CALL FOR PAPERS FOR A SPECIAL ISSUE OF BUSINESS & SOCIETY

The Governance Challenges of Corporate Political Activity

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Background

We solicit papers about a host of governance issues raised by the practice of corporate political activity.

Following a May, 2010 colloquium about corporate political activity, held at Long Island University, CW Post Campus, New York, and organized by the Guest Editors of this Special Issue of Business & Society (Note, this is the 4th international colloquium on corporate political activity. Business & Society has published papers from previous colloquia.), we seek papers about governance issues regarding corporate political activity at two levels of analysis. The first level of analysis is a broad societal perspective, which follows from the fact that the political activities of firms oftentimes raise issues about public governance. How does the prevalence of corporate political activity fit into a healthy democracy (Ostas, 2007)? Do firms have a legitimate right to influence public policy (Mitchell, 1997)? What are the benefits and negative consequences to society of firms being involved in politics? Is there a point where firms become excessively influential, gaining private benefits at the expense of the common interest (Barley, 2007)? Can corporate political activity be seen as part of the emergence of a wider trend of civil regulation, complementing the shortfalls of state regulations (Vogel, 2009), or is it merely self-serving? Are there countervailing forces to corporate political activity, such as the political activities of non-governmental organizations?

The second unit of analysis about the relationship between governance and corporate political activity is at the firm level. Corporate political activity is part of a set of activities that many firms, especially large ones, perform routinely. While both top managers and specialized managers such as in government relations units generally drive such political activities, these activities should ultimately be assessed and controlled by corporate boards. This internal analysis raises an important question about corporate political activity: Does corporate political activity
drive value for the firm and its shareholders? From this question flow a number of ancillary questions: How can firms measure the value of corporate political activity? Are there secondary effects of corporate political activity, such as on the firm’s non-governmental stakeholders, that create value for the firm? How should the corporate political activity function be governed by the firm? Should shareholders have the right to support or reject the support of certain political candidates with corporate funds or funds designated for political use (such as the political action committee [PAC] funds raised by company managers)?

The topic of governance and corporate political activity is both current and important. Current insofar as public and private governance issues are an increasing concern of policy-makers, managers, and scholars. At the broad, societal level, we see more systemic attempts to reign in corporate political activity, or to include, along with business interests, non-business non-governmental organizations (NGOs) in global talks about climate and trade. At the firm level, the topic emerges from the multiple corporate scandals of mismanagement and gaps in corporate governance (Enron), as well as government oversight (AIG, Bear Stearns), on top of the usual questions of improper conduct between corporate managers and public officials (e.g., corruption, corporate wining and dining in politics: see Dal Bó et al., 2006; Drew, 2000; Nelson et al., 2002; Stone, 2006) occurring in the past decade. The issue of the governance of corporate political activity has gained a renewed interest in the United States as the Obama administration has made the improvement of ethical standards in policy-making as well as stricter governmental oversight of business activities two of the top priorities of their agenda. This topic is important not only to the United States but also to any democracy, as it questions the place that private sector firms play in them and whether this place should evolve going forward.

References


Contributions Sought for the Special Issue

Without excluding other related topics, we would seek contributions to advance the discussion of two major areas of CPA and governance:

1. **Relationship between the firm and non-firm societal actors including NGOs and governments.**

Papers here might include such questions and topics as:

- How has the presence and oversight of a company’s (industry’s) business by NGOs affected how the firms conduct their CPA?
- How have voluntary self-regulatory schemes affected CPA, especially in cross-national cases?
- What is the impact of CPA on democracies?
- What kind of public governance does CPA contributes to create? In particular, is the emergence of private authority and civil regulation as alternatives to state regulation desirable? Are they effective substitutes?
- Are there conditions where CPA be considered socially acceptable and/or “ethical”?
- Comparative studies of national political arrangements where CPA is accepted and practiced differently
- Corporate influence over the regulation of CPA (e.g., in the USA and at the EU level recently)
- Comparative studies of CPA and public governance arrangements between democracies and authoritarian regimes: Do they fundamentally differ? Should firms adapt their CPA to authoritarian regimes or uphold the same high standards than in democratic regimes?
- What are the effects of CPA on a firm’s relationship with non-governmental stakeholders?
2. **Relationship between internal governance aspects of the firm and CPA.**

Papers here might include such questions and topics as:

- What is the best way to organize the CPA function to create firm value?
- How might CPA be measured and evaluated by top managers and the board of directors?
- How does the composition of the board of directors affect CPA?
- Do shareholders have any rights over the firm’s political expenditures?
- Comparative studies of national regulations of CPA: How and why do they differ?

We invite both theoretical and empirical contributions that help us to better understand how various governance aspects affect corporate political activity. We invite papers from a variety of perspectives, including management and strategy, sociology, political science, law, economics, and other areas. The papers are subject to the regular double-blind review process of *Business & Society.*

**Submission Instructions**

The format of the papers must follow *Business & Society* guidelines. *Business & Society* uses the American Psychological Association citation and reference system.

Papers should include a 100-150 word abstract followed by 3 to 5 keywords. The paper itself should contain no indications of authorship.

A title page containing full author contact information should be sent as a separate document to the co-editors.

**Deadlines/Timetable**

November 15, 2010       Papers are due per electronic submission to the co-editors
November, 2010 — Fall 2011 Review and revision process
2012 (tentative)        Publication of *Business & Society* Special Issue.
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