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Chapter XX:

BOOMERANG POLITICS: HOW TRANSNATIONAL STAKEHOLDERS IMPACT MULTINATIONAL CORPORATIONS IN THE CONTEXT OF GLOBALIZATION

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Introduction

As has recently been pointed out, stakeholder theory faces two closely related challenges in the light of globalization.[1] On the one hand, globalization has not only led many firms to explore and expand into different parts of the world, it has also—and perhaps consequentially so—created possibilities for non-traditional stakeholders to 'knock on the doors' of firms and make their concerns heard. On the other hand, the context of the multitude and complexity of novel stakeholder relationships that were not usually considered in stakeholder mappings renders the issue of corporate responsibility even more 'political'[2] than stakeholder relationships, at least in the context of specific issues, have always been.

However, exactly *how* such non-traditional stakeholders knock on the firms' doors has insufficiently been explored in stakeholder theorizing[3], even though there are some studies that focus on the characteristics of firms associated with the likelihood of them becoming targets of stakeholder group mobilization.[4] In a general sense, social movement studies have been suggested as providing useful concepts and theorizing for doing so.[5] Here, we build on this suggestion, more specifically on Keck and Sikkink's analysis of how transnational activist networks (TANs) are mobilized to remedy issues beyond the local situation where they occur.[6] Local issues become a cause for international mobilization when local protesters seek support from international non-governmental organizations (NGOs) and/or activist groups. Such has been recurrent in various industries, notably the international garment and electronics industries where production chains have been globalized.[7] As firms in these and other industries have outsourced production to low-cost countries, concerns about the (lack of) regulation about the negative externalities associated with their production processes have also grown. Consequently,

stakeholder mobilization has sometimes been substantial, focusing on issues of environmental degradation, occupational safety, child labour, forced labour, sexual harassment, wage-rates, et cetera.[8] Western firms have been challenged by Western stakeholder groups to improve their performance on these issues in their overseas production facilities.[9] Yet, stakeholder theory appears to have difficulty in explaining the potential leverage that stakeholder groups *without* a clear and direct stake in a firm may exert over that particular firm.[10] The model Keck and Sikkink proposed could offer a way to overcome this shortcoming.

Although Keck and Sikkink's 'boomerang model' has originally been developed in the context of contentious politics—mobilization against state actors, as has traditionally been the focus of social movement scholars—the model can also productively be applied in the corporate context of 'private politics', conflict resolution without recourse to the state or legal procedures.[11] Soule suggests that the separate study of contentious and private politics is an artifact of how research traditions in various fields have developed, and that in reality the two cannot really be separated.[12] Following her, as well as building on our own observations in the study of transnational mobilization against corporations, we propose to speak of 'boomerang politics' as a general and overarching term in order to advance stakeholder theory in the light of the challenges from globalization by exploring how non-traditional stakeholders knock on firms' doors.[13]

In this chapter we will discuss the idea of boomerang politics and relate it to a less explored category of stakeholders, those *without* a clear and direct stake in a firm and the way they could exert influence over that particular firm. In the next section we will explore Keck and Sikkink's boomerang model, expand it towards the area of private politics and illustrate it with some examples of what we refer to as 'boomerang politics'. We will highlight some reflections

on the generalized model of boomerang politics and conclude our chapter with an indication of implications of this model for stakeholder theory, thus contributing to the objective of this volume.

Boomerangs in contentious politics

The boomerang model was developed in the 1990s by political scientists Keck and Sikkink in order to explain the mode of operating and success of what they called 'transnational activist networks' (TANs). They used this term to highlight "the structured and structuring dimension in the actions of these complex agents".[14] Others defined such networks as "a collaboration of movement organizations in at least two countries that exchange information and experiences, provide mutual support, have at least a partially organized social base, and engage in joint strategic campaigns".[15] The boomerang effect explained, among other things, leverage politics: "the ability to call upon powerful actors to affect a situation, where weaker members of a network are unlikely to have influence".[16] Put shortly, the model thus makes clear how local protesters against a specific State A—the ultimate target—might be blocked, but still could be successful by mobilizing NGOs (international, or in State B) through transnational activist networks to stimulate State B—the primary target of the boomerang—to exert pressure on State A. When direct confrontation of the ultimate target is unproductive, some allies are sought that could pressure the primary target of the boomerang to compel the ultimate target to give in to demands. In Figure 1 this original boomerang model is depicted.

[Insert Figure 1]

The model has been applied or cited in many different studies[17] in fields such as political science and sociology. Nevertheless, the model is of broader relevance than merely in its original

focus on contentious politics. As the potential leverage that the model demonstrates is made possible through increased levels of communication and information exchange and transnational solidarity, resulting in mobilization within Western countries to the support of affected parties in other countries, it can be extended beyond state politics. This we point out in the next section.

Boomerangs in private politics

McAteer and Pulver were among the first to acknowledge the wider relevance of the Keck and Sikkink model for the domain of private politics. They proposed a 'corporate boomerang model' to analyze international protest against multinational corporations.[18] Their model builds on the use of shareholder activism by two different transnational activist networks (TANs) in their efforts to target oil companies. Both cases are set in the Ecuadorian part of the Amazon. In one case the TANs aimed to prevent Burlington Resources to initiate oil extraction in two concession blocks; in the other to force Chevron Corporation to remediate the environmental damage caused by its earlier operations. In both cases the protest focused on environmental issues and rights of indigenous people. The differences in outcome between the two cases are explained by variations in the cohesiveness of the respective TANs and by the relative vulnerability of the two corporate targets.

The model of McAteer and Pulver is a valuable extension of the original boomerang model because it explicitly focuses on the role of private politics and illustrates how these politics differ from state-focused activism. However, the problem with this conception is that is does not cover *all* possible pathways the boomerang effect could follow. We therefore extend their model by presenting different scenarios of how the corporate sector might be brought into the boomerang model some further, or of how private politics might intermingle with, or substitute for,

contentious politics. To this end we explore the corporate boomerang effect from different angles to scrutinize its potential to understand the complex relationship between social movements, civil society, (multinational) corporations, and state institutions. In the next section we present three examples of boomerangs in which corporations are involved.

Three examples

In collaboration with various co-authors, we have been involved in empirical studies of interactions between activist groups and firms. Here, we summarize three of them: Gildan,[19] Nike,[20] and multinationals in Burma/ IHC Caland,[21] in order to present—in the next section— some reflections on boomerang politics.[22]

Gildan, Inc. Gildan is a Canadian producer of sports apparel. It is one of the many Western multinationals in the garment industry that was challenged by activist groups over labour conditions in their overseas production facilities. When Gildan set up production facilities in Honduras in 1998, it had already adopted a corporate code of conduct. Unlike in other cases, in which the production plant is a subsidiary of another multinational, often under Chinese or Korean ownership,[23] the Honduras production facilities where under direct control by Gildan.

In the course of 2001–2002, two organizations, the Maquila Solidarity Network (MSN) and the Honduran Independent Monitoring Team (EMIH) jointly investigated the investment strategy and labour practices of Gildan in Honduras, Mexico and El Salvador. MSN is a Canadian network that had been involved in campaigns against several transnational companies; EMIH is an organization defending women's rights in the *maquilas*. Although Gildan claimed that working conditions in its factories were above local standards, a different picture was broadcasted on 22 January 2002, in the CBC television program *Disclosure*. It revealed a series

of abuses of workers' rights in Gildan's El Progreso factory in Honduras: excessively high production quotas, wages insufficient to cover even basic needs, remuneration based on productivity, supervised breaks, 11-hour work shifts, poor air quality in the workshops, wrongful dismissals, mandatory pre-employment pregnancy tests for women, and the dismissal of unionizing employees. MSN/EMIH demanded improvement of the working conditions whereas Gildan dismissed all allegations. The broadcasting transferred the conflict to Canada, and a campaign was born.

The case developed in several rounds of interaction. Gildan made several moves over time in first adopting the WRAP standard (an industry-based certification scheme), then seeking accreditation from the well-known Bureau Veritas, subsequently endorsing the FLA standard (a multi-stakeholder standard believed by many to be more stringent than WRAP)[24], then closing the plant, and finally reopening another plant while promising to preferentially hire workers from the previous plant. On their part, EMIH/MSN made clear that no progress was made, reiterated their claims and demands, expanded their network of support (Amnesty International, Oxfam, Solidarity Fund QFL—a socially responsible investment fund holding shares in Gildan), protested with FLA once Gildan was affiliated, and finally accepted a solution under tutelage of FLA although their preferred standard had been SA8000, an NGO standard deemed more stringent than FLA.

The Gildan case is a clear example of a corporate boomerang (Figure 2). After all, El Progreso workers could not solve their complaints with the local management, and hence sought support with EMIH in Honduras, and through EMIH, with MSN in Canada, thus creating a transnational activist network. MSN organized and kept pressure on Gildan until, eventually, the conflict was resolved.

[Insert Figure 2]

Two characteristics make the case interesting. First is the recourse to labour standards and other external certifications, both by Gildan and MSN. Seeking refuge to such external solutions apparently strengthens both actors' position in their negotiation process, arguably in part by shifting the debate towards a discussion on the legitimacy of the external certification schemes rather than on what is actually being certified. The attention then focuses on the method of measurement instead of on what is being measured. Second is the observation of escalation in the conflict, prior to settlement, due to MSN expanding the network of supporters. Different modes of escalation are also observed in the next example.

Nike, Reebok and adidas. Gildan is one of the many firms that were challenged for sub-standard labour conditions in its overseas production facilities. Other firms, such as Nike, Reebok, and adidas, have experienced a wide variety of such challenges, relating to different production facilities in various countries. In each of these cases the protest model of the boomerang was similar, and need therefore not be repeated here. However, the recurrence of the protest led us to question whether and how such instances of protest might be related: do these protests have an impact on one another? Also, we were interested in gaining more insight in the patterning of protest tactics over time.

In order to address these questions we selected eight cases of protest against Nike, adidas and Reebok in different countries (Indonesia, Vietnam, China and Pakistan) that were thoroughly analyzed and well covered in publicly available documents (mostly academic articles, teaching cases). Notably, the anti-sweatshop campaign started with a case of Nike in Indonesia, which we included in our selection of cases. We focused our analysis on the right-hand side of the boomerang: the tactics employed by the activist groups in the TAN toward the company. Earlier

on we presented a categorization of protest tactics, and argued that some tactics were only being used by activist groups when they felt that extra pressure was needed because of a lack of progress toward realizing their goals, i.e. escalation.[25] Following this typology of tactics, we coded for the observed tactics in each of the selected cases. We observed that the tactics used at the start of some of the cases resembled a stage of escalation. Hence we concluded that in order to understand how the activist groups in the TAN operate in each of the cases, we need to consider the collection of cases together rather than examining the cases individually.

We noticed escalation in corporate boomerangs along four dimensions. First in the choice of tactics: over time, as insufficient progress was made, activist groups would resort to tactics that make a larger impact on the targeted company. Second in the intensity of employing tactics: over time there was an increase of the number of protest tactics being employed until the case would be more or less resolved, or for cases in China until the activist groups considered that no further progress could be made. Third in the locus of protest: as little progress was made in the first case of Nike in Indonesia, protest was organized around allegations of sub-standard labour practices at other suppliers to Nike in different countries. Finally, the protest spread to targeting other firms in the industry, Reebok and adidas, as well as yet other firms. The latter two steps involve an upward 'scale shift', "a change in the number and level of coordinated contentious actions to a different focal point, involving a new range of actors, different objects, and broadened claims",[26] in which the problem is redefined from a local mishap to one that is endemic for the industry. Hence, other elements of the corporate boomerang come into play here.

Multinationals in Burma. The third example is of a slightly different nature as the ultimate target here is a state. The Burma regime is considered to be an oppressive military dictatorship where the military controls large parts of the economy. Repressed social and

political unrest in the late 1980s, and the rulers' refusal to acknowledge the results of the 1990 free elections were instrumental in the setting up of expatriate activist groups and networks campaigning for a 'Free Burma' in Western countries and Thailand. They argued that any foreign company setting up business in Burma needs to cooperate with the regime, and therefore these activists plead for a ban on novel, and the withdrawal of existing, investments by Western companies. The calls for boycott and disinvestment were endorsed by Aung San Suu Kyi, leader of the opposition and later winner of the Nobel Price for Peace. Many Western firms have hence experienced pressure to divest from the country. Consequently, many left the country, offering varying explanations, including protest threats, shifts in priorities, and damage to their corporate reputation.[27] Levi-Strauss pointed out a moral argument, that doing business in Burma implies supporting the regime and hence its violations of human rights.

Other firms resisted the increasing activist pressure. IHC Caland, a Dutch specialist supplier in the off-shore oil & gas industry, is one such company. It faced pressure when one of its subsidiaries in the Summer of 1998 gained a contract for a project in Burma's territorial waters. The company refused to cancel the contract, providing various arguments, including: that the company would need the turn-over; that cancelling the contract would hurt the company's reputation as a trustworthy partner; and that other firms would take over the contract so nothing would change in Burma anyway. It also argued that unlike in the USA, where President Clinton had imposed a ban on further investment in Burma, there was no legal obligation in the Netherlands to refrain from doing business in Burma.

The Dutch Burma Coalition (BCN)—a pressure group set up by various development and environmental organizations and trade unions in order to coordinate the Burma campaign in the Netherland—staged protest events, for instance during and around the company's annual

shareholder meetings, and mobilized public opinion, political parties, and some of the firm's financers. It often did so in close collaboration with other organizations. Talks with the company were largely unproductive—actually, in 1999, the company accepted a second contract—but eventually, in 2003, IHC Caland's new CEO declared that the company would not accept new contracts with Burma and in finalizing its current contracts would adhere to OECD guidelines.

[Insert Figure 3]

Multinationals in Burma can also be understood from the perspective of a boomerang model (Figure 3, for the IHC Caland case), suggesting that States can be the ultimate targets of corporate boomerangs. In this example it is remarkable that there is no direct link between TAN and Burmese population although there is with their representatives in expatriate groups. A second point of interest is that when the activist coalition around BCN had difficulty in convincing the company to change its behaviour, it sought to enrol yet other actors, such as political parties and banks financing the corporation, in its campaign. A second-layer or nested boomerang was thus created, as is depicted in the right-hand side of Figure 3.

Discussion

As the examples have shown, boomerang models can be identified in both contentious politics and private politics, but as Soule suggests, the distinction is artificial. Nevertheless, in this chapter we applied this somewhat artificial distinction, if only because states can be the ultimate targets of boomerangs oriented toward corporations as is shown in the case of IHC Caland, and of Western multinationals in Burma more generally. Here, the 'pressure path' is largely similar to the divestment campaign against firms having made investments in South-Africa during the Apartheid regime—morally legitimized by the Sullivan Principles, and

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eventually supported by the USA government through legislation.[28] Hence, the boomerang model is a broader phenomenon than is acknowledged in either the Keck and Sikkink or the McAteer and Pulver models. We therefore propose to refer to "boomerang politics" as a general model in which NGOs and/or activist groups, on behalf of affected parties, exert pressure on primary targets in order for them to influence the ultimate target.

As shown in the examples, boomerang politics can be quite complex to unravel. They involve a dynamics of interaction, with parties acting and reacting to each other's moves. Standards and certification schemes may be involved. Escalation may occur along various dimensions: in the number of allies, in the choice of tactics, and in the choice of where and when to challenge targets. A finally, boomerangs may become differentiated as a second layer of boomerang pressure is added to the primary target, as was the case in IHC Caland.

Beyond these observations on the intricacies of particular cases—which we expect to reflect more generalized patterns though—some further reflections on the generalized model of boomerang politics are warranted. Below, we focus on the nature and relationship of the different targets involved, their sensitivity to pressure, and presence of intermittent organizations. These reflections provide an insight in who the targets are, why they are targeted, and how specific organizations can interfere in this process. We deliberately refrain from discussing the properties of the activists/NGOs because we focus on the specific tactic of boomerang politics, rather than on a broader overview of tactical choices such NGOs could make as discussed elsewhere in the literature.[29]

Nature and relationship of primary and ultimate targets. Both ultimate and primary targets can be states or firms or, for that matter, any authority.[30] We restrict our discussion here to states and firms. The situation in which both the primary and the ultimate targets are states is

covered in the Keck and Sikkink model; it is the domain of international politics from which this model emanates. Here, the starting point is most often to assert that states are autonomous entities that have a prolonged existence. Although all sorts of (international) treaties and policy documents exist that formally bind states, the accompanying reinforcement mechanisms are usually weak. Hence, there are no hierarchical relationships between states. States are autonomous entities but all sorts of resource dependencies may attenuate their room to manoeuvre, as we will discuss in the next section.

However, the relationship between firms as primary and ultimate targets is quite different. As opposed to states, the long-term existence of firms is less certain as they may go bankrupt or cease to exist, for instance due to divestment. This is, in general, more likely to the ultimate targets as they are often (local) subcontractors or subsidiaries, than to primary targets who are more often multinational firms. The very existence of subsidiaries and subcontractors as ultimate targets might come to be at stake when the primary targets threaten to cease doing business with them. The threat is of course stronger to the extent that they are more dependent on a single client.

This brings us to a second major difference: the existence of a contractual relationship between the primary and ultimate target. The production facility, the ultimate target, is either part of the corporate hierarchy as a subsidiary, or is bound to the focal firm via contractual obligations. In the latter case, the relationship may involve several steps and can be discontinued once a conflict with stakeholders arises, enabling the contracting firm to deny responsibility for, say, social conditions in their contractors' production plants. This possibility of closedown and potential replacement of production facilities weakens the position of these local firms, as well as of local workers and the coherence of TANs, as employers may pit workers against each other.[31]

In such a situation, "gains made in one location may mean very real losses for workers elsewhere."[32] This possibility can be a threat to corporate boomerangs; activists' efforts to improve for instance working conditions might result in worsening circumstances for local workers as they could be put out of work.[33] Apparently the application of a corporate boomerang involves a careful balancing act, which might weaken its effectiveness and its attractiveness to activists.

Finally, whereas relations between states usually are permanent in nature, relations between firms are more temporal, or at least easier to sever. Of course, these relations are covered in contracts but a subcontracting firm may have contractual obligations to multiple firms which might mean that they are less dependent on one single firm.

Challenging states as ultimate targets through firms as primary targets—the situation in Burma—combines some of the above difficulties. After all, the very reason for which states might be challenged as ultimate targets is arguably related to the lack of a well-functioning pluralistic and democratic system, which would otherwise provide entry points for conflict resolution. Further, in the contractual relationship between the state as ultimate target and the firm as primary target, the balance of power is in most cases likely to lean toward the state. The state has concessions to sell and orders to grant, whereas the firm faces competition; other firms might step in and take the order, as the IHC Caland example illustrated.

Sensitivity to pressure. Another important element in the comparison between state-focused and corporate boomerangs involves the differences in vulnerability of the respective targets. What makes a state or a firm sensitive to pressure?

The responsiveness of states as primary targets is relatively well understood—it is the domain of most of the social movement literature—and can be said to depend on the functioning of a pluralistic and democratic system.[34]

To exert influence over states as ultimate targets is more difficult, and likely to be related to resource dependencies as addressed in resource-dependence theory in organization studies.[35] For example, states can be dependent on other states or intergovernmental organizations (IGOs) for financial or military resources. Think of loans (either direct from other states, or through international institutions such as the International Monetary Fund (IMF), World Bank, or regional development banks), development aid (financial or material, from other states, through UN agencies such as FAO, WHO, or from relief NGOs), or defence capacity (delivery of equipment, training of forces, inclusion in security programs either bilaterally or through IGOs such as NATO). Such dependencies create power differences that can be used to exert leverage over the dependent party. Because of the autonomy of states, the possibility to opt for autarky (such as North Korea or Burma), or the presence of oppressive regimes, such resource dependencies need not always exist, or can turn out to be ineffective. Still, in many situations examples of such dependencies between states can be found.

Legitimacy is an important element in these discussions about sensitivity to external pressure.[36] To the extent that governments want to be perceived as legitimate (e.g., by being democracies, or by being members in good standing of IGOs such as OECD, ILO or other UN agencies), different types of pressure can be exerted upon them. In institutional theory often a distinction is made between cultural-cognitive, normative, and regulative elements that bring stability to social life.[37] Regulative elements often involve the force of law; cultural-cognitive elements are related to normative ideas about what constitutes moral legitimacy, to adhere to

specific norms; and cultural-cognitive elements relate to what is perceived to be an entity in good standing. Obviously, the three elements are interrelated, and certainly not universal. For example, calling upon the Universal Declaration of Human Rights may be less effective in some Asian states or regarding Asian companies, as the very notion of Human Rights is contested across different cultures.[38] For coercive elements to be effective a government needs to accept the jurisdiction of international treaties, i.e. to acknowledge the underlying norms that are expressed in such treaties; only then can they be brought to the associated courts (think of International Court of Justice, European Council of Human Rights or the European Court).

The vulnerability of firms as ultimate targets is implied in the contractual relationship with the firm(s) for which it produces. Michael Porter's framework nicely captures the dynamics of the relationship in case the ultimate target is in a supply relationship, rather than part of the corporate hierarchy of the primary target.[39]

Resource dependencies and legitimacy provide levers on firms as primary targets. Next to regulatory coercive pressure, several tactics can be applied to exert normative pressure.[40] Examples include: (1) different forms of corporate governance, such as shareholder activism on social issues or socially responsible investments; (2) attempts to influence operational costs and benefits, either in the marketplace or in public opinion (through a reputation effect); and (3) through social alliances in which issues of corporate social responsibility can be influential. The sensitivity to such pressure will vary across different industries and across different countries but a combination of such tactics is likely to be applied by NGOs to invoke change at the level of the ultimate target.[41] The availability and nature of intermittent organizations is another element that is likely to influence the pressure paths.

Presence of intermittent organizations. Intermittent organizations can be important in boomerang politics. Intergovernmental organizations (IGOs), such as the United Nations, World Trade Organization, International Labour Organization or the European Union, have a normative role, among other roles, in keeping up standards among their members. It is on this ground that they may have influence over State A, as it allows for symbolic pressure, and sometimes may legitimate coercive power. Thus, in Figure 4, IGOs may be approached by NGOs to pressurize State B to pressurize State A, or, NGOs and State B might seek to convince IGOs to pressurize State A. Sometimes NGOs may have also an observer status to these intergovernmental organizations and of course both firms and NGOs try to influence decision-making processes within these organizations, for instance via lobbying. IGOs make predominantly use of symbolic politics (exerting political pressure) and leverage politics (imposing sanctions).

[Insert Figure 4]

Firms on the other hand may be adherents to multi-stakeholder initiatives (MSIs) which typically are independent from states, and in which NGOs may have a much larger say. In some cases NGOs are (co-)founders of multi-stakeholder initiatives, such as the Fair Labor Association or Social Accountability International, whereas in other cases they are partners in IGO initiatives, such as the UN Global Compact.[42] These MSIs predominantly make use of accountability politics such as certification or external verification. It should be noted that often Western firms are members of these MSIs, whereas their contract partners are typically not: this might be caused by a mix of higher vulnerability (reputation risks), slack resources or a stronger presence of NGOs in their immediate environment. Overall, the effectiveness of intermittent organizations is regularly debated but this regards both the state-focused and the corporate-

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focused ones.[43] With the increasing focus on private politics, their role nevertheless seems to become more and more important.

Implications for stakeholder theory

Having explored the notion of boomerang politics in some detail, we will now explore how this notion could contribute to stakeholder theory. In a recent review essay, De Bakker and Den Hond argued that the question of stakeholder influence over firms is a challenging one as activist groups are often considered as secondary stakeholders in the stakeholder literature.[44] Secondary stakeholders "are diverse and include those who are not directly engaged in the organization's economic activities but are able to exert influence or are affected by the organization"[45]. As these stakeholders do not have a formal contractual bond with the firm and also lack direct legal authority over the firm, their position opposite firms is weaker and their salience often is considered to be relatively low. Being seen as less salient, for long they have received less attention in the literature but this is changing as the role of NGOs in impacting firms is receiving more and more research attention.[46] As Frooman already noted, these stakeholders may find indirect ways to develop power and legitimacy and thus enter the picture, working though allies.[47] As stakeholders, either primary or secondary, cooperate to get their claims attended to, they engage in collective action. They need each other to establish their objectives and they could build on each others' activities. To this end, it seems helpful not to view salience as a fixed attribute but as one that depends on the interaction between one or more stakeholder groups, the claim at hand and the firm to which it is addressed.[48] Boomerang politics can be helpful in understanding the pathways by which stakeholder groups that have for long been seen as more marginal can still be effective in the "politics of stakeholder influence".[49]

Stakeholders often do not operate in isolation. This is exactly where stakeholder theory could learn from social movement studies, as dealing with problems of collective action, allies and adversaries has been a central element of that branch of sociology. From a social movement studies' perspective, Whittier discusses various consequences that heterogeneity within a movement may have on that particular movement.[50] For example, it may result in the generation of new stakeholder groups that work on other themes, it may have spill-over effects in the sense that stakeholder groups learn from each other in how to target firms effectively, or it may have consequences for their ability to change firm behaviour.

Such heterogeneity may also be at stake within the TANs that apply boomerang politics. There may also be differences in interest, identity, and ideology of local NGOs versus their international allies. According to McAteer and Pulver, a TAN can be seen as "an arena of convergence between widely different actors separated by cultural differences, geographic location, and access to resources".[51] These differences can be large, for instance on issues like power, culture, ideology or strategic interests.[52] The ways in which these transnational networks are able to cope with these differences in interests, identities and ideologies among their local member organizations will be important in the degree to which they can effectively exert pressure on corporations or states in both countries.

Although lessons might thus be learned from combining stakeholder theory and social movement studies, research combining both streams of literature is still relatively scarce. This might be caused by the different dominant foci of both domains: stakeholder theory traditionally considered (firm) management and stems from management studies, whereas social movement studies emphasized governments and society at large and stems from sociology. Interesting attempts to overcome this distinction between both approaches can be found in studies that focus

on issues or issue domains. In such research on collaboration[53] stakeholders' issues have received quite some attention; increasingly concepts from social movement studies, such as mobilization and opportunity structures, are incorporated in such analyses[54], for instance focussing on the formation of cross-sector social partnerships to deal with an issue. The current chapter, in which we combine several theoretical insights to understand a specific tactic, underscores the relevance of widening the scope of stakeholder theorizing—an important objective of this volume.

The stark analytic divide between collaboration and conflict that we applied in this chapter mainly served to outline the various positions actors in these boomerang politics can take. Although conflicts often are important in boomerang politics, the role of conflict should not be over-estimated. The distinction between contentious and private politics is sometimes misguiding[55] in the sense that contentious and private politics in many cases are complementary. One can however expect that such interaction patterns will often be mixed and that next to conflict collaboration also can occur. It would be helpful to concentrate on interaction processes over time, including both collaboration and conflict to understand the evolution of transnational stakeholder influence over time.[56] After all, if firms and states differ in the factors that affect their interests and reputations, as well as in the type of relationships they entertain with other actors, there might be some patterning in the evolution of protest (such as the sequencing of protest strategies), or there might appear more or less effective or viable combinations of strategies like the simultaneous pursuit of both scale shift and insider tactics.

Concluding remarks

In this chapter we discussed a specific application of stakeholder theory, thereby contributing to the objective of this edited volume to provide a multi-faceted understanding of corporate social responsibility among different stakeholders and the pressures and conflicts that result from them. We present the notion of boomerang politics as a means to understand transnational stakeholder influence in the context of globalization. This notion generalizes Keck and Sikkink's state-focused boomerang model by including private politics, and thus making it relevant for stakeholder theorizing. As opposed to states, firms provide different leverage points for transnational stakeholder influence. Their commercial objectives make them more vulnerable for reputational damage, their contractual bonds provide them with different influence pathways opposite subsidiaries, and their stakeholders' calls for accountability require them to inform different audiences of their activities. All these characteristics provide a potential for boomerang politics. Taking these more complex pressure paths into account seems useful when trying to understand the ways secondary stakeholders try to impact their ultimate targets.

Yet, more work remains to be done to unravel these boomerang politics, both theoretical and empirical. First, following the combination of theoretical perspectives selected in this chapter, the links between stakeholder management and social movement studies could be explored further, for instance on issues like scale shift or transnational activism in a wider sense.[57] By contrasting state-focused and corporate boomerangs, we provide some angles for further empirical work on the links between social movements and corporations but we also call for a deeper examination. The growing literature on cooperation and focusing on issues or fields seem to offer valuable approaches to guide such empirical research. How are issues resolved? How are norms formed and transferred across fields? Detailed empirical work could help to paint a more nuanced picture of boomerang politics.

In addition, in this chapter we more or less neglected the variety in actors operating within TANs because we aimed to highlight the mechanisms at work in boomerang politics. Indeed, if one thing becomes clear in discussing boomerang politics then it would be the variety of actors involved in these interaction processes and, therefore, the variety of different angles available to address this phenomenon. Tarrow, for instance, emphasized the domestic embeddedness of network members and the political opportunities that arise to shift scales.[58] In a case study of Oxfam researchers indeed claim that "existing scholarship has insufficiently identified the local or parochial nature of the identities of global civil society actors"[59]. Other researchers do not focus on local protest movements in target countries; and yet others *only* consider such local movements or only focus on protest without examining other tactics such as framing or media use. Within empirical analyses of boomerang politics, is will be useful to investigate both TANSs as a whole and the roles of individual organizations within them. When exactly do TANs opt for boomerang politics? What are the internal dynamics involved? And how to these dynamics develop over time? The examples provided in this chapter are based on a few studies that aimed to uncover parts of these processes but more detailed information is needed.

Finally, it is important to note that in studying contentious and private politics the focus of analysis is often on the social movement, or maybe on the transnational stakeholder, thereby disregarding the responses by target firms and the way they connect, or not, to state policies. Corporate political activity[60] on issues like transnational activism is another area that should receive more attention. As Boris Holzer suggests, the lack of global enforcement of rules and standards makes these private politics, including corporate boomerangs, "indispensable to hold otherwise unfettered economic power in check".[61] The mechanisms outlined in this chapter

provide some ways for transnational stakeholders to build or maintain such a system of checks and balances.

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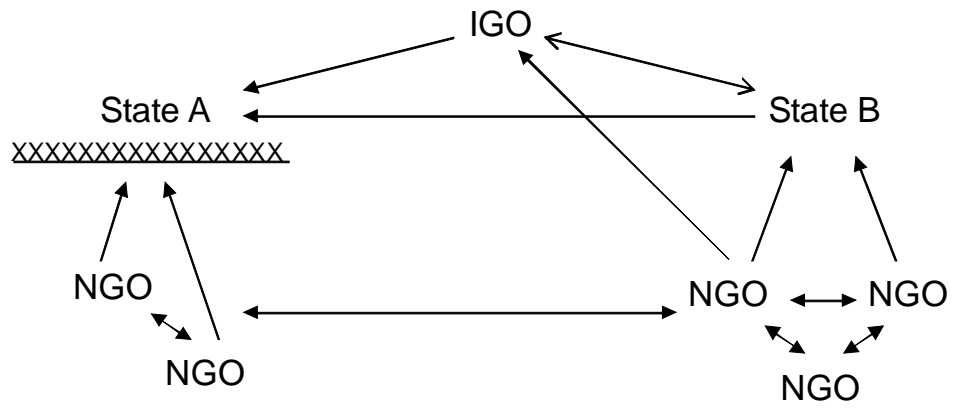
Figure 1: The boomerang effect (adapted from Keck & Sikkink, 1998). Arrows indicate flows of information exchange, support, or pressure.
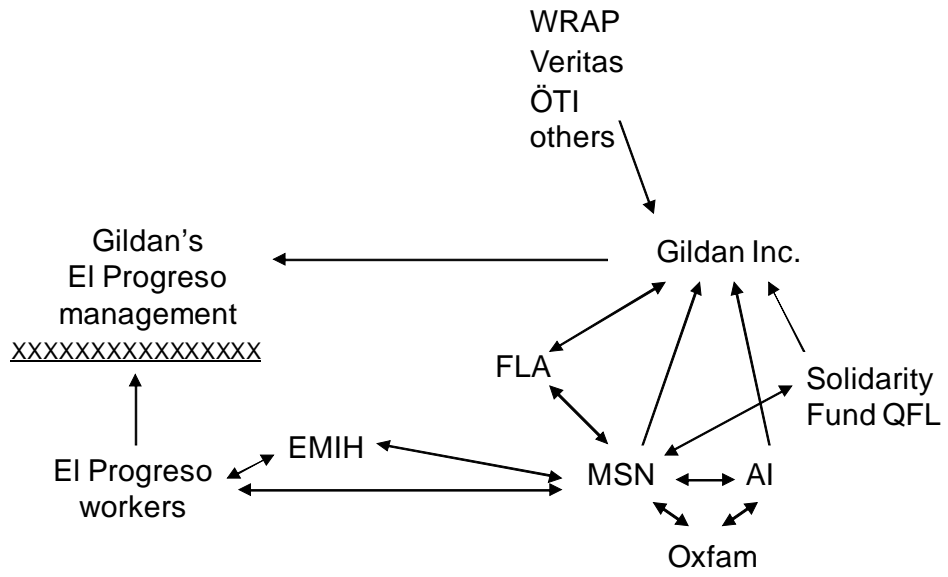
Figure 2: The Gildan case in a boomerang model.

Burma
regime ← IHC Caland

xxxxxxxxxxxxxxx   xxxxxx   Political
                                              parties

                                              Banks

(Burma
population) ········· BCN ←→ Trade unions
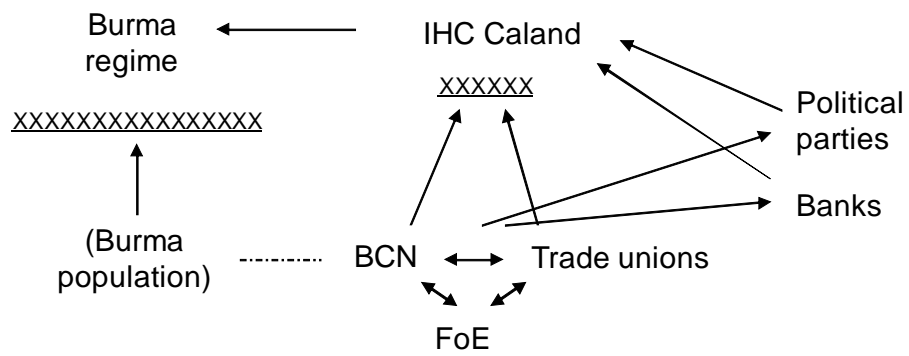
                    FoE
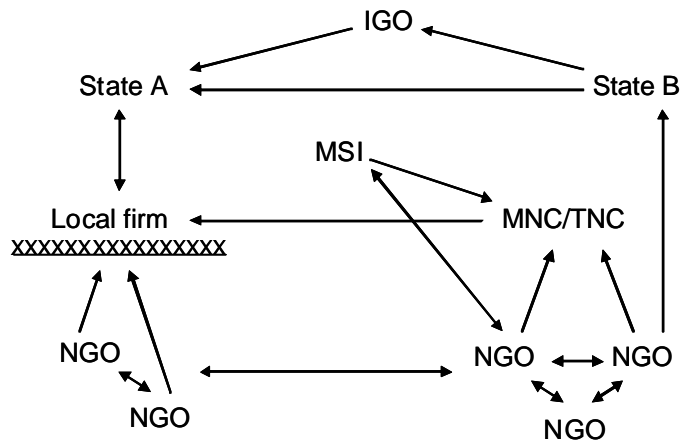
Figure 3: The IHC Caland case in a boomerang model.

Figure 4: Intermittent organizations in boomerang politics.