). Nevertheless, in his work on the origins of sacred and cultural systems, Girard proposes an original vision of scapegoating as a primary institution in controlling conflicts symbolically and practically (Girard, 1977; Girard, 1987; Girard and Freccero, 1986; Girard et al., 2006; Girard and Williams, 1996). In his view, scapegoating and scandals are ways to resolve conflicts in societies that have weak political and legal institutions capable of enforcing peaceful relationships between members. In this situation, according to Girard, when no interposition strategy and no decisive political remedies for the conflicts and violence exist, the function of the scapegoat takes on its full meaning: ‘The sacrifice stops the germs of violence from developing ... It polarizes the aggressive tendencies on surrogate victims which, whether real or virtual, animate or inanimate, are always incapable of being avenged ... It supplies an outlet for an appetite for violence that an ascetic will by itself cannot repress.’ (Girard, 1977: pp. 32-33).

In Girard’s thesis, when conflicts and aggressions between community members multiply and are not regulated, the community diverts its members’ violence onto a single social actor, who is sacrificed. The members of the dislocated community convince themselves that their ills are
caused by this one individual, whom it will be easy to get rid of while staging a scandal. All members of the community are convinced of the scapegoat’s responsibility for the disturbance to social relations. At the climax of the crisis, the violence spontaneously becomes unanimous against the scapegoat accused of being the origin of social disorder: ‘It is the entire community that turns against a sacrificial victim. The sacrifice polarizes germs of dissension spread throughout the society onto the victim and dissipates them’ (Girard: 1977, p. 18). The scapegoat absorbs all the violence in the community, allowing the antagonism between the members to disappear for a while.

The expulsion or murder of the scapegoat, which Girard qualifies as a founding act, creates a durable peace insofar as the sacrifice is publicized and the victim made sacred. It is on the basis of this divinity and of the prohibitions that accompany it that the society is knit back together: ‘When a maddened crowd discharges its unanimous hate on the same person it becomes a machine for manufacturing the sacred and the transcendent.’ (Dupuy, 2009: p. 54).

More precisely, scapegoating gives rise to the emergence of a set of social rules encompassing forbidden and compulsory practices. These rules remain unchallenged for as long as the scapegoat is remembered and celebrated in public rituals. Establishing a rite and myth recalling the original expulsion enables the society to preserve its new equilibrium, and keeps conflicts at bay. In this sense, scapegoating creates sacredness, which redefines the frontiers of acceptable and indisputable behaviour. Scapegoating has thus a profound symbolic, cognitive and ultimately political nature.

Girard’s first analyses apply to the particular case of the so-called primitive societies that have weak mediating institutions to end the conflicts troubling them. In his more recent works, he considers the Franco-German relationship between the end of the 19th century and the Second World War, and shows how the absence of mediation of the conflicts between the two countries led to extreme escalation (Girard and Chantre, 2007). Other studies have also made the link between Girard’s analyses and the lynching of blacks in America from the end of the 19th century to the beginning of the 20th century (Ptacek, 2011). Girard’s theoretical framework thus applies to the analysis of social situations in which the institutions have difficulties in interposing between the conflicting parties. This reminds us of contemporary situations in which international and national political institutions find it difficult to control the activities of MNCs and the resulting conflicts with their stakeholders. These rather special contexts are where the scapegoating process can play a role in organizing stakeholder politics. In the following section, we endeavour to understand how the process works.
b- The function of publicized scapegoats

Looking back at the Socapalm case, we can see this situation – where political institutions (whether national or international) struggle to mediate between the enterprise and the various local tribes. For 10 years, the conflicts and violence have kept re-erupting, while no lasting political solution has been found. The Socapalm case also illustrates a situation in which all the conditions are theoretically fulfilled for a contestation movement to emerge, but in practice it does not function and has only a limited effect on the MNC. In this type of stalemate situation, we argue that a publicized scapegoat can transform the situation and activate the search for political action common to an MNC and its stakeholders. Obviously, the scapegoating process will not involve physically executing an individual universally accused of causing the harm, as in primitive society, but will mean unilaterally and violently accusing an enterprise of directly causing the malfunctions. In this case, scapegoating acquires a special dimension through publicization. As in the Girardian framework, where public rituals around scapegoats make the latter sacred, publicized scapegoats contribute deeply to maintaining social order and reaffirming core social values in our contemporary media-dominated societies (Alexander, 1989; Thompson, 2000; Adut, 2005; Adut, 2008). Thus, we use Girard’s scapegoating concept metaphorically (Cornelissen, 2005). More exactly, we use it as a heuristic metaphor, which is useful for the analysis of the studied phenomenon (Tsoukas, 1991). The thesis we defend consists of showing that the publicized scapegoat plays a role as a catalyst in the emergence of a collective political action between an MNC and its fringe stakeholders. Its presence will act on the factors identified by the RMP, and give legitimacy and salience to the contestation movement. The aim of scapegoating is no longer physically to murder or expel a surrogate victim, but instead to stigmatize a deviant behaviour by a unilateral public accusation. Publicized scapegoating depends on several processes:

1- Convergence of the actions towards a single target. One of the first effects of the publicized scandal is to simplify the causes of the social disorder. In the face of the complexity of the processes at work and multiplicity of the parties involved (Young, 2006; Scherer and Palazzo, 2011; Palpacuer, 2008), the act of concentrating the blame on a single actor simplifies the causality chains – thereby giving rise to a simplified but comprehensible vision of the problem that is easier to share. One of the scapegoat’s qualities that Girard emphasizes is its depiction as the source of the disorder. The scapegoat serves as a support for stabilizing and harmonizing the
framing processes of the stakeholders and their representatives in terms of diagnosis, prognosis, and motivation (Benford and Snow, 2000). These core framing tasks, which are indispensable in the emergence and structuring of the movement, converge on the figure of the publicized scapegoat. Publicized scapegoating avoids diluting the contestation and concentrates the movement on one single actor. To a certain extent, it economizes the stakeholders’ resources by focusing on a precise target shared by public opinion.

2- Publicization of deviant practices. A second effect of publicized scapegoating is to make public the irresponsible behaviour of an organization. While the acts of the guilty party may have already been known to certain stakeholders before, making them public makes this transgression apparent and its unacceptability known to all (Girard and Freccero, 1986). There is, as Ari Adut describes in his theory of the scandal, a disruptive publicity of transgression and a change from private to public knowledge of the problem (Adut, 2005). The conflicts between fringe stakeholders and the MNC suddenly stop being private and become a public problem that involves society as a whole. Publicized scapegoating takes the form of a ritual through which communities assert their core values by publicly marking certain individuals and behaviours as deviant. In this sense, publicized scapegoating is a ritual of collective absolution: moments when a society confronts the shortcomings and transgressions of its members and, by working through the sometimes painful process of disclosure, denunciation and retribution, ultimately reinforces the norms, conventions and institutions that constitute the social order (Thompson, 2000; Girard et al., 2006; Alexander, 1989; Adut, 2008).

3- Contagion and change in organizational supports. We have noted above how difficult it is to coordinate the various organizations involved in forming the contestation movement (Jordan and Van Tuijl, 2000; Kraemer et al., 2013). By making the stakeholders’ claims urgent and salient, publicized scapegoating accelerates the alignment of the NGOs’ strategic agendas with the grass-roots claims. Publicization can also encourage other NGOs to consider the subject, with zones of expertise and skills that are closer to the stakeholders’ concerns. While helping to reinforce the fringe stakeholders’ resources through the support of powerful organizations (national and transnational NGOs, and TANs), publicized scapegoating also transforms the resources and organizational support of the offender. As Adut notes, a scandal taints
not only the offender; organizations and institutions associated with the offender are also contaminated (Adut, 2005). In our case, the MNC’s main customers or suppliers may be affected by the publicized scapegoating. The latter then have to explain themselves and justify their solidarity in the past with the practices brought to light by the scandal. The publicity that the practices receive has negative and disruptive effects on parties other than the offender or immediate victim of the transgression. Following Girard, a publicized scapegoating can be seen as a historic event that brutally transforms social structures. It creates connections and reinforces the resources of the stakeholders, thereby giving them more influence and legitimacy. For the organizations judged to be responsible for the transgression, it breaks alliances and access to resources. It generates structural changes of an unanticipated magnitude and consequences that modify, at least for a time, the balance of power between the fringe stakeholders and the MNC.

The convergence of the claims on a single target, the publicization of the practices judged morally irresponsible, and the contagion affecting other organizations give a considerable impetus to the stakeholders’ contestation movement. The figure of the publicized scapegoat catalyses the various factors identified by the RMP: mobilizing structures, framing processes, repertoire of actions, and political opportunities. It leads to major changes in social structures and to re-theorizing institutions and core social values. Nothing is ever the same again once a scapegoat is publicized, as the fringe stakeholders have gone beyond the strategic and cognitive barriers, and gained in influence and legitimacy. They have the support of public opinion and powerful organizations that will orchestrate the contestation against the MNC. In the following section, we illustrate the role of the publicized scapegoat using the Apple–Foxconn case.

**c- The Apple–Foxconn case**

Apple is a well-known global brand, which produces hundreds of millions of electronic devices every year. In the last five years, it has been at the heart of an international scandal triggered by the employees of one of its Asian suppliers, the Foxconn Technology Group. Foxconn produces approximately 40% of the world’s electronic goods for companies such as Intel, Dell, Microsoft, Motorola and Apple (Duhigg and Barboza, 2012). In the last 10 years, Foxconn has been reported to offer very bad working conditions to its 1.3 million employees, especially in its huge Chinese factories. Bad treatment takes several forms. Most tangibly, it
means intensification of work, and overwork that exceeds legal limits by nearly any account, and even includes under-aged workers (SACOM, 2010; SACOM, 2011; Barboza and Bradsher, 2010). At the same time, abuse by management has been reported, with military-style discipline, insults and punishments being commonplace (Frost and Burnett, 2007; Lucas et al., 2012; SACOM, 2010; SACOM, 2011). Management control extends outside the workplace over every aspect of employees’ lives, since employees live in the factory compounds.

Diversity of stakeholders and heterogeneity of claims

These poor working conditions have triggered innumerable reactions from Foxconn employees. Nevertheless, their claims are poorly coordinated, despite the size of the factories, which often have more than 100,000 workers. But workers from different factories are not interlinked, and Foxconn policies prevent any collective movement except official unions, which are controlled by management and local governments (Béja, 2011). Furthermore, employees are migrants coming from diverse parts of China, with very different cultural backgrounds. Those coming from cities/suburban areas and those from remote rural areas do not share the same aspirations (SACOM, 2010). This is reinforced by Foxconn policies, which systematically split up existing communities into different work spaces and even dormitories (Béja, 2011). In addition to that, employee turnover at Foxconn is very high: most employees stay for less than a year. At Longhua alone, the biggest Foxconn factory in China, 24,000 workers quit every month and large-scale recruitment is non-stop (Perlin, 2013). This variability makes any collective political action difficult to build. This is why heterogeneous claims cover all aspects of better working and living conditions.

Sporadic and uncoordinated political struggles

The unprecedented development of Foxconn thus brought a rise in labour disputes. However, before the recent scandal, Apple’s suppliers’ employees lay well outside Apple’s strategic concerns, and it took considerable effort to change this situation. Employees expressed discontent in response to management abuse, and their resistance covered the full repertoire of social struggles: strikes in Shenzen in 2004–2005, 2010 and 2012; riots in Mexico and India in 2010, and in Taiyuan in 2012; waves of suicides in the workplace; a collective suicide threat by 150 employees in 2012 at Foxconn’s Wuhan facility; collective walk-outs; sleep-ins on the assembly lines; all forms of go-slow actions; denunciation on the internet; and the use
of media to cover their actions (Barboza and Bradsher, 2010; Béja, 2011; Shuang, 2012; Perlin, 2013). The Foxconn case tells a very similar story to that of Socapalm in Cameroon, with an endless series of struggles between a large company and its stakeholders, and no organization able to defend the workers or organize their collective demands. In the beginning, claims targeted mainly local management or local government officials. Then they extended to Foxconn’s numerous customers, and finally focused on Apple.

**Apple and Steve Jobs as publicized scapegoats**

Indeed, the grievances of Foxconn workers have increasingly been laid at the door of Apple, one of Foxconn’s major customers, since the production of the first iPod in 2001. In 2006, an initial article revealing bad working conditions in iPod-Nano factories was published in the London-based newspaper *The Mail on Sunday*. This information was then discussed in a series of articles worldwide (e.g. by *CSR Asia Weekly*, *Nanfang Daily*, and the BBC). The same year, Apple was forced by an international NGO, Reporters Without Borders, to intercede with its subcontractor in China, Foxconn, and to get it to drop its lawsuit against the two Chinese reporters who wrote the initial article. In a report, Apple also reprimanded Foxconn for its labour policy. This reaction thrilled activists such as China Labor Watch, a New York-based non-profit watchdog group; Verité, a Massachusetts-based non-profit organization; and Hong Kong-based group Students and Scholars Against Corporate Misbehavior. All these organizations decided to blame Apple as soon as they could (Simons, 2007), starting to study, coordinate and report grievances from Foxconn workers against Apple. Suddenly, Apple was recognized as a link between the actions of dispersed employees, and the slightest protest created opportunities to single out this company. From 2007 to 2011, pressure rose, with a wave of suicides at Foxconn compounds and an increasing demand to hold Apple to account for this.

**Publicization and contagion**

In 2011, scrutiny of Apple stepped up another level, as environmental issues were added to the social grievances. Indeed, the contagion reached a coalition of NGOs (led by Friends of Nature, the Institute of Public and Environmental Affairs, and the Green Beagle), which issued a report entitled *The Other Side of Apple*, singling out Apple as the least responsive of the IT brands. In this process, Apple was compared to Nike, and Steve Jobs to John Brown, the former CEO of BP. In 2012, the scandal was widely reported by international media, such
as *The New York Times*, BBC, *The Guardian*, the *Los Angeles Times* and *The Observer*; Apple labour issues became a public matter. As Paul Harris wrote in *The Observer*, ‘The New York Times’s revelations, which centred on the Foxconn plant in southern China that has repeatedly been the subject of accusations of worker mistreatment, have caused a major stir in the US. Although such allegations have been made before in numerous news outlets, and in a controversial one-man show by playwright Mike Daisey, this time they have struck a chord’ (Harris, 2012). The Apple store in New York was affected by a demonstration about labour conditions in China the same year. The subject even became an issue in the American presidential campaign in 2012, when Obama and Romney (in the second presidential debate) discussed the production of iPhones. The Apple–Foxconn affair came to symbolize the behaviour of the entire American electronics industry in China, and beyond that of all Western businesses in the largest workshop of the world. Apple officials started to fear a contagion to their customers, as several US columnists called for a boycott – such as Dan Lyons in *Newsweek*, and Peter Cohan in *Forbes* magazine. This led Apple to take the issue of its relationship with Foxconn seriously.

*The initiation of political CSR*

This publicized scapegoating process gave rise to multiple advances in stakeholder contestation, and triggered major changes in Apple policies and political responsibilities. In 2010, Foxconn, under pressure from Apple, decided to double its employees’ salaries to 2000 yuans/month (Culpan, 2010). And at the end of 2011, Apple agreed to collaborate with the Fair Labor Association (FLA), an American NGO closely allied to the International Labor Organization. In 2012, the FLA reported that Foxconn had fixed 284 of the 360 problems that the FLA had identified when it was brought in to audit Foxconn’s Apple-related facilities earlier that year (FLA, 2012). Was this a first step towards political CSR on Apple’s part? With the help of Apple and the FLA, Foxconn is currently preparing to hold representative labour-union elections in its factories in China for the first time. This would be the first such exercise at a large company in China, where labour unions have traditionally been controlled by management and local government. Foxconn, with the help of the FLA, will begin training its Chinese workers in how to vote for their representatives. Lastly, Foxconn has pledged that, as of July 2013, no one will work more than China’s legal maximum of 49 hours a week (Perlin, 2013).
Contrary to the Socapalm case, a publicized scapegoat occurred and led to the emergence of a political dialogue between Apple managers and Foxconn employees.

The concentration of the attacks on Apple and on Steve Jobs – instead of denouncing the practices of the electronic industry – simplified the issue and united the different stakeholders against a common targeted enemy. Publicizing the working and living conditions of Foxconn’s employees was grist to the mill for many public actors and figures working to highlight the fundamental importance of providing employees with decent working conditions. The publicized scandal finally pushed powerful NGOs to consider the claims of Foxconn’s employees; it also highlighted the symbolic and organizational support behind Foxconn.

Discussion

In this article, we have discussed the organizational dynamics and processes that allow fringe stakeholders to gain power and legitimacy, and thus to appear on corporate radars. More precisely, this means understanding how to climb from grass-roots claims to the international political pressure that makes an MNC assume its political responsibilities (Keck and Sikkink, 1998; Tarrow, 2001; Rowley and Moldoveanu, 2003; Smith et al., 1997; Jensen and Sandström, 2011). We have shown that this issue posed a theoretical and empirical challenge for the perspectives of both stakeholder politics and political CSR. By basing our research on the work of Girard and the metaphor of the publicized scapegoat, we have shown that publicized scapegoating catalyses the factors necessary for a social movement to emerge. More precisely, we have identified three processes by which publicized scapegoating gives momentum to stakeholders’ contestations. This finding has broader implications, and opens new avenues of research for stakeholder politics. It also contributes to a better understanding of the main challenges of political CSR.

a- The emergence of a social movement among fringe stakeholders

The identification of the three processes by which publicized scapegoating gives an impetus to social movements has implications for the research stream of stakeholder politics.

The first process is the convergence of actions on a single target. According to Girard, the process of concentrating discontent on a surrogate victim does not depend uniquely on strategic calculations by the actors involved. For Girard, the convergence of the attacks on a
target is partly a spontaneous social process that rests on mimetism (Girard, 1977; Girard and Williams, 1996) and collective surge. The target selection is self-reinforcing. To the spontaneous mimetism is added a shared interest of the stakeholders, which benefits from a convergence of the attacks on a single target. This is why it is so difficult for an offender caught in a scapegoating process to stop it, despite any compensatory action taken. This result completes the RMP perspective, which stresses the role of the actors’ strategies in the emergence of social movements. Certainly, as Thompson writes, scandals do not just happen: they are brought into existence and sustained over time by the actions and discourses of numerous organizations (Thompson, 2000); nevertheless, we suggest in this article that these actions and discourses can be bound up in an organizational and social dynamic that escapes the control of the actors themselves.

This convergence on a single target at the heart of the process of scapegoating also offers a new perspective on previous results relating to corporate targeting. It explains why the status of an MNC plays a role in the success of stakeholders’ campaigns (Rowley and Berman, 2000; Rehbein et al., 2004; Hendry, 2006). It also gives new insights into the selection of the target. Scapegoating needs a victim whose guilt is sufficiently credible. There is no need for the scapegoat to be innocent (in conformity with the biblical image) or to be fully responsible for the social disorder. Building on Girard’s reflection, Bonazzi shows sufficient credibility among the parties concerned is enough to initiate a scapegoating process (Bonazzi, 1983). In our analysis, this means publicized scapegoating concerns an enterprise that cannot be blamed unanimously for the disorder – it is a link in a more complex system that is working defectively (Young, 2006; Palpacuer, 2008).

The second process at the heart of the scapegoating is the publicization of the deviant practices, which leads to the sacralization of deep social values, and reminds the members of the community of the lines not to be overstepped. It is therefore evident that the media – in particular, transnational media – play a central role in the phenomenon of publicized scapegoating (Tilly, 2008; Lipsky, 1968). This also means that the language, symbols and metaphors that the media use to frame the conflict between the MNC and its fringe stakeholders are far from innocuous in the process. However, media organizations are little studied in the literature on stakeholder politics – whereas, paradoxically, many studies show that the media strategies aimed at the MNC’s image and legitimacy are the most effective (McDonnell and King, 2013). The organizational processes through which a local affair
becomes a transnational publicized scandal in the media remain largely unknown. To us, this seems to indicate a promising line of research for organizational scholars.

Lastly, the process of organizational contagion we have also identified raises new issues for stakeholder-politics research. Contagion means that other offenders may also be affected by the scandal. The principal question then concerns the borderline for contagion. Why do other offenders go relatively unnoticed in some cases, while the criticism spreads over an entire organizational field in others? In the first case, only the scapegoat is vilipended, and other offenders have an interest in this situation. In the second, all actors in the field have to justify their practices and show to what extent they are involved in acting irresponsibly (Fligstein and McAdam, 2011; van Wijk et al., 2013). The organizational contagion may also concern activists who see powerful NGOs taking an interest in their claims. The scale-shift process is critical to the stakeholders’ capacity to increase their influence and legitimacy. Studying how large international NGOs become aware of a cause to defend, and choose to allocate their resource to this, would certainly increase understanding of the complex organizational dynamic of scale shift.

**b- Political CSR and the construction of a dialogue between MNCs and fringe stakeholders**

The metaphor of the publicized scapegoat also contributes to a better understanding of the main challenges of political CSR. The political-CSR research stream defends the idea that MNCs must play an active part in political processes and must assume political responsibility in order to close governance gaps (Palazzo and Scherer, 2008; Rasche et al., 2008). So far, this research stream has been mostly influenced by a Habermassian perspective, which emphasizes the role of proactive and democratic deliberation between MNCs and their stakeholders. The former have a political responsibility to organize a dialogue with their stakeholders in order to define a common good over and beyond the particular interests of the parties. Reading Habermas teaches us that this exercise in political responsibility passes by the existence of a ‘public sphere’ (Habermas, 1991) – that is, an accessible public space for the exchange and dissemination of ideas facilitating democratic discussion and opinion formation, and underpinned by ideas of the ‘collective good’ (Cottle, 2006; Cottle and Lester, 2011; Habermas, 1991). Political CSR thus has the advantage of providing us with a normative vision of what MNCs ought to do, but does not take much account of what they can really do in terms of organizational enactment and capacity. The metaphor of the scapegoat reminds us to what extent the fringe stakeholders and MNCs are in an asymmetric
relationship, and how much the power struggles matter – not to impose their interests but just to make the other side appreciate their point of view. The situations that the scapegoat metaphor illuminates show us that the conditions exist neither for organizing deliberation nor for ‘simple’ negotiation in which each party defends its interests (Della Porta and Rucht, 2013). The role played by the media organizations in the emergence of the publicized scapegoat process shows the road that still has to be travelled for them to take part in instituting a debate open to all – MNCs, stakeholders and TANs – and in which each expresses its opinion. Moreover, our article also shows the necessity of understanding how the MNCs themselves can structure public spaces and develop meeting arenas with their grass-roots stakeholders (Haug, 2013). Certainly, their capacity to prevent new scandals depends on exploring new solutions for encouraging dialogue and proactively empowering their fringe stakeholders.

**Conclusion**

Publicized scapegoats and corporate scandals are ubiquitous, but are rarely studied by organizational scholars (Canales, 2010). To us, however, they represent a major phenomenon that leads to profound changes in social structures and plays an important role in re-theorizing institutions. In our view, publicized scapegoats not only nurture the emergence of stakeholders’ contests, but also serve as a means of communication in the asymmetric relationship between MNCs and their stakeholders. The fight between David and Goliath henceforth entails exchanges of words and symbols in global media coverage; we need to decipher the organizational phenomena behind them.
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