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Book review: Carl Rhodes *Woke Capitalism: How Corporate Morality is Sabotaging Democracy*

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Woke Capitalism: How Corporate Morality is Sabotaging Democracy. Carl Rhodes. Bristol: Bristol University Press, 2022. 240 pp. ISBN 9781529211672. \$27.95 (hbk).

Carl Rhodes's *Woke Capitalism: How Corporate Morality is Sabotaging Democracy* seeks to synthesize and advance a novel and more nuanced understanding of woke capitalism. Throughout the book, Rhodes argues that there are two dominant perspectives on woke capitalism. On the one hand, critics of woke capitalism claim that it is a dangerous threat to capitalism as it diverts attention from core business functions. On the other hand, those with more sympathetic views argue that corporations can and should make important contributions to pressing societal issues. When this latter group detects hypocrisy or insufficient efforts, they implore corporations to do more and walk the walk instead of just talking the talk. In contrast, Rhodes offers a third perspective, one in which woke capitalism actually serves to legitimize capitalism and, with chilling consequences, expand its power.

To develop this perspective, Rhodes carefully traces the evolving use of the term “woke” since its origins in the U.S. civil rights movement. While the term retained its overarching emphasis on being attuned to current affairs and social justice issues through to the early years of the Black Lives Matter movement, it soon began to be used in a pejorative manner to criticize individuals and organizations deemed to be insincere and sanctimonious about these issues. Rhodes then conceptualizes woke capitalism and distinguishes it from analogous concepts like corporate social responsibility. He does so by canvassing key debates about the role of business in society and philanthropy since the Gilded Age and analyzing a rich set of examples, including Gillette’s “the best a man can be” and Nike’s “dream crazy” ads. The readers progressively get a picture of woke capitalism as an extension of corporate social responsibility as practiced in the era of neoliberalism and shareholder primacy. Corporations shift their attention from “win-win” opportunities connected to their core operations to becoming activists for societal issues that are more peripheral to them. Yet, the underlying “win-win” logic remains, as corporations selectively advocate for issues that are publicly defensible and popular (often made so through tremendous efforts on the part of social movement actors) and, thus, have a strong business case with the potential to neutralize concerns about contemporary capitalism and its attendant consequences.

Rhodes argues, compellingly, that the rise of woke capitalism can have devastating consequences. Under woke capitalism, corporations and their leaders—often deliberately—undermine governments and non-profit organizations. In turn, they assume the role of public representatives and “start directly taking on the provision of public goods and taking on responsibility for solving

public problems” (p. 96). The trouble is that they were never authorized to take on this role and cannot be held accountable for their performance. As such, we risk not only the gradual subversion of democracy by a plutocracy, but also the likelihood that the social and the environmental issues we care dearly about will not receive the attention they deserve. The issues these representatives will choose to focus on, and the solutions they advance, will inevitably be distorted by the lenses of the profit motive and their individual preferences. We are, therefore, unlikely to witness major advocacy for efforts to tackle issues like inequality, corporate and individual tax evasion, and corporate influence in public policy-making. Nor are we likely to see any meaningful challenge of the business models and practices that contributed to these issues in the first place.

The book concludes with a call to action for readers to become “woke to woke capitalism” (p. 176) in a manner aligned with how the term was used in the Black Lives Matter movement. This starts with looking beyond the advertised contributions of woke capitalism to gain a deeper and more holistic understanding of its dynamics, limitations, and deleterious effects. Yet, it does not stop there. This critique needs to be coupled with efforts to put the knowledge into use by challenging the ascent of woke capitalism and by reinvigorating democracy in order to collectively tackle the issues we care deeply about.

I enjoyed reading this book. I came at it as somebody who regularly teaches and conducts research at the nexus of business and sustainability, but who often feels lost trying to make sense of the rapidly evolving debates on wokeness and brand activism. I finished reading with a much greater understanding of these issues and how they layer onto traditional debates on the role of business in society. The book’s central message is clear, consistent, and provocative. By clearly articulating the fundamental limitations and consequences of woke capitalism, I believe that it will succeed in providing readers with yet more motivation to double down on efforts to revitalize and reinvigorate democracy rather than to laugh the phenomenon off or challenge it through the frame of its more right-leaning detractors.

I see two particularly important aspects of Rhodes’s arguments that warrant additional research and reflection in order to advance the third perspective being offered in the book. First, what form of democracy should we pursue? I agree with the need to prioritize the revitalization of democracy, both as an end in and of itself as well as a means of corralling the power of corporations and the wealthy. Here, though, it is important to leverage insights about the changing context within which business operates from the burgeoning field of political corporate social responsibility (e.g. Scherer et al., 2016). This body of work highlights, among other things, how increasingly globalized business activities and production networks span a large number of different jurisdictions, many of which can be characterized as weak, fragile, or even oppressive. In this environment, even well functioning states can find it challenging to effectively govern corporations—particularly multinational corporations—and address issues that span national boundaries. Accordingly, it is important to consider what kind of democracy and relationship between states and corporations will best do the trick. For instance, should we advocate for particular types of regulated market economies, like market socialism or welfare state capitalism (Mäkinen and Kasanen, 2016)? Alternatively, should we prioritize unpacking how states can support corporations’ contributions to private regulation through, for instance, developing novel incentive schemes (Schneider and Scherer, 2019)? While I understand how these types of thorny questions would be beyond the scope of this book, I think readers should keep them in mind when responding to its call to action.

Second, what should the role of corporations be both in terms of contributing to social and environmental issues and our broader efforts to revitalize democracy? Rhodes points out how a major—perhaps, *the* major—way corporations can contribute to society is to pay their fair share of taxes. He also notes how, in some cases, corporate advocacy for social causes can help advance important debates in the public sphere (e.g. Gillette’s advertisement contributing to public debates about

toxic masculinity). Yet, in making his core arguments, Rhodes largely downplays the positive contributions corporations can make to tackling societal issues. When viewed through the lens of Vredenburg et al.'s (2020) typology of brand activism, Rhodes's arguments focus primarily on inauthentic brand activism, whereby corporations fuse significant activist marketing messaging with limited or nonexistent corresponding practices. Yet, we should bear in mind that many corporations often make significant practical contributions to addressing social and environmental issues. Some might couple these efforts with activist marketing messaging that is muted (silent brand activism) or vocal (authentic brand activism). While the profit motive will undoubtedly limit the scope and the depth of these corporations' contributions, I think it is prudent to carefully reflect on how they can be leveraged to tackle societal issues and, potentially, the woke washing of their peers.

In addition, it is important to consider how corporations can contribute to efforts to revitalize democracy. In recent years, we have seen some efforts on the part of corporations to support democracy, notably in response to events surrounding the 2020 U.S. presidential election. These efforts include publicly legitimizing the results of elections and speaking out against laws that restrict voting (Galston and Kamarck, 2022). Will these actions, in and of themselves, revitalize democracy in the U.S.? Certainly not. However, if corporations combine these actions with a cessation of their overt and covert efforts to discredit democracy, they might be able to help legitimate and bolster the democratic process as citizens reflect on necessary reforms.

In sum, I believe this book will be relevant to a broad academic and non-academic audience and will help to advance the ongoing and often polarized debates about brand activism, democracy, and the role of business in society.

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