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Reaction Paper for Emily

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Global Citizen Action (Edwards and Gaventa)

This article presents and discusses various ways in which NGOs influence the behavior of transnational corporations, from cooperation to confrontation. I found particularly interesting the article's mention of how the "inside-outside" strategy was successful in the McDonald's case ("inside" meaning working cooperatively with the organization and "outside" meaning campaigning against the company's irresponsible actions). It would be useful if NGOs could recognize the value added that their respective roles bring to the advocacy process, instead of wasting energy accusing one another of not taking the most effective path (ie. the article notes that "groups outside the project accused the EDF of selling out by working with McDonalds" p. 193).

How Corporations and Environmental Groups Cooperate (Rondinelli and London)

This article describes some of the challenges to building solid alliances between non-profits and corporations and the various degrees of interaction between these players, and provides several tips for promoting successful alliances. The article emphasizes the challenge of building mutual trust as a key obstacle to ensuring solid alliances, a really critical point. It must be quite difficult to reach the level of "intensive environmental management alliance" recognizing that either partner, if dissatisfied, can break away from the alliance with confidential information that could be damaging to the other. I found the point about ensuring upper level management buy-in and institutional support structures on the corporation side quite relevant, and the idea of developing short-term, achievable goals important as well. I did wonder about why alliances have to be short-term in nature – couldn't the successful achievement of shared goals lead to more long-term relationships? Aren't corporations like Starbucks in it for the long haul?

Direct Targeting as an NGO Political Strategy (Sasser, Prakash, Cashore, Auld)

This article asserts that direct campaigns by NGOs targeting forest sector companies in an attempt to drive them to adopting third-party FSC certification tend to lead to the unintended effect of alienating businesses to the degree that they band together and forming their own industry-sponsored regimes (here SFI). While NGOs have "reputation capital" that businesses typically find appealing, the case studies reviewed indicate that firm hostility and mistrust of NGOs that have launched direct campaigns against them, in addition to a fear of intensified scrutiny by NGOs associated with signing on to NGO-sponsored regimes, create key barriers to corporate adoption of FSC principles. The article identified other key factors to adopting FSC as the government regulation level, cost of transforming practices, market pressures, and leadership/culture of organization. The study controls for these factors in the analysis.

While I agree with the article's contention that collaborative approaches between business and NGOs are critical, I wonder if it underestimates the important role that these radical NGOs have played in the past. It's true that now big industries like IP have leadership in place specifically to review environmental issues, but would this have been the case without the environmental movement putting extreme pressure on industries to get to this point?

Gaining Leverage: NGO Influence on Certification Institutions in the Forest Sector Products Sector (Sasser)

According to this article, the following factors influence corporate interest in certification schemes: 1) industry concentration, 2) individual/shared reputation, and 3) civil society threat. For example, in more concentrated industries, companies might band together to develop an industry shared self-regulation

regime. However, companies in less concentrated industries might look to third party certifiers as a way to separate themselves from the pack. A major point of the article is to highlight the close relationship of NGOs and corporations, and the way that over the years these two have managed to cut government out of their relations to some degree. In negotiating this new relationship, NGOs have found innovative ways of targeting businesses, such as through the “new boomerang effect,” or NGO targeting of retailers with names consumers know as opposed to suppliers like paper mills or loggers.