

Corporate Political Responsibility Taskforce

Expert Dialogue with Bill Shireman & Madeline Para

Shireman& Para #2

Elizabeth Doty: Lovely to see all of you. My name is Elizabeth Doty, and I'm the director of the Corporate Political Responsibility Task Force. I'm delighted to be moderating today's dialogue with Bill Shireman and Madeline Para. The Corporate Political Responsibility Task Force, or CPRT, is an initiative of the Erb [11:42:00] Institute, a 25 year long partnership.

Between the Ross School of Business and the School for Environment and Sustainability at the University of Michigan. Led by Managing Director Terry Nelodov and Faculty Director Tom Lyon, the Erb Institute is known for its leadership in three areas, teaching and learning, business engagement with groups like the CPRT, and scholarly and applied research.

The CPRT's mission is to help companies better align their approach to political influence with their commitments to purpose and values, sustainability, and stakeholders. As we're seeing, corporate political responsibility is an increasingly pivotal element in managing stakeholder trust, addressing systemic issues, and rebuilding public trust in institutions.

I'm delighted to share a little bit about just the incredible people we have with us today, both as our featured speakers, and I think you will all see we have some incredible people in the conversation in the room as well. So first I'll start with Bill Shireman. He's referred to as a serial social [11:43:00] entrepreneur, a policy innovator, and a conflict mediator, which ends up being important in this work.

And he's known for bringing together capitalists and activists, conservatives and progressives, and other unusual bedfellows to overcome challenges that often divide them, where it seems that there's no common ground or no solution. For example, he leads a nonprofit consulting firm. Future 500, where he brokered agreements between Mitsubishi and the Rainforest Action Network, and 400 other companies to create the world's first corporate supply chain standards for sustainable forestry.

He also helped broker a 2008 agreement between Greenpeace and ExxonMobil for the exact same federal tax on carbon. Think about that. And we're going to revisit that. Why didn't that break through? He is currently working as a co chair with Trammell Crow, which you may know from the real estate industry and as a philanthropist, to mobilize solution citizens, which we'll hear a little bit more about, and companies to [11:44:00] tackle political polarization and revitalize democracy.

Using innovative methods like deliberative polling and deliberative democracy methods proprietary data and analytics to connect with solution citizens who want, want progress and want things to be resolved. He also teaches leadership and negotiations at UC Berkeley's Haas School of Business and has authored seven books.

The latest with my favorite publisher, Barrett Kohler called In This Together, How Republicans, Democrats, Capitalists and Activists I'm so glad that you're here, and we'll get into our first question in a moment. But first, just welcome and thanks for making the time. Thank

Bill Shireman: you so much. And for everybody for spending some time on the line today.

We always hope that these conversations will lead to more action afterwards. So hold us

Elizabeth Doty: to that. And then Madeline Parra, who I just met in Dallas and was doing Just delighted to talk with and thought this would be a really great combination here. And also very timely [11:45:00] as we talk about climate policy in the next weeks.

I think it's going to be back on the agenda. She is the executive director of citizens climate lobby, which is a nonprofit nonpartisan grassroots advocacy climate change orgasm organization bringing a respectful nonpartisan approach to design a. Designed to create a broad, sustainable foundation for climate action across all geographic regions and all political inclinations.

It has been supported by climate scientists like James Hanson endorsed by former secretary of state. George Schultz has posted bipartisan sponsored legislation in 2018 to well, before that, but most recently, 2018, 2019, 2021, all with equal support. R's and D's, I believe, at least 2018 and 2019. So there's some really interesting lessons to be learned from this.

And I would love to look that up as we get into the conversation. Madeline worked her way from the local Citizens Climate Lobby chapter in Madison, Wisconsin, starting [11:46:00] in 2011. There have been people who've been. Pouring their life energy into this for some time has assisted 10 other groups and getting started in her home state of Wisconsin and growing her role as the organization has grown.

She's committed to their approach and I heard this when we were in Dallas really came through of empowering people from all backgrounds and bringing a deep emphasis on respect. To the conversation. And in addition to her CCL experience, Madeline draws upon a diverse career in housing, co op management, political activism, anti racism training, peer mediation, counseling, and education.

And other than that,

Why don't you first Madeline to build on what business could do to elevate this Third driver for a common sense response on climate from Republicans, the economy. And if you can be as tactical as possible, you know, what would you do? If you were trying a government affairs officer or a sustainability [11:47:00] officer or a trade association around getting, making that a way to win for.

Madeline Para: Yeah. So PAC money gets you access. Once that elections over and what I would have the folks who then have that access to is quietly if they want not they don't, you know, there's the public things you say, and there's the quiet things you say, and, you know, simply to say we won't beat you up. If you vote for climate is one very good place to start to say we'd like you to would be even better to come in and and and say why you're concerned about the risks of climate or the risks to our democracy.

And, you know, like. Like that. They've got access. So if along with the other things they want their members of Congress to do to protect their business, if they would add those in that that would be very helpful. I think the [11:48:00] trade associations for businesses, the business roundtables, the chambers of Congress.

Commerce, if they, if businesses would work through those that they, you know, it is risky for a business. They don't like to take policy stands or legislative stands. And that's why I'm

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suggesting the private route and the Chamber of Commerce, let the Chamber of Commerce take that heat for doing right on it.

But, you know, so, so that those are my thoughts there. We love businesses that will take. A stand on legislation and I don't know, 100, 1300 of them or something are on our Energy Innovation Act website in support of it. Most of them are small because that's who our volunteers mostly have access to, but there are some bigger ones.

And so we totally love that also.

Elizabeth Doty: Gotcha, and I will come back to you for some problem solving around the chamber. There are many who have said for, I think it's been 15 years. I've been tracking it saying that they are [11:49:00] quietly working with the U. S. chamber on this and that the chambers position is that they don't hear it from their members.

So that I'll come back to you for it. So let's try and do some problem solving what you would do then. And the other thing is, I hear that the, they do say this, but it's item 9 or 15 or 20 on their agenda and it doesn't get raised. Right? So, 1 thing to do, I would just build on what you're saying is to raise it to.

Number 5. Yeah. Right. So, Bill, can I turn to you and let's focus it more on what you would do as a government affairs officer, stakeholder engagement officer sustainability officer or CEO around revitalizing democracy and getting out of this structural tragedy as you described earlier.

Bill Shireman: I think there's two things that I would suggest.

One is to really begin to understand that capitalism and democracy are both facing [11:50:00] existential threats. It's really the same threat. And business as a whole, as well as every individual business has an enlightened self interest and it doesn't take much enlightenment to understand the self interest in the, in a healthy civic democracy because you don't look to authoritarian regimes for lessons on how to, how to make private enterprise successful.

And that's where we're heading. We're going to lose what we've got. So harness that understanding that on both the far right and the far left, the fast thinking is, we got to get, we got to get rid of these big corporations, we got to get rid of this capitalist thing we may not call it capitalist on the right but the mega community is angry at.

Primarily the technology and media sectors, and they want them regulated. They want them regulated, and [11:51:00] the left wants to regulate, you know, everybody else or take them out. The far extremes. So understand that existential threat. And then whether or not they understand that existential threat, there's really no downside.

To engaging in healthy, deliberative, civic democracy. So that means join with ERB, you know, join with the CPR movement and support the adoption of civil democratic experiences for their employees and for the members of the communities that they're active in, fund deliberative democracy experiences.

And then everybody who's engaged in those experiences help them to join in to become that third force of Americans that have actually experienced that that's fundamentally important to them. And [11:52:00] fortunately, healthy civic engagement is not is not controversial, for the most part, taking a position on any issue.

Is what the companies want to stay away from if they want less pressure in their positions, then embrace deliberate, deliberative democracy experiences and get their employees engaged in them inside and out.

Elizabeth Doty: Yeah. Thank you very much. I heard I heard a fantastic inspiration when you mentioned this in another setting.

Why not do that for any PAC contributions and or whether to keep your pack right? Why deliberative process? Thank you. Within the company to think about where we weigh in and how we direct our our, our agenda. So thoughts, reactions, how does this strike you? Does this spark any ideas or reinforce things you're already doing?

What do you all think? I'm just curious if there, if you can provide some examples of companies that are in the deliberative [11:53:00] democracy space, taking an advantage of, of that and.

Madeline Para: I'm also curious about, I'm glad you touched on the

Elizabeth Doty: demographic piece of it, it does seem like there's kind of a rise in employee activism around the climate space and other social issues and just what you've seen that, whether that's working or if you're seeing that more and more within

Madeline Para: companies.

I don't myself have that much direct experience with. With what's happening with companies and employee activism beyond what I see in the news. I, it seems to me it's useful. It also, I come from an organization that style is not protest. And, and blame there's usefulness in that, but problems in it too.

It can perpetuate the same thing. So I think, I think employees like everybody need to be active and need to find their way to do it. And there, they, they may want to adopt [11:54:00] both working. Channels and pressure

Bill Shireman: companies have been fundamental to driving solutions to the issues that we work on with wearing my future 500 hat.

It has been our practice to when we're looking at solving climate or forest protection or ocean protection problem. We look to consumer brands and retailers To to set the decision for the rest of their supply chain that we're going to do something about this problem. We're going to adopt more sustainable practices and the leadership of those consumer brands.

And retailers has driven change through the entire global supply chain that's been very intelligent and applied very well, still much more to do. It has not been dogmatic. It has [11:55:00] not been demanding. It has been effective and we need more of that. So I like the idea of brands taking stands as they, as they call it, you know, the Nikes and the, and the Walmarts and others taking stands and saying we're for sustainability.

What's dangerous is now the ideological orientation that it's beginning to take and the political system is what's pushing it in this direction, I think, because political media profit when they can cast these issues in very us versus them terms. So the focus on Disney, you know, and Disney taking a particular stance that aligned with some of their employees.

But actually, then not with others of their employees was, I think, proof to companies to be really careful about about taking these positions and to stay away even further from them. So they're a bit, you [11:56:00] know. In an impossible place right now. And to me, the only

way to get out of that place. It's not to just try to, you know, hold back and not take a position employees are not going to put up with that.

I think the quality way is to Institute. Deliberative processes inside the companies so that so that employees come together, because when they do, we can be confident that they actually come out with sensible, broad minded policy approaches. So, institutionalizing that is so important.

Elizabeth Doty: I agree. And I think that that in a way, it's a 3rd side move that says, let's not do this based on the fast thinking.

I'm using your framing now that says, let's go through a, a, a, Deliberate together to think about this. I could add two examples, Jackie, that might be interesting. Deliberative democracy, as I understand it, is in a category called thick democracy, as opposed to [11:57:00] thin democracy. Thin democracy is where my vote, you know, it's the mechanics of voting and elections, and it's not very interactive or nuanced, not lots of interplay between voters or citizens.

And thick democracy is a The whole variation of things where you have town halls, that's more thick democracy. So with that in mind, it doesn't follow exactly what America in 1 room did Microsoft's response to the criticism after Brad Smith spoke was to form a democracy forward initiative after listening to their employees and then finding.

What was it they were for, and it was to work on how democracy is being distorted and and what is undermining trust in it rather than deciding between current positions on the table. And the other 1 is all state has been supporting this better arguments. Approach and just the idea that we don't need less argumentation.

We just need better quality arguments. And they were forced to that because there was no way they were [11:58:00] going to align on 1 position across all the places that all state oParates. So, that's another example, I think that is viewed as a success and it is both relevant to the business. It's not business encroaching on civil society, but boy, does it carry out right?

It really does apply and people see how it applies. And it

Bill Shireman: appeals strategically to the company's interests rather than just pandering to the political to the political system and drum at a good, a good question here about what do we do about the elected officials who, you know, want to act on behalf of climate, but feel constrained that the super PACs are going to come out against them.

The experience that we've had with CEOs. First of all, CEOs are not generally very highly respected by the political industry, the influence, the influence peddling industry. And I, and I, and I kind of feel like I, I don't need to demonize even that industry [11:59:00] because there are so many really good people in that industry, but people in government affairs and Bob Stout, I'd be really interested in your thoughts, thoughts on this.

They know how to play the system. And we've heard multiple stories of CEOs who go to Congress. To speak with a, you know, a leader in Congress. We had one CEO of a major electric utility who came to say, this is during the Obama administration. We're okay with the clean climate with the clean power plan that the Obama administration was putting forth.

He wanted, he wanted the lawmaker, a Republican Senator to know this, yeah. And the senator thanked him for his view and then he was shuttled into another room where he was

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sat down with some political strategists who said, Look, we understand that you're that this is your, you know, private or company position but in order to protect you and what you what's [12:00:00] You know, the, the codes and the regulations and so on that are important to your business in order for us to be there for you.

You need to be there for us on this messaging. You know, it's, it's the job killing EPA. That's the messaging that works. That helps us get reelected so that we can protect you. And, you know, another example of a, of a CEO, you know, speaking to, you know, a, a very, very high ranking Republican official who told him, look, you need to stay in your lane.

Your lane is running the company. Our lane is running public policy and stay in your lane and, and, you know, with us, you'll be able to run your company. Well, but let us make these kinds of decisions. It's just not your lane. If companies can begin to support deliberative, thoughtful democratic processes, they won't be faced with that dilemma where even if they want to take a position on [12:01:00] behalf of climate.

And they don't want to support extremist politicians on either side. They they're, they're threatened fundamentally. Bob, do you have any thoughts on

Bob: that? I can't resist. Yeah, I mean, I think it's spot on. And so I worked for BP for about three decades. And in the latter part of my tenure, I was running US policy in Washington as we were leaning into the energy transition as we were working with Madeline, her group and others to actually advocate for carbon pricing and so on.

I'm not here to flack for industry because Madeline said it really well, This is always gonna be a combination of carrot and stick, right? And there are lots of sticks now that companies are hearing in terms of needing to make progress on a variety of issues, including climate, from their employees, from their investors, etc.,

etc., etc. But there also is room for carrot, and I love the way that Madeline put it. We like that you're moving, and we'd like to see you move faster. That's not something that [12:02:00] companies often hear, and they are increasingly getting flack and flack and flack. From the more populist, very conservative side.

Don't be a woke company or we are the only one standing between you and those who believe an immediate band of fossil fuels must happen. So stop talking green and talk oil. You know, I mean, literally, these are conversations that happen. And my point there is, I think those who and, you know, my old company was among them.

I feel strongly who believe this. climate problem is deeply serious. Crisis has to be solved. I think those folks, when you see somebody taking a step forward in addition to giving them a push to move faster or when they're wrong, calling that out, calling it out when they actually are doing something good.

You won't always hear that. I mean, and even I know Chamber of Commerce is is like a shibboleth used on the left. But the Chamber of Commerce is [12:03:00] actually making some progress and it's demonstrable. You can find that Marty Durbin who runs their energy program. I know well he's doing that. It's not going to be exactly what you want to hear and it's fine to say push.

I'm not speaking to climate advocates, but there is real progress being made. So keeping the carrot and the stick in mind, there's a lot of opportunities and and I think employees. Each stakeholder ought to think of it

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Bill Shireman: that way and reward every positive step. As Madeline says, every positive step, because I just spoke, you know, two days ago with, with, you know, folks with the trade association and he in the, in the area here.

And, you know, they're not all ways internally united. There are people working really hard and they're never internally united. So there are people working heroically inside these institutions to try to make positive change, and if when they [12:04:00] do something positive, The feedback is, that's not enough, then they get demoted in those organizations.

They lose their power, they lose face. If, however, they get positives, like, great, good job moving in the right direction, then they gain stature inside, and that helps to them to move the organization further. So, focus on the carrots. Lots of carrots. Lots of carrots. Couple of sticks along the way. Lots of carrots.

Those

Bob: of you who are working with companies, and I did a lot of this, help them thicken their skin and open themselves to engagement with people who really disagree with them. Because when they do that up close, they make progress, and they realize There's more potential than they might when they when they just listen to what they hear in the media.

I'll stop talking now. Thank you. Bill. Yeah,

Elizabeth Doty: and wonderful. Thank you, Bob for for adding that in.[12:05:00]

If you would like to continue with this, I'm going to show a little bit of. Where we can go from here. So if you go to our website, sign up for updates once a month about our next speakers and other conversations like this or some special events, the next dialogue will be June 23rd with two experts on recognizing the indicators of authoritarianism, regardless of party or faction or affiliation, trying to help companies recognize where they need to actually take a stand and where they should watch out for culture war.

Issues like taking a position. We have a resource list that is continually growing tools and suggestions and examples and cases there on the website. And you can follow us at the Erb Institute. And then from today's conversation in this together America on how to get to the climate of unity. Program through in this together, which offers a way to get involved and then citizens climate lobby and the US take action element of this.

So, may I [12:06:00] turn it to you all Madeline? Can I go to you? 1st? Let me specifically invite you to speak to those government affairs, sustainability, or you know, C suite officers. What would you recommend as an action? I would suggest

Madeline Para: banding together to figure out things like how to organize the Chamber of Commerce.

Elizabeth Doty: Succinct and powerful. I love it. Great. And Bill, what would you add? What I would

Bill Shireman: add is send, send me a note. Send Bob Stout, who's on the, on the call here, a note. We're working together to give companies that opportunity to expand deliberative democracy experiences. And we think that that's fundamental, but also in the enlightened interest of the, of the companies, all the companies.

Elizabeth Doty: Thank you very much. I think that would be great. And I would love to be a fly on the wall support that. I think that would be great. I'm going to be in [12:07:00] the room.

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Bill Shireman: Yeah,

Elizabeth Doty: in fact, 1 idea that came up in the in the conversation at your wonderful summit in and roundtable in in Dallas last month was the idea of proposing a deliberative democracy method for the trade associations.

You know, what are your members thinking and saying, how do your members talk to each other? Imagine chambers of commerce talking to each other about where climate should fit relative to other priorities that business cares about along with polarization and all these other issues, right? The foundations, as you mentioned, Bill.

This is fantastic. Thank you all for for joining the conversation, for moving it forward, and for sharing your thinking with the people in this growing network. Please keep going. Thank you for all you're doing, and I hope, I look forward to collaborating with all of you as we go forward.

Thank

Madeline Para: you again for the invitation. I totally loved it, and the

Bill Shireman: discussion. so much. everybody for participating in this, and keep the faith, and keep it moving. Keep going. Keep going. We're on the right [12:08:00] path.