

INCORPORATING THE CORPORATION IN CITIZENSHIP: A RESPONSE TO NORMAN AND NÉRON

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Abstract: This article presents a response to Norman and Néron's contention that the language of citizenship is helpful in thinking about the political dimensions of corporate responsibilities. We argue that Norman and Néron's main conclusions are valid but offer an extension of their analysis to incorporate extant streams of literature dealing with the political role of the corporation. We also propose that the perspective on citizenship adopted by Norman and Néron is rather narrow, and therefore provide some alternative ways in which corporations and citizenship might be brought together. We conclude by suggesting that, rather than simply applying the concept of citizenship to corporations, we now need to go further in exploring how corporations might play an active role in reconfiguring the whole notion of citizenship itself.

Introduction

Wayne Norman and Pierre-Yves Néron have crafted a fine article on corporate citizenship (CC). It is a sharply observed, carefully argued, and elegantly written piece of scholarship that deserves attention from anyone interested in exploring the debate on corporate citizenship and its intersections with corporate social responsibility and business ethics. In our view, it makes a significant contribution to ongoing efforts to work through an appropriate delineation of CC from other ways of conceptualizing corporate roles and responsibilities. In particular, Norman and Néron have made an excellent case for focusing the CC concept on the political dimensions of responsibility.

Our response to the paper then is not going to be one that quibbles with Norman and Néron's reasoning or that argues with their conclusions. In most important respects, we agree with their analysis. Norman and Néron's paper is successful in achieving its aims of determining whether the language of citizenship is helpful in thinking about corporate responsibilities, and if so, which types of responsibilities it should be applied to. In this respect though, their ambitions are relatively modest—as indeed one might expect in the context of a single journal article. Nonetheless, in reading their paper, we have been inspired to think again about some of the important and challenging ways that corporations, citizenship, and politics come

together—and how we as business ethics scholars might usefully move forward in our thinking and theorizing. To that end, we want to focus on three aspects of their argument in particular.

First, it is evident that Norman and Néron do not really attempt to convince us that citizenship is a better or more appropriate conceptual lens for studying the political dimensions of corporate responsibility than other alternative approaches. Therefore, we will spend a little time connecting Norman and Néron's ideas to several other related streams of literature, and offer a few thoughts on what specific contribution CC might contribute in thinking through such problems.

Second, in applying citizenship to corporations, Norman and Néron implicitly suggest that there is a relatively stable and robust concept of citizenship that is, at it were, out there, ready to be applied. Although this may serve the purposes of their paper very well, it neither does justice to the tremendous dynamism of the citizenship literature, nor does it acknowledge the multiplicity of ways that corporations can become embroiled in the arena of citizenship. We will therefore illustrate some of the potential challenges and opportunities that a more variegated perspective on citizenship may offer to an analysis of corporate responsibility.

Third, Norman and Néron discuss only one aspect of a complex relationship between citizenship and corporations. We will suggest that rather than simply applying citizenship to corporations, we should also go further in exploring how corporations might play an active role in reconfiguring the whole notion of citizenship itself. In this, we want to do justice to the title rather than the subtitle of Norman and Néron's article and ask: How is citizenship reconstructed by incorporation?

Admitting Corporations to the Political Realm

One of the main contributions of Norman and Néron's paper is that by applying the citizenship concept to corporations, they make a clear step towards identifying and conceptualizing the political nature of the corporation. Many activities discussed under labels such as CSR, business ethics, or sustainability are essentially political in nature. We concur with Norman and Néron's argument—especially in the last part of their paper (30–36)—that this is so, and agree that attention to ideas of citizenship can provide some of the conceptual insight needed to analyze these issues effectively.

It is worth noting in this context that many of the issues Norman and Néron put in the purview of CC have been discussed and investigated by colleagues without necessarily referring to citizenship or other political concepts. For example, with regard to their fifth corporate citizenship behavior—“how a firm involves itself in the political process” (15)—there is a broad stream of research on corporate political action, such as lobbying or campaign financing, which has used frameworks such as public choice theory (Lord, 2000) transaction cost theory, the resource dependency approach or the behavioral theory of the firm (Getz, 1997). In a similar vein, consideration of corporate contributions to the life of local communities (point

three, 14) led Fort (1996), for instance, to draw on neo-conservative theology to conceptualize the firm as a “mediating institution.”

The specific new contribution of citizenship thinking here though is that it opens up a debate on the conditions, prerequisites, typical patterns, and limitations of corporate participation in power sharing in society—either as (un)equal citizens with other citizens on a horizontal level, or as actors involved in the governance of citizenship on a vertical level (Crane, Matten & Moon, forthcoming).

More broadly, a large swathe of recent work on the political dimensions of corporate responsibility has so far avoided the language of citizenship, whilst dealing with issues clearly within the purview of the concept. Levy and co-authors (Levy & Egan, 2003; Levy & Kaplan, forthcoming) have conceptualized the political role of firms in addressing global policy issues such as climate change in terms of notions of global governance or neo-Gramscian sociology. At the same time, in political science these issues have been conceptualized fairly comprehensively in terms of ideas of cosmopolitan citizenship (Archibugi, 2003; Linklater, 2002). In our view, the main benefits of applying citizenship thinking to this stream of research lies not only in the fact that it exposes the political nature of “global CSR” by corporations, but in fact it helps to find a systematic place for corporations in processes of global governance, including related rights and responsibilities of corporations. In another recent paper, Scherer and Palazzo (2007) have taken Habermas’s concept of deliberative democracy and developed an innovative framework for a new understanding of CSR and the political role of the firm. In so doing, they basically use citizenship ideas—Habermas’s thinking is commonly articulated as “post national citizenship” (Delanty, 2000) in political science scholarship—to enrich our understanding of business ethics and CSR and to address research questions hitherto ignored in the management literature.

Citizenship thinking offers a new perspective on the corporation, it unveils the political nature of its involvement in society, and it points to innovative solutions and approaches to some of the most pressing issues on today’s public agenda. While we see this new perspective in Norman and Néron’s analysis, at the same time we think that its potential is not fully unleashed in their article—though admittedly such a task would have also have somewhat transcended the scope of their article. Our own initial attraction to using citizenship ideas in our work was fueled exactly by the considerable potential of these ideas for understanding current issues and debates in management research and practice. If people in Bolivia run riot against privatized water utilities, or the UK media vents its fury over the government’s cessation of investigations into alleged corporate corruption in arms deals to Saudi Arabia, should these events merely be evaluated in terms of whether they represent effective or ineffective public relations? Or, using a citizenship lens, might we be able to see them as examples of a citizenry unhappy about the inequitable distribution of power to “corporate citizens”? Such a lens would therefore focus us on claims for fairness, inclusion, transparency and accountability in management rather than simply our existing criteria for good practice.

The point is not that citizenship thinking is the only way we should be looking at the corporation's role in society, but it does help to illuminate certain dimensions that might otherwise go unexamined. Theories of citizenship enable us to explore corporate practices within an extant body of knowledge about political relations of authority, power, and responsibility. Citizenship thinking also enables us to examine the communities of obligation and entitlement that corporations might find themselves in.

So yes, corporations are political actors, and Norman and Néron's concept of CC contributes to a strengthening of the case for locating corporations firmly within the political arena. It should be noted though that this political view of the firm is by no means uncontested in management research and practice. First, there is palpable unrest in the corporate world at the framing, or as it were, the exposure of corporations as political actors (Hanlon, forthcoming). While we have elsewhere speculated about the reasons for this (Crane et al., forthcoming) it is important to note that there is also significant resistance to this view within the academic debate. Conceptualizing corporations through a citizenship lens has been brandished as "an idea whose time has not yet come" (van Oosterhout, 2005) or, even juicier, as something that "amounts to little more than neo-liberal propaganda" (Jones & Haigh, 2007). The reason for such labels, and the general reluctance to conceptualize corporations in terms of processes of political participation, is that for some colleagues this is tantamount to legitimizing the extension of the economic into politics rather than simply analyzing it. Norman and Néron succeed in arguing that citizenship thinking helps us to analyze political activities that corporations already perform, whether we agree with those activities or not. Citizenship theory, then, first helps us understand this new empirical reality, and second, it allows us to identify new responsibilities based on this new perspective, and to expose the problematic implications this has for democracy and societal governance in the twenty-first century. It is not by any means the only theoretical lens through which to do this, but it appears to have considerable traction, although a major challenge is the very complexity of the notion of citizenship.

Corporations and the Complex Terrain of Citizenship

Norman and Néron's article is a careful examination of the possibility, potential and limits of conceptualizing corporations as if they were citizens. As such, Norman and Néron refine and extend an ongoing debate about this issue (Moon, Crane & Matten, 2005; Wood & Logsdon, 2001). We would argue though that examining the citizen-like qualities of corporations is by no means the only way in which citizenship scholarship can be brought to bear on the analysis of corporations.

One alternative route is to argue that corporations play a key role in governing citizenship next to governments (see Matten & Crane, 2005). That is, rather than thinking of corporations as like citizens, we might think of them as like governments. Access to water, telecommunications, electricity or public transport—all

traditionally considered part of the social rights of citizens and therefore provided by governmental bodies—have been largely privatized in most industrial democracies and beyond over the last twenty years and are now governed to some extent by private corporations. One could also posit that labor and working conditions in supply chains by Western multinationals are judged according to a notion of fundamental citizenship rights. If Gap or Nike provide medical care or schooling for the local communities of their Asian suppliers, they do so because their American stakeholders would consider this part and parcel of fundamental human rights that every citizen should enjoy. The criticism of Shell's role in the oppression of the Ogoni people in Nigeria is predicated on the assumption that Shell should and could have intervened in the infringement of the basic political rights of this group by the local government.

Such examples serve to show that various societal expectations currently placed on corporations have hitherto been directed to governments—and couched in terms of the rights of individual citizens. Thus, when corporations enter this arena, they arguably do so in vertical relations of power and responsibility with citizens, not (as in Norman and Néron's analysis) in horizontal relations. The point is that the role of corporations in the complex terrain of citizenship is ambiguous, and the examination of corporations as citizens is only one part of the story. Therefore, a useful extension of Norman and Néron's work would be to provide a detailed examination of the different roles that corporations can play in the arena of citizenship, and the duties and entitlements that might be associated with those roles.

Incorporating Citizenship

Finally, we would like to propose a more significant redirection of thinking about corporations and citizenship that does justice to the title of Norman and Néron's article, "Citizenship, Inc." In short, we seek to more fully incorporate the concept of citizenship.

Norman and Néron's article is illustrative of an approach that has been common amongst those of us interested in the relationships between citizenship and corporations—namely, they identify a concept of citizenship "out there" (e.g., in political theory) and deploy it to say something meaningful about corporate responsibility (for other examples of this approach see Matten & Crane, 2005; Moon et al., 2005; Wood & Logsdon, 2001). As Norman and Néron make clear, their intention is to transform CC into something analogous to an extant concept of individual citizenship (p24 original version). Now this is all very well within the parameters of a particular article, and a particular set of intellectual aims. However, it is important to recognize that it rests on an unstated assumption that corporations and citizenship are ontologically autonomous concepts, that individual citizenship is in some way independent from the values, actions, and impacts of corporations.

The assumption of a distinct and "robust concept of citizenship" (Norman & Néron: 16) can be contested because corporations have always been, and prob-

ably will always be, involved in the emergence, development, and transmission of political ideas of individual citizenship across time and space. For example, corporations such as the British East India Company were intrinsically involved in the exporting of the apparatus of liberal citizenship into India, just as more recently, aboriginal concepts of citizenship, identity and place have been transformed by the property claims of corporations on traditional knowledge and land rights (Crane, Matten & Moon, 2006). Moreover, the reconfiguration of citizenship in recent times away from traditional concepts of liberal and republican citizenship towards more identity, cultural and cosmopolitan concepts has been enabled, reinforced or inhibited by corporate activities of one sort or another (Crane et al., forthcoming). This has ranged from the battles for political equality among women and racial minorities in the context of corporate hiring and promotion policies, to the reinforcement of gay and lesbian political identity through product marketing in the “pink economy,” to the enabling of global citizen communities through advanced information and communication technology services. Even in the arena of national citizenship, corporations have been shown to have played a role in the granting of “de facto citizenship” status to illegal immigrants and other non-citizens by taking advantage of the poor enforcement of employment regulation. Hence, as Tancredo (2004: 13) suggests, “our political and legal institutions are subtly encouraged to follow the economic institutions in treating the illegal resident the same as the legal resident. The United States is thus moving toward de facto citizenship as a replacement for traditional citizenship. This movement is slow and subtle, but its signs are unmistakable.”

The question here is not whether corporations have deliberately engaged in the construction and transformation of citizenship, or whether corporate managers have even been aware of such phenomena. These considerations are largely irrelevant to the more fundamental question of whether corporations (individually or collectively) have played a significant role in how we think about and valorize particular notions of citizenship. If they have—and it is our contention that this is indeed the case—then our attempts to bring a stable, autonomous conception of individual citizenship from “out there” and apply it to the corporation simply does not do justice to the complex ways in which corporations and citizenship intertwine. Thus, if Norman and Néron (and, for that matter, the rest of us) really want to explore “Citizenship, Inc.” then we have a considerable task on our hands that can not be addressed in one, albeit expertly crafted, article. The study of how citizenship has been incorporated has hardly yet begun.

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