

HABILITATION THESIS REVIEWER'S REPORT

Masaryk University	
Faculty	Faculty of Social Studies
Procedure field	Sociology
Applicant	Robert Braun
Applicant's home unit, institution	Institute for Advanced Studies, Vienna
Habilitation thesis	„Corporate Stakeholder Democracy“
Reviewer	Ondřej Císař
Reviewer's home unit, institution	Charles University

The habilitation thesis (hereafter referred to as the book) by Robert Braun presents a relevant contribution to the discussion on the future of current capitalist societies. Its main goal is to develop a normative argument on the need to democratize the functioning of capitalist corporations, since as the book rightly points out, corporations influence our lives tremendously and their influence tends to increase in time. According to Braun, corporations must “go through an internal change by transforming themselves from absolutist royal courts into democratically managed corporate communities.” (p. 107) Since this is a difficult goal, the book searches for some solid basis of the presented normative argument. If there were no such basis, the argument would end up as idealist wishful thinking.

According to Braun, the basis of the argument can be found in the currently developing practice of corporate social responsibility (CSR). In the book CSR is affirmed not as a potentially whitewashing practice aimed at covering unpleasant facts in the functioning of corporations, but as a practice of potential politicization of corporate functioning. Braun builds on the established contributions to the study of CSR and stakeholder theory, and develops them into his vision of corporate stakeholder democracy. In order to do so, the book applies the concepts of 20th century social theory, going – so to say – from Habermas to Foucault and Beck. Here I see the first problem of the book.

The selected concepts, such as communicative action and practices of the self, are decontextualized and applied in a new context without sufficient discussion. For example, Braun several times refers to the need to transform corporate practices so that they are in line with the requirements of Habermasian discursive democracy (p. 95, 307, 309 and many other instances). Habermas is mentioned and applied in the context of corporations, i.e. in the sphere of economy, which is not the social site, where Habermas situates communicative practices. Philosophically, they originate in the *lifeworld*, which is *opposed* to the *system* of economy, institutionally, they can be found in civil society, which is a social sphere different from capitalist economy. Although I do not want to dispute the possibility of drawing on Habermas while thinking about corporate democratization, I would definitely like to see a more elaborate discussion supporting this argument. It would add the presented argument a theoretical depth and better specify the scholarly contribution of the book. The same applies, for example, to Foucault, whose value added to the presented argument is unclear to me.

If the applied authors were debated in a greater detail, the book would be better able to position itself also in terms of its main normative vision and its relation to other relevant normative ideals. The book starts with a bold proclamation: “This book is for and about future.” However, almost all normative books could start with the same sentence, it definitely concerns

the authors discussed in the book. There are explicit normative proposals meant for the future in Habermas and Beck, there is an implicit one in Foucault. How do they relate to the vision of corporate stakeholder democracy by Braun? I would be very interested in reading more on that issue.

The second problem is a somewhat linear type of argumentation and missing contextualization in the currently relevant literature. The book believes that CSR will gradually develop into what Braun calls its political form (pCSR, political corporate social responsibility), which will allow the transformation of current mostly profit-oriented corporate practices into a discursive process of consent formation including all stakeholders of the corporations. A more developed debate and contextualization in the relevant literature would be needed here. The dominant stream of literature in sociology and political economy on the current developments of capitalism paints a picture radically different from the one illustrated by a couple of examples described in the book. The book refers to some of these contributions, such as the bestseller by T. Piketty, but does not engage them fully. It overlooks some relevant and influential contributions, for example, by W. Streeck, I. Wallerstein, R. Collins, and C. Calhoun. Although different in their focus, all these books and papers show that globalized capitalism is not defined by gradually developing social responsibility practices, but by not so gradually developing inequalities, which make democratic governance more and more difficult even in its classical – nation-state-based – form, not to speak about the development of some new type of corporate-based democracy.

According to Streeck (*Buying Time*, 2014), corporations and their investors have formed a new type of people based on capital (*Marktvolk*), which directly challenges the popular sovereignty of democratic citizens (*Staatsvolk*). In such environment, one would rather not expect the realization of optimistic visions presented in the book. Again, I am not saying that the author's argument is impossible, but it should have been better argued in the context of the current literature, which importantly challenges what is presented in the book, implicitly at least. I would be interested in the explicit debate of the book's argument in the context of relevant critical studies of the political consequences of global capitalism. In general, a more elaborate debate of globalization and its effects for CSR would be needed, since global supply chains and the sheer distance that separates the production and consumption sites make any practice of political corporate social responsibility very difficult. For example, who are the relevant stakeholders of Apple Inc.?

Reviewer's questions for the habilitation thesis defence

1. Can the vision of corporate stakeholder democracy be discussed in relation to the normative visions of currently influential sociologists and social theorists such as Habermas and Beck?
2. Can the consequences of globalization, as critically debated for example by Streeck, be discussed in relation to the argument of the book? The current complex structure of globalized economic institutions makes the straightforward vision of gradually developing pCSR untenable in my view. As demonstrated by Arendt and Bauman (also referred to in the book) in different contexts, the geographical and social distance makes ethical practices difficult; in fact, according to them, these practices have become diffused in the complex structure of modern institutions. In other words, responsibility has been lost in modernity. As demonstrated by Beck among others, modern institutions have recently become even more complex due to globalization. How has it affected the conditions of possibility of the vision presented in the book?

Conclusion

Although it calls for questions and critical comments, as any thought-provoking book does, Corporate Stakeholder Democracy is a well-written and well-structured contribution to our thinking about the future of democracy.

The habilitation thesis entitled „Corporate Stakeholder Democracy“ by Robert Braun **fulfils** requirements expected of a habilitation thesis in the field of sociology.

Date: 14.09.2021

Signature: