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Corporate Public Apologies, or Capitalism in Other Words

Nina M Chung

ABSTRACT

After the oil spills and ethics scandals, big corporate public apologies have become a norm. They spark debates in rooms where business executives meet, all the way to online forums where consumers tweet their two cents. In the headlines, the apologies are often lauded as an admission of corporate guilt, or accused of being a cheap corporate ploy. They are also usually reported in the context of decreased trust in business and the increased power of the consumer vis-à-vis the corporation. Meanwhile, a separate debate goes on about the merits of capitalism – a system that depends on the success of corporate interests. Is there a connection between the drama of corporate apologies and the drama of capitalism? Apologies are known for rehabilitating social order. Which social order are corporate public apologies rehabilitating?

So far, research on apologies has focused primarily on their short-term effects on reputation

There are these two young fish swimming along
and they happen to meet an older fish swimming the other way, who nods at them
and says, 'Morning, boys. How's the water?'

And the two young fish swim on for a bit,
and eventually one of them looks over at the other and goes,

'What the hell is water?'

- David Foster Wallace

INTRODUCTION

Capitalism might be having a moment. Six years past the latest financial crisis and armed with new statistics about socioeconomic inequality worldwide, public and academic speculation has proliferated as to whether the rising tides of this economic system really lifts all boats. In e1.925 (l (o) - 2 [(th 8001882 59/TT(l) 4) 2 (d9 (f) (,)-119 (b) -1 (o) -1 (at) 3 (at) 3 (s) 1 () 5 (o)

John Fiske (1990) outlines two definitions of communications: an event involving a recipient's personal interpretation of a message, or an event by which a recipient is influenced by a message's sender (40). The cultural studies approach to media tends to uphold the interpretive definition. Many authors emphasize that cultural objects are standalone texts to be analysed

unilaterally control public opinion only 'carry growing risks in terms of conflict' because disgruntled consumers had become a powerful force on corporate profits that companies needed to address and engage (335). With the advent of more horizontal communications like the Internet and social media, attempts to manipulate the public single-handedly were unlikely to reap benefits.

This current strain of capitalism has characterized the last 24 years in most postindustrial, developed countries. Its advocates associate it with 'the most globally organized and deeply entrenched order the world has ever seen' (Ikenberry, 2014: 89) and, normatively, 'a real hope of a better future' for all (Friedman, 1951: 93). Neoliberalism's adver

argue that capitalism and modern-day neoliberalism have become so deeply embedded in the general consciousness as an assumed fact of reality that few even know what they are (Chomsky, 1999; Wolff, 2012). On the flip side, those who dare to debate them are considered mentally unstable (Wolff, 2012: 272). For example, American lawyer and journalist Glenn Greenwald (2013) has written extensively about how Western media establishments tend to question the mental stability of people who 'engage in any meaningful dissent against the society's most powerful factions and their institutions' – a technique notably shared by the Soviet Union (Chomsky, 1999: 55).⁶ Philosopher Noam Chomsky has said that Western media must do this to maintain the 'necessary illusion' that privately gained profits filter down to their communities (McChesney, 1998: 14). Yet this modern-day censorship need not be consciously or conspiratorially organized (Ibid.). Dominant ideologies can be perpetuated, and their alternatives silenced, by anyone because they 'appear natural, they seem to be common sense' (Durham and Kellner, 2006: xiv; Kellner, 2005:

METHODOLOGY & RESEARCH DESIGN

Rationale for Interviews

This project took a qualitative (as opposed to quantitative) research approach because it was interested in how a group of people think about and explain a particular topic: the corporate public apology. As Colin Robson (2011) explains, people 'are conscious, purposive actors who have ideas about their world and attach meaning to what is going on around them' (17). This project assumed that such ideas are not only valuable for others to understand, but are best revealed through equally exploratory methods (Robson, 2011). This project's methodology could further be classified as socially constructionist because of its interest in the 'multiple perspectives' of participants (Burr, 2003; Robson, 2011: 24).

Qualitative methods abound, but the researcher chose in-depth interviews because they provide direct access to participants' viewpoints. Simply put, 'the best way to find out what the people think about something is to ask them' (Bower, 1973: vi). An interview 'allows the person to respond in their own words,' which is a crucial indicator of how t

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Focus groups and survey/questionnaires also presented significant disadvantages for this project. Firstly, focus groups gather several participants at once for discussion, requiring an elaborate and highly unrealistic coordination of schedules given the issues already mentioned. It was also likely that grouping participants would preclude open conversation about a topic as potentially sensitive as apologies, especially if participants came from organizations with competing interests. Similarly, surveys and questionnaires would not engage participants' worldviews as deeply, nor allow for the flexibility and unexpected turns of discussion that interviews encourage.

The potential downfalls of interviews also deserve noting, though their strength to 'look beyond ordinary, everyday ways' of understanding a topic was ultimately the most crucial factor (Holstein and Gubrium, 1997: 11-14). Interviews have been critiqued for weakening the 'regulative principles' of validity and reliability (Maso, 2003: 40). The social science's historical 'quest for "objective" data' had assumed in the past that human subjectivity 'contaminates' valuable research (Hayes, 2000: 120-121). Interviewers were expected to structure standardized interviews as rigidly as possible as a result (Holstein and Gubrium, 1997: 3). Interviews were also seen as un-replicable, though reliability is the social science's

Sampling

This project aimed to speak with people as close to the act of a public apology as possible. In practice, this meant people in high positions in their organizations. Empirical research depth would be gained by their tenure and level of authority in their fields. Breadth would be gained by speaking with representatives from various sectors in society, to comment on the topic. These initial criteria meant that sampling was done 'non-randomly,' with a particular purpose (Jensen, 2002: 238). By the end, interviewees had been conducted with management and executive-level figures in organizations spanning banking, business, consulting, consumer retail, crisis communications, defense, finance, international development, news, politics, social networking, technology and telecommunications. They were able to comment on corporate public apologies bot

13.2 Individuals⁹

Directors

social science studies inevitably make a value-laden statement about the status quo and social change, whether the researchers intended it or not (Hammersley, 2000: 3). These points were crucial to consider for this project because corporate public apologies inherently follow some form of conflict between different parties across business, government and society. Moreover, this project explored the opinion of what are methodologically called 'elites,' as explored above, which are arguably society's 'superordinate' group. However, this project was pursued in the firm belief that exploring this point of view does not automatically constitute a bias toward this group, but rather a commitment to adding knowledge to a larger conversation within which corporate public apologies lie. This researcher aimed to locate an empirically overlooked perspective.

These ethical concerns were reviewed and approved at the LSE in early 2014.

Conducting Interviews

Interviews were scheduled via email. Eight were conducted in person at either the interviewee's home or office in London, U.K., and five were conducted over Skype/phone call. Several cases of unpredictable schedule changes meant that the shortest interview lasted just over 10 minutes and the longest an hour and a half, but the majority of interviews lasted between 30 and 45 minutes. As explained above, the interview guide was designed specifically to accommodate this general variability.

data the longer and more repeatedly they were read (Hayes, 2000: 176; Rice and Ezzy, 2000: 199; 258). The ultimate aim was to ensure that all derived conclusions were firmly rooted in the raw data (Fereday and Muir-Cochrane, 2006: 83; Hayes, 2000: 176).

The following section includes quotes that most clearly represent their theme and demonstrate the major consensuses and divergences among the interviews regarding

If it's a genuine error, obviously there should be an apology and that's the best of dealing with it. (10)

It's an admission of wrongdoing. (11)

Companies are run by human beings... They therefore do bad things by accident, or even occasionally by design. So of course there is the need for them sometimes to apologize. (12)

This sense of morality also influenced expectations for the way in which companies should conduct public apologies. For example, interviewees felt that companies should express strong self-awareness about their wrongdoing, especially by re

shared morals were. One interviewee mentioned the recent case of the CEO of Mozilla, who resigned less than two weeks into the job after news resurfaced that he had contributed to a controversial anti-gay marriage campaign in the United States. Then, after his resignation, further controversy had begun as to whether his freedom of speech had been attacked.¹⁰ These interviewees felt that companies needed to apologize after breaching moral codes, but admitted that the initial task of defining those codes was problematic:

The private, personal views of the CEO on a matter of social-political controversy shouldn't necessarily have led to that kind of action [resignation of Mozilla CEO Brendan Eich]...

They [apologies] can fail for multiple reasons. You've got the sincerity thing, which goes to how your business leader comes across. Then you've got how quickly can they move from words to action. (12)

It's the follow-through with actions and demonstrations of sincerity that's important... It's what you do rather than what you say. So there is meaning if it's a genuine signpost to contrition and reform. (13)

This focus on change was a broad point of agreement. As one interviewee explained, it was easy to gauge an apologizer's regret or remorse in private, interpersonal apologies. Public apologies, on the other hand, were not so transparent and had to compensate in clearer, often more tangible, ways. The 'proof of genuineness' for corporate public apologies had to be more apparent, especially given already low public trust in business and institutions (Edelman, 2014). In a way, interviewees were expressing a progressive agenda by viewing corporate public apologies as a channel for change, rather than just a statement. Media theorist Jodi Dean (2002) has also argued for the importance of demanding change rather than mere discussion, in the context of democratic societies. She found that the Internet age has made people so focused on e f

If it's [the apology] followed by a resignation, it's only because the public feel that the apology wasn't quite enough. In this country, sometimes apologize, hold your breath, and wait and see if that's enough. And if it's not enough then a sacrifice must follow. (5)

What the Catholics call 'due penance'... means that 'we're going to do more than what we need to do. We're going to apologize, we're going to do more than compensate you for your harm, we're going to do more than give you a way to track us so we'll never do it again, we're going to do something else that's going to cost us.' Maybe money, maybe something else. It's a penance. (6)

We've moved into a blame and compensation culture and I think that affects how we deal with apology and how we perceive apology, as well. It becomes part of a big machine now, of which the assumed end point is, 'I want some compensation.'...

political or public pressure. Statements that primarily seemed to be a crisis communications strategy were seen as unconvincing ('just PR,'

Interviewees said both traditional and social media channels could force a company to publicly apologize. The significant point of disagreement was on social media, though, and specifically how democratic it was. Some interviewees saw social media encouraging corporate accountability and multilateral engagement with consumer interests. As we explored earlier in this dissertation, this view is also heralded by scholars who are optimistic that Internet-based networks empower consumers and allow consumers and corporate interests to better cooperate (Deuze, 2007; Jarvis, 2011). Similarly, these interviewees felt

However, some of those interviewees balanced their views of social media with its less equitable aspects, particularly its inability to capture real public opinion. They questioned social media's equity if it could be appropriated by people with unrepresentative views:

I think you have to be careful not to create the danger of there being a mob mentality around these things... you have to ask the question about whether that kind of public pressure leading to an apology – or more – is the right thing because it means that organization's just being driven by the scale of the social media response potentially, as opposed to whether there's something which is a genuine offense or significant reputational risk for their organization. (10)

The problem with social media is that the stuff that takes off ignores the silent majority. And the most vociferous people - are they actually representative? Are they getting things out of perspective? I think this is where we are all still feeling our way, because it could be a million Twitter users. Are you going to say there are a million people out there gone hysterical, got this wrong? And you know what: sometimes the answer is Yes!... So if you had 40 people in a room, and one of them is going berserk about this and the others are more relaxed about it... It's very tricky. (12)

In a way, the spectrum of interviewee attitudes toward social media mirrored the academic debate around the public sphere, a concept widely credited to German sociologist Jurgen Habermas (1989). Habermas' public sphere was an idealized setting in democracies where citizens would rationally discuss the public good. Their discussions would represent a 'reasoned form of access to truth' about public opinion, which is how interviewees felt toward websites like Facebook and Twitter that putatively told them the 'truth' about their reputations (Calhoun, 1992: 17). Conversely, interviewees expressed concerned about these forums' exclusionary nature, echoing many scholars' critique that Habermas' idealized public sphere inherently prioritized some groups in society over others (Calhoun, 1992; Fraser, 1990; Mouffe, 1999). Dean (2002) argued that not everyone has the same 'communicative capital,' in much the

There is something about truly being great where you can forgive a lot of things. You're somebody people genuinely admire because you're genuinely admirable. You've got so many admirable qualities, sometimes a weakness... we can forgive. (8)

[Manchester United football manager] Alex Ferguson had a strong record and a strong power

capitalist ideology. What follows is a formal outline of how both cultural studies and political economy analysis of the research interviews reveal their ideological assumptions.

Interviewees gave personal interpretations q 0 0.0cs 0 01() -23 -2 (s) 1 () 595((p) -2 (q 0 0.0r) 1 (at) 2 (e) -

means both to deliver social goods and to deliver the ends, the good life itself" (part C. and D.) (Jones, 2012: 8). This suggests that the apologies contribute to that 'sacred aura' that society has built up around capitalism, simply by the way it communicates (McChesney, 1998: 7).

The idea that unlikely objects conceal far larger ideologies recalls Barthes (1972), mentioned

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