

Fighting for democracy: the case for corporate political responsibility

*Some companies have adopted a new role that goes beyond lobbying and donations. Many now operate as political actors and actively position themselves against anti-democratic forces. **Rolf Brühl** and **Benedikt Kapteina** make the case for corporate political responsibility, arguing that companies depend on a viable political system and are not immune to the changing landscape.*

Traditionally, companies stay out of political disputes, avoiding active engagement in any such debates. But in recent years their willingness to engage has increased. Corporate behaviour in the last European elections is a case in point. Spotify created a EU election playlist and urged its European users to [“get vocal”](#). A giant banner at Volkswagen’s Wolfsburg plant said that [“Volkswagen chooses Europe.”](#) Thyssenkrupp even [launched its “election-style campaign.”](#) picking up on EU prejudices and debunking them against the backdrop of its own business. As these examples show, several companies are abandoning neutrality and reserve around elections. The question is, why they are doing this?

A changing political landscape

The European political landscape is changing. Eurosceptics, populists, and parties are celebrating successes from the far left and far right. This populism is often accompanied by scepticism intended to appeal to globalisation’s losers. With corruption scandals and the dwindling loyalty to traditional parties, anti-establishment slogans raise the potential of attracting new voters. When populists call for politics for the people, this does not sound outlandish at first – what else should the task of politicians be? But a unified will of the people is a populist fairy tale. Pluralism and protection of minorities are elementary components of democracies and become subordinated to this fairy tale, while a relatively uninformed and weary electorate becomes increasingly susceptible to populist movements. Companies, which depend on a viable political system, are consequently not immune to the changing landscape.

Corporate socio-political activism

Given this polarised scenario, we now see companies taking an active stance on political issues such as immigration, gun legislation, LGBTQ rights, or climate and environmental protection challenges. Their public stance for or against one side is being labelled under the relatively new phenomenon of [corporate socio-political activism](#).

Starbucks, for instance, [made a public commitment](#) to increase its hiring of refugees in response to a controversial immigration ban by the former Trump administration. Sometimes activism comes from [individual corporate representatives](#) such as CEOs. Those of Intel, Merck and Under Armour decided to [publicly resign](#) from U.S. President Donald Trump’s American Manufacturing Council after he ignored white nationalist violence in Charlottesville. Although this activism is intended to improve the balance between companies and society, it largely ignores companies’ political role.

Drawing on University of Chicago Professor [Iris Marion Young’s work](#), we define corporate political responsibility as a responsibility to solve societal challenges shared between business and governmental actors. Within this conceptual view, companies are called upon to invest in the political system in order to improve conditions for all stakeholders in society. Such a conception differs from the commonly favoured [instrumentalist view](#) that uses a business case logic. We argue that companies only become fully fledged political actors when they actively shape their political environment away from profit interests, and act beyond their involvement in topical political debates.

How political can companies be?

The actions observed in the context of the European election go beyond issue-based activism. Companies actively promoted discursive activity within a democratic society. Against the backdrop of rising populism and increasingly weakened democratic discourse in Europe, companies intervened as political agents. In some cases, they acted in a hitherto unprecedented way, with considerable resources, as influential actors in a political space usually reserved for parties, politicians, and the media.

Our examples should make it clear that companies already are political actors. However, they are powerful organisations whose properties do not correspond to those of individual actors in a democracy. This difference in power could lead to the assessment that corporate influence is [a threat to democratic processes](#). Therefore, the question is not whether corporations should engage in politics, but what the nature and purpose of such engagements is. The overarching question is about the legitimacy and associated social acceptability of these political actions and their underlying motives.

Companies' political contributions

Past corporate misconduct shapes public judgment of corporate motives and limits public acceptance of a legitimate role for corporations as political actors. To change this judgment and to be able to leverage the democratic potential of increased corporate engagement, companies need a political self-image that goes beyond activist responses. We have focused on them informing citizens about the meaning and purpose of elections and appealing to them to use their right to vote. Some may see a resurgence of political paternalism in these political activities, thinking 'what business is it of corporations' whether I vote?'

In the voting booth, of course, everyone remains alone. As we all know, however, democracy is not just a matter of putting a cross on a ballot. When companies encourage people to vote and to reflect, democracy is not in danger but running its normal course. To best decide which views are right or wrong, it is necessary to exchange opinions in the political discourse. Corporate involvement can help counteract political fatigue and revitalise democracy. In addition to leveraging the potential for democratic mobilisation, it is essential not to neglect risks that could be mitigated, for example, through greater transparency of corporate activities or improvements in corporate democracy.

We still know little about the influence of these activities in the realm of corporate political responsibility, which intends to foster democratic processes. Nor do we know the extent to which this engagement is linked to specific economic activities. It seems necessary to bring these questions into scholarly and societal focus, for both empirical and normative reasons. Still, a stronger anchoring of policy at the heart of society by business could promote an urgently needed change in awareness, counteract disenchantment with politics, and sustainably strengthen democracy.



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