Abstract
To analyze how activist groups influence different firms within an organizational field in order to establish institutional change, we explore how in the cases of Nike, Adidas and Reebok activist groups have applied different tactics to influence these companies, and how the accumulation of activist tactics in different conflict episodes led to a build-up of pressure on these firms to change their activities regarding corporate social responsibility. We tentatively investigated a set of propositions suggesting that an industry-level approach enables a richer analysis of the processes involved. In doing so we highlighted the role of interorganizational conflict.
Introduction

Activist groups have become important stakeholders to firms. They try to influence corporate activities on issues relating to corporate social responsibility (CSR), making all kinds of claims on what firms should or should not do. The nature and level of a firm’s social change activities can be seen as expressions of what that firm believes to be its social responsibilities. Pressure by activist groups on firms in these matters has become more prevalent: the organization of consumer activism is one example (cf. Klein, Smith, & John, 2004; Micheletti, 2003); another one is the rise of cyberactivism (Hara & Estrada, 2005). Activist groups play an important role in monitoring, initiating and criticizing firms: they actively seek to influence the nature and level of corporate social change activities.

Scholarly attention to the question of how social movements shape corporate social change activities has gained renewed interest, e.g. in the stakeholder management and the social movement literatures. Much of this research builds on Westley and Vredenburg’s (1991) lead to explore co-operation between activist groups and business firms. A number of examples have been reported in which activist groups and firms have effectively co-operated in increasing the firm’s level of social change activities (Bendell, 2000; Hartman & Stafford, 1997; Kochan & Rubinstein, 2000). Rondinelli and London (2003) quote several studies and surveys that capture the growing involvement of business with non-profit organizations. It is nevertheless likely that both cultural differences and conflicting interests and priorities between activist groups and firms persist (Rowley & Moldoveanu, 2003). The implication is that their relationship may have both contentious and symbiotic characteristics. As is the case with studies into collaborations between firms and activist groups, research that acknowledges the complexities in this relationship has also predominantly been oriented to analyzing influence strategies of activist groups at the organizational level (cf. Frooman, 1999; Hendry, 2006). Examples include studies on a particular episode of conflict between one activist group and one firm, such as the 1995 conflict over the Brent Spar disposal between Shell and Greenpeace (Jensen, 2003). Often, the focus of such studies is in explaining why some firms are challenged and not others, and in understanding the firm’s response (Spar & La Mure, 2003). How activist groups operate in trying to gain leverage over firms has not yet been subject to much detailed analysis.
However, the question should be addressed from a broader perspective than that offered by a focus on isolated episodes of conflict and co-operation in a dyadic relationship between activist group and firm. For one, activist groups often operate in a network of alliances (Diani, 2003; Rowley, 1997), underlining the relevance of studying the continuing strategic interplay within activist networks. For another, activist groups usually are not interested in solely affecting the level of social change activities in an individual firm, but rather strive for field-level change (Lounsbury, Ventresca, & Hirsch, 2003). They try to change the institutional conditions in an organizational field, but increasingly do so by challenging firms directly through collaboration or protest, rather than indirectly, e.g. by lobbying policy-makers for an increase in regulation. To activist groups, episodes of collaboration and conflict are instrumental in getting closer to their overall ambition of industry-wide institutional change. The ambition of industry-wide change may imply that activist group tactics must be understood in a broader context: the ambition is based on prior experiences in interacting with the challenged firms, and supplemented with expectations about the impact it may have on the wider industry. However, although the claim that in challenging or working with firms activist groups aim for field-level change has been advanced (cf. den Hond & de Bakker, forthcoming), it has not yet been tested. It is our objective in this paper to add empirical substantiation to such claims as analyzing how activist campaigns regarding individual firms build up to field-level change seems to be a fruitful next step in research.

Focusing on activist group’s tactics and strategies for corporate social change activities is also useful as, up till now, most analysis has been devoted to activist group tactics in a public policy context (Giugni, McAdam, & Tilly, 1999; Micheletti, 2003). Less research has been conducted on how activist groups try to influence firms directly, as opposed to indirectly, e.g. by lobbying for regulation (Dalton, Recchia, & Rohrschneider, 2003; Ennis, 1987; Meyer, 2004; Taylor & van Dyke, 2004). Further, activist group pressure is increasingly developing into an international, perhaps even global, phenomenon (della Porta & Tarrow, 2005; Keck & Sikkink, 1998; Smith, 2004). Our research also aims to extend current research on activist groups’ tactics by focusing on their engagement with transnational firms.

Taking these points together, it is highly relevant to analyze how activist groups try to influence different firms within one organizational field. In this research we therefore explore how activism can be an antecedent of what we call corporate social change activities. We study how activist groups have applied different tactics to influence Nike, Adidas and
Reebok, and how the accumulation of this activism led to a build-up of pressure on these three firms to change their activities regarding corporate social responsibility in the global sports and apparel industry. From a meta-analysis of published material on the protests to labour conditions and the use of child labour in these firms’ supply chains, we develop an extensive overview of protest activities and conflicts. In our meta-analysis, we include academic research, teaching cases, and corporate and activist campaign brochures. This variety of materials allows us to explore in some depth how activist groups operate in trying to gain leverage over firms. By analyzing publications on these firms and the anti-sweatshop movement, we expect to gain insight in how collaboration and conflict are played out by firms and activist groups, notably on the question whether the activist groups’ ambition of industry-wide change can be observed in how they operate. We selected this industry because of the wealth of information available on the diversity of tactics applied against different firms at different points in time (cf. Carty, 2002; Frenkel & Scott, 2002).

In this paper, we apply a theoretical framework to identify the different tactics available to activist groups for targeting firms on issues of corporate social responsibility. To highlight the context of these interactions, we outline some characteristics of conflicts as they often form the setting in which different tactics are applied by activist groups. This could regard questions on the existence of some form of coordinated specialization and differentiation among activist groups that enhances their collective effectiveness in pursuing their institutional change ambitions (den Hond & de Bakker, forthcoming), as suggested for instance by the radical flank effect (Haines, 1984). For example, Schurman (2004) shows how radical and reformative activist groups productively collaborate in the anti-biotech movement. By studying different episodes of conflict, we highlight the role of interaction between activist groups and firms in establishing field-level change. In the empirical part of our study, we investigate eight cases concerning conflict between activist groups and firms in the global sports and apparel industry to see whether empirical data provide some confirmation of our propositions. For these case studies, we extracted a chronology of events (who did what, when, and where) for each of these firms from a broad range of publications, with a particular focus on identifying activist groups. For each of the events, we identified whether (1) the activist group worked to delegitimize existing practices, or to help the firm find improvements, (2) how the activist groups did so, through the application of tactics intended to bring symbolic or material damage or gain, and that were participatory or non-participatory, and (3) what the preceding and following moves of the firm were (such as
denial, defence or accommodation, cf. Oliver, 1991). In doing so, we expect to find that in early stages of the interaction activist group tactics will be predominantly non-participatory and oriented toward inflicting symbolic damage. Upon recurrent negative responses by the firm, the interaction is likely to develop into an escalating conflict. In the discussion, we confront our results with the tentative propositions. We end the paper with some concluding remarks and suggestions for further research.

Theoretical framework: On fields, conflicts, tactics and responses

In this theoretical section, we will first argue why we highlight activist groups’ desire to establish field-level change through a change in field frames. We will emphasize the specific role of different episodes of conflict in these change processes and outline the tactics deployed by activist groups during these episodes, followed by a brief overview of potential responses of firms to the pressure exerted upon them.

Field-level change

The concept of organizational field stems from neo-institutional organization theory; it builds on the idea of an industry, but extends it by including “those other and different organizations that critically influence their performance” (Scott, 2001: 83). Organizational fields can be seen as being organized through field frames (Lounsbury et al., 2003). Such frames provide order and stability to an organizational field, as they comprise the technical, legal, or market standards that define the normal modes of operation within that specific field (Lawrence, 1999). Field frames define the way an organizational field is organized. According to Lounsbury et al. (2003: 72), the “notion of field frame is an intermediate concept that has the durability and stickiness of an institutional logic, but akin to strategic framing, it is endogenous to a field of actors and is subject to challenge and modification.” The way actors operate within an organizational field heavily depends on the governing field frame and changes within such a field frame therefore can influence the way firms operate (Fligstein, 2001; Rao, Morrill, & Zald, 2000).

This observation provides a logical point of leverage for activism: if activists want to change the way firms operate, they could try to influence the governing field frame. A basic premise
in this article therefore is that activist groups strive for field-level change (cf. Bartley, 2003; Lounsbury et al., 2003; Morrill, Zald, & Rao, 2003). By targeting one or a few firms that hold an influential position within an organizational field, activist groups try to influence and modify the existing field frame. This line of thought builds on ideas from social movement studies, such as Tilly’s concept of repertoires of action (Tilly, 1978), and on notions from institutional theory regarding processes of institutional change (cf. den Hond & de Bakker, forthcoming; Lounsbury et al., 2003). Given this reasoning, then how could activist groups establish such a change within a field frame? Essentially there are two models:

(1) activist groups challenge target firms individually, articulating a particular conflict at the firm level, aiming to convince/convert firms one-by-one to their position, and perhaps also hope that some mimetic diffusion of their preferred solution throughout the industry takes place. Institutional change at the field level in this model is the result of the accumulation of fairly unconnected outcomes of individual conflicts. We refer to this model as the ‘firm-level conflict model’.

(2) in the other model, activist groups articulate the conflict at the industry level. How one firm is challenged is related to how other firms have been challenged before, as well as on these firms’ responses. The focus of activist groups is more on coordinated action at a broader field level. We refer to this model as the ‘industry-level conflict model’.

As indicated before, those few publications that study the interaction between activist groups and firms tend to privilege the first model as the analytical lens. Although this model may offer an accurate explanation, we would expect, however, that the alternative model is more accurate, because it takes seriously the activist group’s ambition of field-level change. Articulating the conflict as a broader problem than concerning the particular firm, not only adds to the legitimacy of the activist group’s claims, but also opens up the playing field. It allows them more degrees of freedom in deciding how to proceed with their campaigns. Based on these models, two hypotheses can be formulated regarding how activist groups strive for field-level change:

\[ H_0: \text{The firm-level conflict model better explains how activist groups campaign for field-level change.} \]
**H1: The industry-level conflict model better explains how activist groups campaign for field-level change.**

If we are to show convincingly that the pattern of interaction between activist groups and firms over time is indeed related to the activist groups’ ambition to bring about institutional change at the level of the industry, we not only need to confirm that this results in a plausible explanation of activist group campaigns (i.e. confirm H1), but also that the alternative explanation, i.e. that the historical pattern can be understood as the accumulation of a series of individual conflicts, is less plausible (i.e. reject H0). Before we can do so, we need to develop an operational model of inter-organizational conflict between the activist groups and firms that we study. Building on a short examination of the conflict literature, we develop such a model which serves to generate a set of propositions.

**Conflict**

Many of the interactions between firms and activist groups we examine can be characterized as inter-organizational conflicts. Although a vast literature on intra-organizational conflict is readily available (cf. Jehn, 1997; Lewicki, Weiss, & Lewin, 1992; Wall & Callister, 1995), less attention has been given to conflict between organizations [1]. DiStefano’s conclusion that “a critical and systematic review of the literature reveals the absence of any general theory of interorganizational conflict” (1984: 352-253), still holds true. This lack of attention might tentatively be explained in various ways. It could be the result of a tendency in human nature to focus on the more positive aspects of organizational relations such as the cooperation that occurs in alliances of all sorts (cf. Pondy, 1992), of the specialization of interorganizational conflict research into labour conflict as the preferred empirical domain of study (cf. Fantasia & Stephan-Norris, 2004), or of considering interorganizational conflict as the consequence of competition over scarce resources and markets, i.e. as a problem in the marketplace (Rindova, Becerra, & Contardo, 2004). Meanwhile, in the stakeholder and issue management theories, interorganizational conflict is often seen as something that should be prevented because normatively, the firm should respect legitimate claims of its stakeholders, e.g. by engaging actively in stakeholder and issues management (Freeman, 1984; Heath, 1997; Jones & Wicks, 1999). Yet, applying an interorganizational focus in such stakeholder and issue analyses is necessary: “Firms do not simply respond to each stakeholder individually; they respond, rather, to the interaction of multiple influences from the entire stakeholder set. Thus explanations of how organisations respond to their stakeholders require
an analysis of the complex array of multiple and interdependent relationships existing in stakeholder environments” (Rowley, 1997: 890).

Given the relative lack of theory on interorganizational conflict, we draw for our conceptualization of this concept on the more general literature on (intra)organizational conflict. Wall and Callister (1995: 517) broadly define conflict as “a process in which one party perceives that its interests are being opposed or negatively affected by another party.” Similarly, in this study, we define the concept quite loosely as a situation in which the activist group and the firm have different evaluations of the nature and consequences of the firm’s operations. For example, a firm might wish to reduce its cost, and therefore transfer or offshore production to low-wage countries. Further cost reductions might eventually result in poor labour conditions, such as below subsistence payments, unpaid overwork, hazardous working conditions, or the use of child labour. Such consequences could well be considered as unacceptable by an activist group. Conflict is latent if none of the parties involved undertakes any action (Pondy, 1967), but when the activist group decides to put pressure on the firm to improve the labour conditions –for instance to achieve some standard–, the conflict is articulated. As such the nature of this conflict is ‘strategic’ rather than ‘frictional’ (Pondy, 1969), as the ambition of the activist group is to change the operational procedures within the challenged firm and its supply chain, if not within the entire industry. Articulation of conflict may take place in a variety of ways, including collaboration and confrontation (Pondy, 1992). Although collaboration has often been proposed as the preferred solution to interorganizational conflict, in some cases, confrontation deliberately is chosen (Hardy & Phillips, 1998). In specific situations conflict may also contribute to synergistic and creative outcomes of disputes within an organizational field, just like collaboration. Referring to Hardy and Phillips (1998), Lovelock (2002: 8) notes that when members of an organizational field have different goals, values and beliefs, and when power is not distributed equally among them, “collaboration may not be for the good of all stakeholders, or for stakeholders outside the collaboration.” Activist groups often are not involved –willingly or unwillingly– in much collaboration with firms and they are endowed with less power than their opponents. Investigating interorganizational conflict therefore is all the more opportune to develop a nuanced understanding of how activist groups try to influence corporate social change activities within the arena of power relations that an organizational field is (Brint & Karabel, 1991).
Activist groups and firms often have different evaluations of the nature and consequences of the firm’s operations. This is a situation of conflict. In this conflict, activist groups are on the demanding side, whereas firms are asked to change their behaviour. Therefore, we consider activist groups’ contributions as actions that initiate and articulate conflict, and those of firms as responses to these actions. Actions may be of different natures: collaborative or confrontational; responses may be positive or negative. It is at specific points in the development of such conflicts that changes in the existing field frame are aimed for by activist groups. As Sminia (2002: 216) notes, developments within an organizational field could be regarded as being “interlaced with distinct episodes of change.” These episodes within a conflict can therefore be defined here as the short periods of time in which a firm responds to some action by the activist group; “change occurs when actions go beyond given bounds and effectively elements of social structure are changed” (Sminia, 2002: 216). These episodes are the periods of time where the field frame is challenged and potentially changed. [2] The outcomes of such episodes may vary. Depending on the nature of the response, the conflict may be resolved, either directly and immediately by concession or with some delay due to compromising; it may be continued because the firm’s response is considered inadequate by the activist group or because the firm decides not to give in to the claims; or it may be abandoned, as the activist group decides for whatever reason no longer to pursue its challenge to the firm. Usually, a series of episodes can be distinguished. As the number of episodes within a conflict increases, it can be said that the conflict escalates, especially if the pacing of episodes quickens (Tarrow, 1994). From studying different episodes of conflict and the actors involved at an organizational field level, we can trace the build-up of efforts of activist groups to influence corporate social change activities at that field level, i.e. trying to change the field frame. To analyze these efforts, it is necessary to outline different tactics activist groups could apply in these episodes of conflict.

**Tactics for field-level change**

Building on della Porta and Diani’s (1999) discussion of social movement tactics, we developed a classification of tactics applied by activist groups in interactions with firms to establish field-level change as shown in Table 1 (den Hond & de Bakker, forthcoming).

Because of the firm’s profit motive, the potential efficacy of activist tactics can be understood as to how their application affects the firm’s bottom line, either directly at the material level (affecting cost or revenue), or indirectly at the symbolic level (affecting reputation). Their impact may be beneficial to the firm, thus provide a positive incentive for change, or it may
harm the firm, damage its interests, and thus provide a negative incentive. Further, activist tactics can be distinguished to the extent that their efficacy does or does not depend on the participation of a large number of people (participatory versus non-participatory tactics). Elsewhere (den Hond & de Bakker, forthcoming) we have argued, first, that when activist groups start challenging firms to change their behaviour, they are likely to initially select non-participatory tactics that aim to make a symbolic impact; and second, that as the conflict escalates or endures over time activist groups will increasingly make use of tactics that aim to make a material impact, or that are participatory in nature.

[insert Table 1]

There are two reasons why activist groups would initially choose to apply non-participatory tactics that aim to make a symbolic impact. The first is that such tactics leave open the possibility for the challenged firm to work with the activist group; collaboration might be an easier way to solve the dispute. The second is that alternative tactics are more costly in several ways. For example, it is rather difficult for activist groups to mobilize a large number of people to partake in protest events, whereas making a material impact on the firm, such as through blocking the gates or even sabotage may result in part of the activist group’s constituency deciding to withdraw its support. However, this situation may change if the conflict endures or escalates, as the lack of progress in conflict settlement using non-participatory symbolic tactics may provide a justification for the use of additional tactics (den Hond & de Bakker, forthcoming). Conflicts often involve various episodes that are characterized by sequences of action and response.

Conflict as action and response
According to Wall and Callister (1995), conflict can be regarded as a continuous sequence of action and response. The development of a conflict over time depends on decisions by participants within the conflict on whether they wish to continue the conflict. If they do, the continuation of conflict results in an escalation. Escalation of conflict may occur in various ways. The scope of the conflict may be broadened, either in terms of the locus of conflict, or in terms of the number of different actors participating in the conflict. Alternatively, the means by which the actors involved seek to end the conflict changes, usually by a change in the choice of tactics. Conflicts are thus seen as a series of episodes of interaction, whether confrontational or collaborative (Pondy, 1967). Conflict endures until one of the actors
involved ‘surrenders’ or leaves the conflict [3], or until a settlement is agreed upon that is acceptable to both actors (de Dreu, 1999; Wall & Callister, 1995).

Provided that activist groups want to change a field frame, they are the actors taking initial steps in confrontations with firms. They act, normally starting off with non-participatory tactics aimed at having a symbolic impact. How such a conflict evolves depends on the response of the targeted firm. Within the conflict management literature, several conflict handling modes have been proposed, such as collaboration, accommodation, competition, avoidance and compromise (Thomas, 1992). Such conflict handling modes are comparable to the strategic responses to institutional processes that Oliver (1991) presented. As we are interested in activist group tactics to achieve institutional change, we focus on Oliver’s model and divide the five different responses she proposes in two sets: positive and negative responses (see Table 2). The positive responses – acquiescence and compromise – are those that are open to the activist groups’ claims and demands.

Following the above discussion, we can now refine our initial model of conflict. We summarize our model by forwarding six propositions. First, if challenged firms respond positively to activist groups’ challenges, they show a willingness to make changes in the prevalent institutional standards, they agree with some degree of deinstitutionalisation of the current field frame (cf. Greenwood, Suddaby, & Hinings, 2002; Oliver, 1992), leaving room for suggested changes of activist groups. This could lead to a settlement of the conflict and depending on the position of the individual target firm, this settlement could have an impact on the field level. After all, as activist groups aim to change field frames, they are likely to select those firms they expect to be able to have an impact at that field level, for instance because they are key actors, laggards or frontrunners (cf. den Hond & de Bakker, forthcoming). This leads to two propositions:

P1: *Early in the conflict, activist groups are likely to adopt non-participative tactics with a symbolic impact.*

P2: *If the challenged firm responds positively to the activist group’s challenge, the conflict will end.*
When a firm’s response to activist group claims is negative, the episode of conflict will endure, potentially leading to escalation as the firm appears to be not willing to abandon the dominant field frame as is the demand of the activist group. This leads to our third proposition:

\[ P3: \text{If the challenged firm responds negatively to the activist group’s challenge, the conflict will continue, and eventually escalate.} \]

Escalation of the conflict may lead to a change in the choice of tactics among the activist groups as they realize that they are not going to reach their objectives by sticking to non-participatory tactics aimed at inflicting symbolic damage. They will deploy other tactics, respectively participative tactics with symbolic impact, participative tactics with material impact and finally non-participative tactics with material impact. The application of this latter set of tactics may jeopardise the public support for the cause of the activists. We expect that such tactics are only rarely found, as they can be costly to activist groups in terms of risking their constituency base and running personal risk.

\[ P4: \text{If the conflict escalates, activist groups will additionally make use of participative tactics with symbolic impact.} \]
\[ P5: \text{If the conflict further escalates, activist groups will additionally make use of participative tactics with material impact.} \]
\[ P6: \text{If the conflict escalates even further, activist groups will make use of non-participative tactics with material impact.} \]

Now that we have formulated these six propositions, we can redefine the difference between H0 and H1. Assuming that our conceptualization of conflict is a realistic one, we analyse conflict as episodes of action and response in several cases from the global sports and apparel industry. The conflict between firms in this industry and activist groups can be broadly defined as one about the appropriate level of labour conditions, including wages, over-time pays, environmental health and safety, child labour, et cetera. If the model of firm-level conflict is the appropriate lens to understand the conflict (H0) we would observe highly similar patterns of action and interaction in each case. Escalation would occur in terms of changing tactics within each separate case; each case would go through the same cycle of protest and be confronted with the same sequence of tactics. The alternative model of
industry-level conflict (H1) would predict that escalation of the conflict would occur both within and across cases, and moreover that the developments in different cases are linked in the sense that understanding what happens in one conflict situation depends on understanding what happens in other cases.

Data and Method

As the main source for this research consists of previously published studies, publications from the respective firms and activist groups’ written communications, data triangulation is crucial here. Although we applied methods similar to those used in literature reviews, our objective was to outline a fairly comprehensive history of the interaction between activist groups and the targeted firms. As we wanted to get a rich, overview of different tactics applied in such conflicts, we choose to study the widely publicized conflict between the anti-sweatshop movement and firms in the global sports shoe industry over worker rights and other labour issues. We also selected this specific industry because of the high level of concentration in this industry (in 2006 its three main protagonists had cumulative share of the world market of about 59%, www.fashionunited.nl). This kept the research project manageable. From the body of material that we were able to collect by searching in various databases for the conflicts that we are interested in, we selected eight cases.

We approached data analysis by closely reading all the materials we had gathered, identifying events: either a firm or an activist group doing something in a particular place, at a particular time. We collected these events in a spreadsheet, and sorted them on date leading to an initial data matrix (cf. Miles & Huberman, 1994). After combining similar events that were retrieved from different sources into a single record, we had a database of about 1100 events. Next, we classified these events according to episodes of conflict. Our material suggested that a range of conflicts could be identified; we choose to further analyze the eight most widely covered conflicts. Although we aimed to study these conflicts in full detail, in several cases it appeared unclear whether or not the conflict was actually ended. We therefore considered a conflict as ended if we were unable to find additional information, not only in our initial material, but also if no indications could be found for the existence of a further episode in the conflict. Of
course, history may overtake our analysis, in the sense that activist groups may revive the conflict.

Results

There are many publications available on the three firms investigated here in relation to CSR issues in the global sports and apparel industry. Especially Nike has been heavily scrutinized but the other two firms have also been studied, criticized or portrayed regularly as well. Given the illustrative intention of these three cases and the limited space available, we will not outline all conflicts studied in full detail, nor provide full documentation of all underlying publications. Rather, we will briefly sketch out some important characteristics of the three firms and the conflicts they have become engaged in, highlighting the interplay between activists and firms. Doing this allows us to determine whether we can provide any substantiation to our tentative propositions on the appropriateness of the industry-level conflict model to better explain how activist groups campaign for field-level change. The Appendix provides a short characterization of the cases we analyzed in our study.

In the case of Nike, activist groups initially articulate the conflict by adopting non-participatory tactics aimed at having a symbolic impact (research, publicity). Nike’s response is negative in claiming that the firm cannot control the production processes of its many suppliers. Several rounds of action and response do not change this pattern. In 1995, the conflict starts to escalate, first by broadening the geographical scope of the conflict to also include Nike’s Vietnamese supply chain, and later by the expanding the scope of the tactics used. Both the activist groups and Nike consider the two loci of confrontation to be part of the same conflict. For instance, when Nike invites a well-reputed consultant to inspect a number of its suppliers, he is invited to do so in Indonesia, Vietnam and China.

Adidas’ responses in the Pakistan and Vietnam cases significantly differ from Nike’s responses, in that Adidas consistently frames the problem as an industry-wide problem. Nike does this at only one or two occasions. Whereas Nike’s initial response is a combination of denial of facts and denial of responsibility (because of the company’s inability interfere with local management), Adidas’ response is ambiguous in expressing both concern and denial of
its ability to change the situation. However, after Nike’s ‘surrender’ in June 1998, Adidas’ approach becomes significantly more constructive in Pakistan. The other protests aimed at Adidas however are less fruitful. In the two conflicts in China reference is made to the company’s code of conduct, but both conflicts are dropped by the activist groups. In Vietnam, a solution is only found in December 1999, when Adidas starts working with the ‘Vietnam Footwear Industry Business Links Initiative’.

Finally, the case of Reebok again also is quite different. The firm takes several initiatives to show its commitment to human rights in 1988, even if the firm is not directly challenged by activist groups. On the part of the activist groups a choice was made to challenge Nike, the industry leader, as they considered it impossible to challenge all activist groups simultaneously. Hoping for diffusion of the message throughout the industry initially seemed to be a working strategy, as Global Exchange (2005) makes clear: “By targeting the industry leader, we hoped to make changes throughout the whole industry. This strategy has proven effective. Reebok, for example, has been making improvements in its overseas factories even though it has not been the target of a major campaign.” Nevertheless, in 1992 the firm is challenged by activist groups for the labour conditions among its Indonesian suppliers. Positive responses and further accusations provide the scenario for the Indonesian conflict. Escalation takes place in 1996, when the Reebok’s annual ‘Human Rights Award’ ceremony is disturbed by several activist groups. In addition to using a different set of tactics, they broaden the geographical scope of the accusations to include China. However, the dynamics of the Chinese conflict is somewhat different. Initially, Reeboks responses are more negative in China than in Indonesia; it takes until 1999 before Reebok starts developing the sort of collaborations with activist groups and other actors in China that eventually put an end to the conflict.

**Discussion**

Figure 1 summarizes our findings. If our assumption is correct that initially activist groups preferably apply non-participatory tactics that are aimed at making a symbolic impact, and that in later episodes of the conflict participatory tactics are chosen, as well as tactics aimed at making a material impact, then the choice of tactics over time is a suitable indication of the
organizational level at which the conflict is to be understood. If the conflict is firm and location specific, e.g. if it is about labour conditions in Nike’s Indonesian supply chain, then the escalation of conflict is to be observed at this level. If on the other hand, the conflict is at the industry level, than escalation must be observed across firms and locations. As Figure 1 makes clear, the latter is the case.

[insert Figure 1]

**Rejecting H0**

As our results made clear, our propositions are not confirmed by our empirical findings following the firm-level conflict model, suggesting the rejection of H0. For example, contra P1, activist groups started several conflicts (4, 5, 6, and 8) by applying not only non-participative tactics aimed at symbolic impact, but also participatory tactics aimed at symbolic influence, and in one case (conflict 5) even participatory tactics aimed at material impact. Further, contra P2, as conflict 8 most clearly shows, positive responses by a firm may lead to less confrontational, if not collaborative, episodes in the conflict, but it does not necessarily put an end to the conflict. When, by 1996, several activist groups considered that not sufficient progress was made by Reebok in improving labour conditions among its Indonesian suppliers (conflict 7), escalation occurred by applying participative tactics with symbolic impact. Perhaps its prior positive responses ‘protected’ this firm from being exposed to a consumer boycott, but nevertheless the conflict escalated. Although the responses by Reebok might be interpreted in the perspective of H0, as a spill-over effect from the challenges to Nike, the timing of escalation in both cases is strikingly similar, and therefore suggests coordination between the two cases (contra H0).

**Accepting H1**

To investigate whether the industry-level conflict model better explains how activist groups campaign for field-level change, as H1 suggests, we now re-examine our findings, highlighting the industry level of analysis. This means we do not zoom in on one individual conflict at a time, but rather pay attention to the entire range of individual conflicts. Following H1, we aim to show that this approach results in a more complete and plausible view regarding the tactics that activist groups apply vis-à-vis firms to influence the dominant field frame. Rather than looking at the eight cases in Figure 1 separately, we then need to look at the pattern that is visible in the entire figure.
Figure 1 shows that the industry-level conflict took place between 1988 and 2002. During this 14 year period, different episodes of conflict played out and different tactics were deployed by activist groups to convince sports and apparel firms Nike, Adidas and Reebok to alter their behaviour regarding labour conditions in their production facilities. An interesting pattern can be identified in Figure 1 concerning the use of tactics by activist groups. It should be noted that between 1988 and 1995, activist groups only deployed non-participative tactics aimed at having a symbolic impact to change the behaviour of firms operating in the global sports and apparel industry. Also striking is the fact that during this period only two conflicts (conflicts 1 and 7) played out. Both Nike and Reebok were confronted with criticism on the labour conditions in their Indonesian facilities, but whereas the interaction with Nike was confrontational, with Reebok it was collaborative.

Figure 1 also shows that the character of the industry-level conflict markedly changes after 1995. Between 1995 and 1999 the conflict escalated along three dimensions: (1) escalation of conflict caused by an increased use of tactics (both in number and type of tactics), (2) escalation as a result of the shaping of new conflicts aimed at the same actor but at a different geographical location, and (3) escalation as a result of the shaping of new conflicts aimed at other actors within the organizational field.

First, as shown in Figure 1 from 1995 onwards, activist groups have deployed more and also more different tactics, sometimes in combination, in order to influence firms in the global sports and apparel industry. Activist groups are exerting pressure on firms more frequently after 1995, no longer only calling upon non-participative tactics with a symbolic impact, but also increasingly deploying participative tactics with a symbolic and even material impact to create change in corporate behaviour.

Second, our results also indicate that new conflicts can develop that are aimed at the same actor but at a different geographical location. A clear example of this form of conflict extension is found in the mutual influence between conflicts 1 and 2. Initially, Nike is only challenged by activist groups in relation to labour conditions in the firm’s Indonesian production facilities. Yet, in 1995, the same activist group challenges Nike concerning labour conditions in the company’s Vietnamese factories. The conflict issues ‘labour conditions’ apparently spread from Indonesia to Vietnam. The activist group has attempted to exert its
influence to improve labour conditions in different countries; this is an example of a geographical conflict extension. A similar extension can be seen in the Reebok cases (conflicts 7 and 8). After a period of more than eight years in which activist groups only challenge Reebok regarding labour conditions in its Indonesian facilities, the company is also confronted with criticism on its Chinese subsidiaries.

Third, conflict extension can also be observed when looking at the increase of conflict episodes aimed at different actors in the industry, thus broadening the conflict to the industry level. In the conflict literature it is acknowledged that when two parties become engaged in a conflict, fairly simple conflicts can become more and more complicated and that one initial conflict can give rise to the development of a series of conflicts (Wall & Callister, 1995). From Figure 1 it appears that between 1995 and 1999 such an extension of conflicts took place. Not only do new conflicts emerge, aimed at other actors, such as in conflicts 3, 4 and 5 in which Adidas is confronted with criticism concerning child labour in its Pakistan facilities and the dreadful labour conditions in its Chinese factories, but also the types of tactics that are deployed by activist groups are extended.

In 1999 three conflicts (numbers 3, 4 and 5) seem to be ended, thereby diminishing the intensity of the industry-level conflict. After 1999, activist groups deploy less different sorts of tactics. As Figure 1 shows, between 1999 and 2002 only non-participative and participative tactics aimed at having a symbolic influence are applied. In this period, participative tactics with a material impact are no longer deployed. This leads us to distinguishing three different stages in the industry-level conflict:

- 1999 – 2002: Ending of the industry-level conflict

As argued, presenting the individual conflicts together in one figure allows us to investigate the pattern across these separate conflicts. The pattern we identified looks like a parabola: in the first stage of the conflict, activist groups deploy only a limited set of tactics that are not resource-intensive (non-participative tactics with a symbolic impact). In the next stage, a shift occurs towards activist groups using more resource intensive tactics such as participative tactics with a symbolic and material impact. In addition, in the second stage several new
conflicts arise and more activist groups become engaged in the industry-level debate. During this stage the conflict escalates. Finally, Figure 1 also shows a decrease in the deployment of different tactics and in the number of conflicts in the third and final stage of the industry-level conflict, leading to the use of non-participative and participative tactics with a symbolic impact only.

This interpretation of our findings assists in the provisional testing of our propositions, now at the industry-level. This leads to a confirmation of our propositions, in contrast to our analysis at the firm-level. The different stages one would expect to find are visible indeed, if one considers at the entire organizational field. When conflict escalates, additional tactics are deployed, from non-participative to participative tactics and from symbolic towards material impacts (proposition 4). These changes are based on the expectation that activist groups have more resources and support available, providing them with the necessary means to reinforce their demands. Finally, we also proposed that a continued escalation of conflict would eventually lead a small set of activist groups to deploy non-participative tactics aimed at having a material impact to influence firms’ behaviour. In this stage, we also expected the attention of a number of other, maybe more moderate, activist groups for the contested issues to decrease so that only a small group of highly motivated activist groups would continue their activism [4]. From the results of our industry-level analysis, it appears that activist groups in their campaigns for better labour conditions in the global sports and apparel industry do not deploy any non-participative tactics aimed at having a material impact. The final stage of the industry-level conflict as emerging from our data is characterised by a combination of non-participative and participative tactics aimed at having a symbolic impact. After 1999, the deployment of different tactics and the number of operating activist groups decreases.

Implications
Altogether we can conclude that an industry-level explanation offers more support for our propositions. This industry-level approach shows a certain sequence in the application of tactics by activist groups: starting off with non-participative tactics with a symbolic impact to influence firms’ behaviour. After a fairly calm period in which other activist groups and target firms are made aware of the conflict, its intensity appeared to increase. Activist groups then are going to deploy more and more different forms of tactics, such as participative tactics with
a symbolic and material impact. After this period of intense conflict, the usage of these tactics diminishes again, while many activist groups gradually pull back from the conflict.

In addition, an industry-level conflict approach not only offers an insight in the deployment of tactics by activist groups but also enables us to suggest why the results of the firm-level conflict model contradict those of the industry-level conflict model. Based on several examples, we will illustrate some major shortcomings of the firm-level conflict model and highlight why an industry-level conflict model appears to be more appropriate for our purposes.

First, our analysis shows that already in the first stages of conflict 2, activist groups turn to using a combination of non-participative and participative tactics with a symbolic impact. Right from the start of the conflict, Nike was confronted with participative tactics such as a boycott, demonstrations and petitions. Taking a firm-level approach makes it hard to understand these results as conflicts then are analysed one at a time; taking an industry-level view on these data allows us to note how conflict 2 is linked to conflict 1. Within both conflicts the same activist groups operate and the focal issue is identical in both episodes. Conflict 2 therefore indeed is an extension of conflict 1 and should therefore not be analysed independently. If conflicts 1 and 2 are regarded as one continuing conflict, it appears that the activist groups initially only used non-participative tactics with a symbolic impact. Following these conflicts, in 1995 activist groups applied a combination of non-participative and participative tactics with a symbolic impact to influence Nike’s behaviour; later in the conflict a combination of non-participative tactics with a symbolic impact and participative tactics with a symbolic and material impact were applied. This again supports our idea not to analyze individual conflicts separately, but to view them at an industry-level because as this allows us to observe linkages between different conflicts.

Our analysis also shows that the tactics with which Nike is confronted in 1988 indirectly have influences Reebok’s behaviour. The results show that without any direct activist group pressure, Reebok took several measures to improve labour conditions in its Indonesian factories. The firm founded its own Human Rights Department, supported Amnesty International in organizing a concert tour and started awarding Human Right Awards to activists campaigning for human rights. These results show that the tactics with which activist groups tried to establish a change in Nike’s behaviour, unintended and indirectly also
influences Reebok’s behaviour. Activist groups’ tactics aimed at a specific firm in some instances hence can also trigger unintended effects on other firms’ behaviour in the same industry. If for instance conflict 7 is analysed from a firm-level approach, it would be hard to understand why Reebok took measures to demonstrate its dedication to human rights issues already in 1988. An industry-level approach however shows that there can be mutual influences between different conflicts; only such an industry-level approach allows us to observe such patterns between different episodes.

Finally, an industry-level approach also provides a possible explanation for understanding why activist groups already early in conflict 5 deploy a combination of non-participative tactics with a symbolic impact and participative tactics with a symbolic and a material impact to influence Adidas’ behaviour regarding Chinese prisoners. Conflict 4 and 5 in principle are similar situations as conflict 1 and 2 for Nike as in both cases the episodes could best be seen as an ongoing conflict. Although in conflict 4 and 5 different issues are at stake, both conflict episodes are centred on labour conditions in Chinese factories and prisons: again a situation in which conflict extension is visible when an industry-level approach is taken.

**Concluding remarks**

From this tentative analysis, we conclude that an industry-level approach to understanding the deployment of different tactics by activist groups in conflicts can generate additional insights, compared to a firm-level approach. Our study of a broad range of conflicts and applied tactics within one industry over a longer period of time sheds light on the development of an industry-level conflict. From Figure 1 it appeared that a pattern can be discerned in this industry-level conflict that fitted quite well with our theoretically grounded propositions. Our results showed that activist groups in the first stage of an industry-level conflict only deploy non-participative tactics with a symbolic impact to try and influence two firms’ behaviour. Then the conflicts intensify. In this period of conflict intensification, activist groups started to deploy more and more resource intensive tactics. In addition, several new conflict episodes started and more activists entered the conflict. Finally, near the end of the industry-level conflict, activist groups seemed to deploy fewer tactics while many conflicts were ended. Contrary to the results based on a firm-level approach, an industry-level approach mainly
supports the theoretically expected pattern. Additionally, an industry-level approach allows us to focus on the dynamic processes and mutual influence between conflicts. These observations underline our call for an industry-level approach, looking at how activist groups try to influence the field frame within an organizational field. Conflict extension for instance takes place at this field level and an industry-level approach allows researchers to track these important processes of institutional change and to monitor the role of different activist groups’ tactics within these processes.

The results of this research contribute to the idea that taking a broader approach in understanding field-level change is useful in gaining purchase of activist groups’ application of tactics to influence firms (cf. Bartley, 2003; Lounsbury et al., 2003; Morrill et al., 2003). It is highly important for our understanding of the interplay between activist groups and firms that activist groups not only target the behaviour of individual firms as such but also, and maybe even more so, strive for field-level change (cf. den Hond & de Bakker, forthcoming). After all, it is at this field-level that activist groups want to evoke a change in norms as to what is considered proper corporate conduct. This broader focus also necessitates a broader research view on conflict since an industry-level approach allows researchers to study all tactics that activist groups deploy within one specific industry.

Although this initial analysis provides some support to these ideas, several issues remain. First, we need to discuss our empirical results in more detail. It would be interesting to delve deeper in each conflict episode and to determine what activist groups exactly are involved in what stage of the conflict as this would provide a richer account of the change processes studied. Closely linked, in the literature much attention has already been given to individual campaigns or issues, but a network perspective on CSR-activism and its implications for institutional change still is lacking. How do individual activist groups cooperate on these issues? What makes these networks different from the ones studied in social movement literature (cf. Diani, 2003)? How about co-ordination mechanisms in these increasingly transnational conflicts or tactical overlap across activist groups (Olzak & Uhrig, 2001; Whittier, 2004)?

Second, getting a better overview of the individual activist groups involved in these institutional change processes and their relationships also could contribute to a further refinement of the conflict model we applied, e.g. by differentiating among activist groups in
terms of their ideological position (cf. den Hond & de Bakker, forthcoming). How do radical and reformative activist groups collaborate within conflicts?

Finally, the different national settings in which the eight conflicts we studied played out might also have had an impact on the development of the conflict. Local opportunity structures in China might have been less favourable for activist groups than those in, for instance, Indonesia. Conflicts that were based in China (conflict 4, 5 and 8) are fairly limited compared to those in Indonesia or Vietnam, regardless of which firm was involved. The literature on political opportunity structure might be examined in this respect as well (cf. Koopmans, 1999).

After presenting these still limited suggestions for future research, we conclude by emphasizing once again that an industry-level approach in studying tactics applied by activist groups to evoke institutional change at an organizational field level seems to be a promising addition to the current literature because it allows us to observe and understand the mutual influence and extension of conflicts across an industry, thereby contributing to the increasing attention for transnational activism.
Notes

[1] It should be noted that the literature on alliances and business-to-business relationships does pay attention to conflict (Child & Faulkner, 1998). Yet, in such research, conflict is often considered as an independent variable influencing individual firm performance (cf. Nordin, 2006) or capability building options (cf. Heugens, 2003). Not much research examines the impact of interorganizational conflict on the organizational field level.

[2] The idea of brief episodes of change within a process of continuity is regularly applied in the social sciences, for instance in debates about structuration theory. Sminia (2002: 216) refers to the work of Sztompka (1991) and Giddens (1979), arguing that “institutionalization is seen as a constant interplay between agency and structure.”

[3] In the situations that we seek to understand, ‘exit’ is only an option to the challenger. The activist group may decide no longer to pursue its challenge, e.g. because it runs out of resources, sees alternative opportunities to more efficiently or more effectively realise its goals, or out of sheer frustration related to a lack of progress. The challenged, in this case the firm, may choose to ignore the challenge but cannot unilaterally decide to step out of the conflict.

[4] Elsewhere, we also argue that depending on the ideological position of the activist groups, their expectations and objectives will vary, leading them to select different routes under escalation or continuation of a conflict: more reformative activist groups will develop their tactics towards participatory activism, aimed at having a symbolic impact, whereas more radical activist groups will be more inclined to opt for non-participatory actions aimed at having a material impact (den Hond & de Bakker, forthcoming). This distinction however is beyond the scope of the current article.
Literature


Figure 1: Overview of tactics applied in eight different conflicts (1. non-participative tactics with symbolic impact – SnP; 2. participative tactics with symbolic impact – SP; 3. non-participative tactics with material impact – MnP; 4. participative tactics with material impact – MP)
Table 1: Typology of tactics in the interaction between activist groups and firms (den Hond & de Bakker, forthcoming)

<table>
<thead>
<tr>
<th></th>
<th>Dependence on participatory forms of action is high</th>
<th>Dependence on participatory forms of action is low</th>
</tr>
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<tbody>
<tr>
<td><strong>Material …</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>… Damage</td>
<td>Boycott</td>
<td>Blocking of gates, Sabotage, Occupation of premises, Internet activism (‘hacktivism’)</td>
</tr>
<tr>
<td>… Gain</td>
<td>‘Buycott’</td>
<td>Cooperation</td>
</tr>
<tr>
<td><strong>Symbolic …</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>… Damage</td>
<td>Writing letters / emails, Petitions, Marches, Rallies</td>
<td>Shareholder activism, Street theatre, Negative publicity, Lawsuits, Research</td>
</tr>
<tr>
<td>… Gain</td>
<td>Voluntary action</td>
<td>Positive publicity, Cooperation</td>
</tr>
</tbody>
</table>
**Table 2:** Firm response strategies to institutional pressure (based on Oliver, 1991)

<table>
<thead>
<tr>
<th>Strategic responses</th>
<th>Tactics</th>
<th>Examples</th>
</tr>
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<tbody>
<tr>
<td><strong>Positive</strong></td>
<td>Acquiesce</td>
<td>Habit, Imitate, Comply</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Following invisible, taken-for-granted norms</td>
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<tr>
<td></td>
<td></td>
<td>Mimicking institutional models</td>
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<tr>
<td></td>
<td></td>
<td>Obeying rules and accepting norms</td>
</tr>
<tr>
<td><strong>Compromise</strong></td>
<td>Balance, Pacify, Negotiate</td>
<td>Balancing the expectations of multiple constituents, Placating and accommodating institutional elements, Negotiating with institutional stakeholders</td>
</tr>
<tr>
<td><strong>Negative</strong></td>
<td>Avoid</td>
<td>Conceal, Buffer, Escape</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Disguising nonconformity, Loosening institutional attachments, Changing goals, activities and domain</td>
</tr>
<tr>
<td><strong>Defy</strong></td>
<td>Dismiss, Challenge, Attack</td>
<td>Ignoring explicit norms and values, Contesting rules and requirements, Assaulting the sources of institutional pressure</td>
</tr>
<tr>
<td><strong>Manipulate</strong></td>
<td>Co-opt, Influence, Control</td>
<td>Including influential actors, Shaping values and criteria, Dominating actors and processes</td>
</tr>
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## Appendix: Overview of conflicts

<table>
<thead>
<tr>
<th>Firm</th>
<th>Characterization of conflict</th>
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<tr>
<td>Conflict 1:</td>
<td></td>
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<tr>
<td>Nike</td>
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<tr>
<td>Labour conditions in Indonesia, 1988–2001.</td>
<td>Since the late 1980s, Nike has been challenged for its alleged unfair treatment of workers in Indonesian firms. Jeff Ballinger, a human rights activist, bases his accusations on his own investigations in Indonesia. He publishes articles in newspapers. Investigations by other activist groups confirm Ballinger’s findings. Nike responds by claiming that it is not responsible for the labour conditions in Indonesian firms, because these firms are not controlled by Nike; production is outsourced. Although Nike publishes a code of conduct in 1992, Ballinger claims that this must be a PR stunt, because the code is not translated in the local language. The early 1990s are characterized by further publications, handing out pamphlets at the 1992 Olympic Games in Los Angeles, the production of a documentary film, and reiterations by Nike of its position. Tactics by activist groups are non-participatory with a symbolic impact; responses by Nike are negative, as they are a combination of denial and buffering. Some escalation takes place as the intensity of media publication increases. In 1996, several activist groups form a coalition, and start organizing demonstrations at Niketown shops in the USA and other countries, and call for a boycott. Pressure on the firm through the media campaign continues to be exerted. Escalation of the conflict takes place by the adoption of participatory tactics aimed at both symbolic and material damage, and spread of the protest to Europe and other countries. Nike affiliates with the Apparel Industry Partnership (AIP), but continues to deny direct responsibility, and suggests that labour conditions are not as bad as claimed by the activist groups. This claim is based on a report by Andrew Young, former major of Atlanta and former UN-representative of the USA, who was invited by Nike to investigate the situation in several suppliers in Indonesia, China and Vietnam. Nike takes several initiatives in order to improve the situation, but these are dismissed as ineffective. 18 October 1997 is a day of international protest against Nike. In 1998, Nike’s response changes. In addition to launching a counter-publicity campaign, Nike also cancels contracts with a number of Indonesian firms, it acknowledges responsibility for the labour conditions, revises its code of conduct, and starts a website aimed at providing information about improvements in labour conditions. In 1999, Nike is involved in establishing the Fair Labor Association (FLA). These positive responses force activist groups to monitor whether the announced measures sufficiently improve labour conditions in Indonesia. In 1999, the results of such investigations are such that activist groups renew their claims; they do so by applying participatory and non-participatory tactics with symbolic influence. Further evidence of sub-standard labour conditions brings Nike to implement further improvements. Following these improvements, Global Exchange, one of the fiercest critics if Nike, leaves the campaign in 2001. The coalition of activist groups collapses.</td>
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<tr>
<td>Conflict 2:</td>
<td></td>
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<tr>
<td>Nike</td>
<td></td>
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<tr>
<td>Labour conditions in Vietnam, 1995–2001.</td>
<td>Research into labour conditions of Nike suppliers in Vietnam by Global Exchange in 1995, leads to accusations of sub-standard labour conditions. Activist group tactics include media campaigns, demonstrations, petitions, and a call for boycott, i.e. both participatory and non-participatory aimed at symbolic and material impact. Nike affiliates with the Apparel Industry Partnership (AIP), but continues to deny</td>
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direct responsibility, and suggests that labour conditions are not as bad as claimed by the activist groups. Nike takes several initiatives in order to improve the situation, but these are dismissed as ineffective.

In 1997, Nike invites a Vietnamese activist to investigate the labour conditions in several Vietnamese suppliers. His report confirms the allegations by activist groups. Nike claims that the findings are a good starting point for making improvements, but according to activist groups, fails to do so. Andrew Young’s report is used by Nike to suggest that labour conditions are not as bad as claimed by the activist groups. Nevertheless, Nike cancels contracts with several Vietnamese suppliers.

18 October 1997 is a day of international protest against Nike. Shortly thereafter, a report by Ernst & Young, commissioned by Nike for internal use, leaks to an activist group. The report confirms that high levels of a carcinogenic compound is found in the atmosphere of a supplier close to Ho Chi Minh City, as well as instances of sexual abuse, and payment of salaries below the minimum wage. Nike starts a counter-publicity campaign, and suggests that the report acknowledges Nike’s intentions to improve the situation. The reminder of the conflict is similar to the Indonesian conflict, described above.

Conflict 3: Adidas

**Child labour in Pakistan, 1995–1999.**

In 1995, investigations by a local activist group suggest that child labour is used in the production of soccer balls in the Pakistan town of Sialkot. Sialkot is a major centre for the production of soccer balls. All major brands supply from here, but Adidas becomes the focus of protest because of its strong association with soccer; it has been the main sponsor of European and World championships.

Adidas is shocked by the results, promises to take action, but claims it cannot control the production as it is outsourced. Because of the ambiguity in Adidas’ response, it is considered to be negative. During the 1996 European Championship in Great-Britain, the Dutch activist group Clean Clothes Campaign (CCC) starts a publicity campaign and organized demonstrations. Escalation takes place by the adoption of participatory– in addition to non-participatory – tactics aimed at symbolic impact.

In the second half of 1996, more activist groups investigate the situation in Sialkot, and confirm the earlier findings; children are sold for a handful of dollars to production firms. Adidas restates to have no control over the production, and refers to local culture. In 1996, Adidas becomes a member of the AIP, thereby adopting the AIP code of conduct, and signs the FIFA code of conduct. In doing so, but failing to take action in Pakistan, Adidas response is characterized as buffering.

Late 1996, several activist groups for a coalition to start the ‘Foulball’ campaign. They inform professional soccer clubs, coaches, and popular players of the situation, and demand a boycott.

In February 1997, Adidas start the ‘Eliminate Child Labour’ project in cooperation with several activist groups, Unicef and the International Labour Organisation (ILO), and invites Nike and Reebok to participate. However, despite this positive response, the conflict continues. Investigations make clear that the project is ineffective. During the 1998 World Championship, a new publicity campaign is started, including the organization of a letter campaign.

Following suit to Nike’s change of attitude in 1998, Adidas develops its own code of conduct in June 1998, and starts improving the situation in Sialkot. As no further data on the conflict could be found, it is assumed that the conflict was ended.

Conflict 4: Adidas

**Labour conditions in China, 1998–1999.**

In June 1998, CCC publishes a report that accuses Adidas of sub-standard labour conditions among its Chinese suppliers. Moreover, CCC organizes a letter writing campaign. In the standard letter, reference is made to Adidas’ own code of conduct.
The conflict thus starts with the application of both participatory and non-participatory tactics aimed at symbolic impact. Adidas claims to be open for new ideas to solve the problem, but also to be unable to change the situation in China, a.o. because of competitive pressures. The conflict is not further pursued.

**Conflict 5: Adidas**

**Forced labour in China, 1998–1999.**

In July 1998, Adidas is accused of hiring prisoners (forced labour) in the production of soccer balls and sport shoes. Activist groups articulate the accusation by suing the firm, organizing a letter campaign, and calling for a boycott. Referring to its code of conduct, Adidas claims that it does not supply from prisons, and that therefore the products must be falsifications. Adidas commissions an independent accountancy firm to investigate its supply policies in China, and promises to temporarily discontinue its relationship with these Chinese suppliers. In October 1998, the accountancy firm confirms that Adidas does outsource production to prisons. Adidas is shocked, claims not to have been aware of this, and promises to definitively stop supplying from China. Subsequent research by a local activist group shows that Adidas does not keep its promise; conflict is not further pursued. Protest tactics include participatory as well as non-participatory tactics, aimed at both symbolic and material impact. Despite the fact that the activist groups’ claims have not been honoured, the conflict is not further pursued.

**Conflict 6: Adidas**

**Labour conditions in Vietnam, 1999–2001.**

Early 1999, investigations by CCC show that labour conditions among Adidas’ Vietnamese suppliers are sub-standard. In April, a ‘foot protest’ is organized; a petition among teenagers who ‘sign’ by drawing their feet. In May, a demonstration is organized. The chosen tactics are both participatory and non-participatory, aimed at a symbolic impact. Adidas predominantly shows disinterest in the protest; it refuses to receive the petition and to talk to CCC. In July 1999, CCC organizes a well-covered demonstration at the firm’s Benelux headquarters. Adidas receives the petition, and talks to CCC. Several months later, CCC investigates the labour conditions in Adidas’ Vietnamese suppliers.

In December 1999, Adidas is invited by the Prince of Wales’ International Business Leader Forum (IBLF) to participate in the ‘Vietnam Footwear Industry Business Links Initiative’, in which many different actors collaborate to jointly find a solution for the problems. Most of Adidas’ Vietnamese suppliers also produce for Nike and Reebok. During the European football Championship in June 2000, CCC organizes a publicity campaign, including the writing of protest letters, to put pressure on Adidas. Late 2000, Adidas announces that it will implement measures to improve the working conditions for Vietnamese workers. Further, the company revises its code of conduct to standards of the ILO and the World Federation of Sporting Good Industries.

**Conflict 7: Reebok**

**Labour conditions in Indonesia, 1988–2000.**

Although Reebok did outsource much of its production to Indonesia in the late 1980s, often making use of the very same production facilities as Nike, the firm has not been challenged directly by activist groups in the early 1990s. Reebok nevertheless took positive and innovative steps to address the issue of labour conditions in its Indonesian supply chain. It established a ‘Human Rights Department’ (HRD) to monitor and improve the labour conditions among its suppliers. Also in 1988, Reebok collaborated with Amnesty International in the organization of a world-wide concert tour (18 concerts in 16 countries) to celebrate the 40th anniversary of the United Nations and the Universal Declaration of Human Rights. Finally Reebok started the ‘Reebok’s Human..."
Rights Award’, an annual award worth 50,000 US$ to be granted to two human rights activists. By such means, the firm hopes to show its commitment to respecting human rights.

Despite this positive attitude, in 1992, activist groups accuse Reebok for allowing sub-standard labour conditions among its Indonesian suppliers. In response, Reebok develops a code of conduct, and promises to monitor its implementation. Further, Reebok is involved in establishing and supporting activist groups, such as the ‘Business for Social Responsibility’ and the ‘Lawyers Committee for Human Rights’ (later renamed into ‘Human Rights First’). Reebok’s positive stance and involvement is acknowledged by these activist groups.

During the 1996 Human Rights Award ceremonial, several activist groups stage a protest against the labour conditions among Reebok’s Indonesian suppliers. Reebok becomes a member of AIP, and in 1997 introduces the ‘Workers Communication System’, which enables workers to anonymously report bad labour conditions. The system was explored in Indonesia and later implemented in other countries, too, including Thailand, China and Vietnam, and resulted in the implementation of many small improvements. Nevertheless, Reebok is increasingly challenged by activist groups.

In 1999, Reebok makes public a report written by an independent firm that investigated the labour condition in two of Reebok’s suppliers. The report confirms substandard labour conditions in these two suppliers. Again, Reebok responds by investing in improving the labour conditions, including the organization of an election for workers’ representatives. A lack of further data suggests that the conflict ended here.

<table>
<thead>
<tr>
<th>Conflict 8: Reebok</th>
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<tbody>
<tr>
<td><strong>Labour conditions in China, 1996–2002.</strong></td>
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<tr>
<td>The protest staged at the occasion of the 1996 Human Rights Award ceremonial, was not only directed against the labour conditions among Indonesian, but also among Chinese, suppliers. Additional accusations are formulated later in 1996. Reebok responds by adhering to AIP. Nevertheless, Reebok is increasingly challenged by activist groups.</td>
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<tr>
<td>In September 1997, another study by activist groups reports that labour conditions among four Chinese suppliers are below national legal requirements. The company’s 1992 code of conduct is not adhered to. A letter writing campaign is organized in October 1997. Reebok responds by starting internal investigations into labour conditions, and implements the ‘Workers Communication System’ in China. Since the late 1990s, Reebok has been cooperating with other firms (Mattel, Levi Strauss) and activist groups in order to find solutions, but simultaneously accusations of sub-standard labour conditions continue to be expressed. In 2001 another letter writing campaign is organized.</td>
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