

# CARNEGIE COUNCIL *for Ethics in International Affairs*

## The Evolution of a Corporate Idealist: When Girl Meets Oil

Carnegie New Leaders

**Christine Bader, Masha S. Feiguinova**

### Transcript

#### Introduction

**MASHA FEIGUINOVA:** Good evening, everyone. Welcome to the Carnegie Council for Ethics in International Affairs. My name is Masha Feiguinova, and I am on the steering committee for the Carnegie New Leaders program.

When I'm not spending time at this wonderful place, I am a philanthropic advisor for corporate social engagement practice at the firm [Changing Our World](#), philanthropic advisory services.

I'm delighted to introduce Christine, the author of *The Evolution of a Corporate Idealist: When Girl Meets Oil*.

What gives Christine the expertise to write this book? She's a visiting scholar and lecturer at Columbia University, where she co-teaches a course in human rights and business. She's also a human rights advisor to business in social responsibility.

After earning her MBA at Yale in 2000, she joined BP, proceeded to work in Indonesia and China and the UK, work that we'll hear quite a lot about tonight. She was managing the social impacts of some of the company's largest projects.

In 2006, she created a part-time position as a pro bono advisor to the UN secretary-general's special representative for business and human rights. She continued to do that work full-time from 2008 to 2011, when the UN mandate ended.

She also serves on the board of the Business & Human Rights Resource Center and the OpEd Project and the Kenan Institute for Ethics at Duke University.

You might hear that her voice is a bit sore. That's because the book has been getting terrific attention. She has been [writing op-eds](#), [giving speeches](#), as well as a TEDxTalk called "[Manifesto for the Corporate Idealist](#)."

#### Remarks

**MASHA FEIGUINOVA:** Let's start at the top. Why did you write this book? Why did you want to present it here at the Council?

**CHRISTINE BADER:** Thank you, Masha. That's a great place to start.

Why did I write this book? When I first joined BP, I had just finished business school. I was out in Indonesia, and I was writing emails home to friends and family about what I was doing. This was in 2000. This was before blogs were blogs. People found it really interesting. They didn't know that companies like BP had people like me doing the work that I was doing. I was investing in the health and well-being of communities, living around big BP projects, because everybody in the company who I worked with understood that what was good for those communities was good for business.

It was fascinating work. I was going to West Papua, at the remote tip of Indonesia. Then I was working in China on a chemicals joint venture, where we were going to be bringing 15,000 migrant workers into a town of about 30,000 people, again ensuring that we could mitigate the risks and the upheaval to communities there. It was fascinating, amazing work.

So I started to think, "Okay, that's kind of interesting. Maybe I'll write about it someday."

But it was really after the Deepwater Horizon [disaster](#) in 2010 that I knew I had to write this book. In part, it started off just as a personal exploration, because I had left BP by then. But it was the BP that emerged in the aftermath of that disaster and all the press and the investigations, as this horrible, reckless, risk-taking place. It just didn't resemble the BP that I thought I had gotten to know so well during my nine years with the company—a company that went above and beyond what was required by any law anywhere to protect people and protect the environment.

So my first reaction was, "That is not my BP." Then my second reaction was, "Or was it?" What did I miss? Should I have seen something? Could I have done anything differently? What does it mean to do the kind of work that I did in a big company?

It was really partly to reconcile those two BPs for myself that I started talking to lots of people who I've gotten to know over the years, doing CSR [corporate social responsibility], sustainability, or ethics, or whatever you call it, inside a big company, and their frustrations, and realizing that there were so many common themes. I talked to friends who worked at the Gap after the Rana Plaza [factory collapse](#), and people who work in that industry, who similarly thought we had been doing great work on supply chains for 20 years and we just killed 1,200 people in a heartbeat. So what is that all about?

So I started interviewing people, realizing we had these themes. Then I thought, "Okay, I really need to tell this story. There's a book here."

**MASHA FEIGUINOVA:** And what is the story, in a nutshell?

**CHRISTINE BADER:** It is the arc of my time with BP, of joining the company, being really idealistic and energetic, and then having that tempered a little bit with pragmatism, but still being in this company that, again, I thought really was doing everything right. These were my first jobs out of business school. I was, like, "Oh my god, I love Big Oil! I'm getting paid to do great work. I'm doing well and I'm doing good. I love these people. They all get it."

But then I left to go work on this United Nations initiative on business and human rights. So I got to experience what it was like to work on international policymaking, and that was really exciting.

But I kept gravitating back towards the company representatives. Their sort of perspective was one that I could really relate to. They are the ones who really wanted to know, "Okay, what do I do differently on Monday morning because of what we're talking about here today?"

Then again, after Deepwater Horizon, when I really lost a lot of faith in what it means to do corporate responsibility—but then, through these conversations, getting some of that faith back and realizing that this work is—obviously it's challenging, but it's also incremental. You can't go into it thinking, "I'm going to change the world right away." But you can still go into it, I think, thinking you are going to change the world.

**MASHA FEIGUINOVA:** If we take it at face value, this conversation, that BP was trying to do the right thing, what were some of the internal and external challenges that made it difficult to do the right thing? In which circumstances was it able to address them, overcome them; in which circumstances, not? Can you give us a bit of a sense of that?

**CHRISTINE BADER:** Yes, sure. I'll tell you the story of my first week in China, when I first got there.

I was there, again, to work on this chemicals joint venture between BP and Sinopec, one of China's state energy companies. My first week there, I was in a meeting—and imagine these prefabricated trailers on a construction site. Construction hadn't started on this project yet. The room was half BP guys, half Sinopec guys—all guys—a 50-50 joint venture. We were going down the spreadsheet of the latest estimates for the cost and the timeline.

There was a number "8", and the label hadn't yet been translated into English. My BP colleague said, "What's this? What's the '8'?"

The Sinopec guy said, "Oh, that's the projected number of fatalities."

"Excuse me?"

He said, "Yeah. On a project this big, this many man-hours, expect eight fatalities."

My colleague said, "The target is not eight. The target is zero."

The Sinopec manager said, "That's not realistic."

I realized he was right, actually. Given their track record, given a project that big, they would expect eight fatalities.

This is the conversation that I was stepping into, saying, "If you set a target of eight fatalities, you're probably going to kill at least eight people. And that's good, if you've killed eight people?"

That was the beginning of my year there, of trying to understand, how do you set these stretch targets? How do you make the case?

For example, what worked there was, I went in there going, "Well, we need to protect the human rights of the workers." That didn't go so well. I mean, it was fine. I didn't get thrown out or anything, but it just fell kind of flat. People looked at me blankly, going, "What are you talking about?"

Then I tried, "These are the standards that BP uses around the world. We're so great, and we should use them here." That was incredibly arrogant.

So what finally worked there was when I shut up for a couple of weeks and just listened to what resonated with people and how they talked about their work and what motivated them and what they were worried about. It was when I came back and said, "Okay, I understand that you guys want this to be a world-class model project. If that's the case, these are the standards that world-class model

projects use for working conditions and dormitories. So that's what we're going to do here." And they were, like, "Oh, okay, why didn't you say so?" I mean, not that flippantly.

So I think one of the biggest challenges of doing this work is making the case in different sorts of environments and understanding what resonates with people.

**MASHA FEIGUINOVA:** And you had to go through a similar set of challenges, as I understand it, in 1999, during the relocation project of Indonesian villages, which in some industries is fairly standard. It's mitigating some risks. But at the time, *The Wall Street Journal* hailed that project as being an unprecedented and unique example of social engineering. What do you think worked so well there? What was some of the initial thinking that allowed that project to succeed?

**CHRISTINE BADER:** There are a number of things that I'll talk about. I'm hesitant to say that it was such a success, because it's sort of like the "Mission Accomplished" banner. It's going to be a couple of generations, really, before we know whether this project was a good thing or a bad thing for the local people. It's going to be generations. And we may never know. No matter how it turns out, it will probably also be impossible to pinpoint what was because of the company and what wasn't.

So I say a success with some hesitation. The indicators are good. The levels of health and education and literacy have gone up. So it's moving in the right direction, but I wouldn't say that it's done yet.

But what was going on there was that it was in such a unique and sensitive and special environment. Has anybody been to West Papua? It's a beautiful place. It's incredibly remote and sensitive. To get there on my first trip there, I had to take an overnight commercial flight from Jakarta and then a 12-seater seaplane for an hour and a half and then a helicopter the rest of the way in. This is sort of the end of the earth.

But there was so much scrutiny on this project. There were U.S. congressmen who wanted to know what was going on in West Papua. There were international NGOs that were focused on the area, both on the environmental dimensions and the social dimensions.

There were plenty of other examples, in the country but also in that province, of what can happen when things go horribly wrong. The Freeport-McMoRan Grasberg copper and gold mine, one of the largest in the world, is also in West Papua. They had to spend something like \$28 million on security in one year, in 2009, and that just keeps going up. It's because community-company relations have been so bad there for decades. The company came in in, I think, the 1950s or 1960s, struck a deal with [Suharto](#), and sort of assumed that their government license to operate was enough, and didn't pay attention to this concept of social license to operate. So things have gone horribly wrong there.

So there was one example right there in the same province of what it could cost to get this wrong.

There was another example at the other end of the country of a similar facility. ExxonMobil had a liquefied natural gas plant in Aceh. That had to shut down for four months in 2001 because of a [civil war](#) going on around the project, basically, that some people accused ExxonMobil of exacerbating. That four-month shutdown—I did some research for the book. I couldn't find an exact figure, but there were estimates that that shutdown cost ExxonMobil anywhere from \$100 million to \$350 million in revenue, which even for Exxon is actually serious money.

So I think it was a combination of things. There were examples really nearby of how much it can cost to go wrong. There was so much scrutiny on this project, external, from stakeholders, from investors, from customers. BP lost a bid for that gas project to supply gas to a terminal in China. We never

found out why we lost the bid, but rumor had it that some Chinese officials were concerned about the social and environmental risks, and they didn't think we would be able to get the plant up and running on time.

So there were all these factors that created this perfect storm for senior management to basically give us whatever we wanted that we thought was necessary to mitigate the risks.

I didn't realize at the time that that was so unique, that I could call up headquarters and be like, "Hi. Could I have \$100,000 to do a human rights impact assessment?" "Sure. Take whatever you need."

That's part of the journey of the book, actually—years later, wondering what happened with the Deepwater Horizon disaster, actually going back and thinking, "What was so special, what was so unique about my time there?"

So that's what I think happened there. There was a sort of perfect storm of factors that made the company throw whatever we needed behind trying to get this project right.

**MASHA FEIGUINOVA:** What's also interesting about your time in BP is that—to zoom out from your role specifically—CSR as a space, as a formalized space, was going through its own evolution. Can you talk a little bit about how your work within BP evolved in parallel to how CSR as a space, within the extractive industry or more broadly?

**CHRISTINE BADER:** Sure. That's a good question.

Before me, before my time with BP, I think corporate citizenship was basically about philanthropy. In the 19th century, we had the kind of [robber baron](#) model of corporate citizenship, which is that you exploit workers and seize land by day and you build a zoo at night or something. Then I think we started to realize in the 1990s, early 2000s, that business actually did have some negative impacts on human rights and maybe companies should be directing their attention towards fixing those.

So in the 1990s, [Ken Saro-Wiwa](#) was assassinated in Nigeria, and Shell was accused of complicity in his murder because Saro-Wiwa had been peacefully protesting Shell's pollution in the [Niger Delta](#). BP was, in [Colombia](#), accused of funding a rogue paramilitary group to protect its facilities. Then we had Nike accused of sweatshop conditions in some of its Asian suppliers, and people remember [Kathie Lee Gifford](#) crying on television when she found out that her branded clothes were made by kids in Central America.

I think that's when we started to realize, okay, philanthropy—there are no carbon offsets for human rights abuses, so we can't let companies be giving money as a sort of fig leaf to hide wrongdoing. I think that's what started to happen in the 1990s, 2000s.

Then for a while—and you still have a lot of cause marketing—then it became, okay, let's align the giving with the interests of the company. But it's still philanthropic. And there's still a lot of that.

I don't mean to totally knock philanthropy. I think philanthropy's great, but I would be fine if all corporate philanthropy went away and companies directed all of that time and energy and attention towards making sure that they weren't hurting people in their core business.

**MASHA FEIGUINOVA:** Christine is now putting me out of business officially.

**CHRISTINE BADER:** I'm sorry. I'm sure there's some way that we could make sure that all philanthropy was truly aligned. Then I think if companies have fixed their supply chains and their

negative externalities, then, yes, give it away.

**MASHA FEIGUINOVA:** I take your point. In the ideal world, there shouldn't be a need for corporate philanthropy.

**CHRISTINE BADER:** No, I think there's a space for it.

**MASHA FEIGUINOVA:** Similarly, the way corporate philanthropy has evolved and CSR has evolved, I'm going to make an assumption that from time to time you give advice on careers, careers in CSR: "How do I get in? What's interesting? Where can I make the biggest impact?"

What I have seen on the corporate philanthropy side is how expanded that role has become. You're no longer a grants officer, but you should also have an understanding in business operations and marketing and communications, etc. It has become a much broader skill set as philanthropy has become much more embedded in the business practice.

Have you seen a similar evolution in CSR? How does that impact the role of the professional?

**CHRISTINE BADER:** Right. Good. That's really interesting. I think it is so different for every company, depending on what point they are in their journey, which is how they call talk about it, their "journey."

**MASHA FEIGUINOVA:** Their "story."

**CHRISTINE BADER:** Their "story." "We can't do this alone." You can play CSR bingo. "It's in our DNA." All true, all good.

So the roles are interesting. Certainly what I see in the human rights space is that when companies figure out, okay, we need to do something in this space, whether it's sustainability or human rights, they will usually bring in a specialist in that role. It might start off as a consultant. They'll bring in a consultant to say, "Can you help us do a human rights impact assessment or gap assessment? Just have a look at our policies, our procedures, and our human resources, and just tell us where some of the gaps are."

Then they might find some gaps and say, "Okay, let's bring in some people to help us fill the gaps." But then I think the end goal is to have people internally who understand that so that you are developing some internal learning; you're not always outsourcing these functions.

Then the trick is to embed it. Who do you need to embed? I'm seeing companies struggle with, "Do we want specialists or do we want people who really understand the company and the business and the culture?" I think you need a little bit of both. But it just depends where the company is on the journey.

**MASHA FEIGUINOVA:** I would agree with that. And their story.

## Questions

**QUESTION:** Dan Davydoff, Eurasia Group.

I really enjoyed your distinction between the philanthropic kind of giving and what's going on now. A lot of what you were just describing with the CSR has to do with a specific project and how, before we have to mitigate its bad outcomes, you can ensure that it happens in a way that's consistent with

social responsibility.

I guess my question is, how do you remain an idealist when there are situations where it's virtually impossible to reconcile the interests? For example—I'm not an oil expert—in the pharma sector, let's say, it's very rare that it would be in a company's interest to give up its intellectual property rights to generics manufacturers in other countries. It might allow it in emergencies. It might give out free drugs. But in the end, it's always going to lobby against another country trying to provide cheaper drugs for its people.

So my question is, is there a certain point at which the basic interests of a corporation are so fundamentally against, let's say, something that is aligned with social responsibility that it becomes very difficult?

**CHRISTINE BADER:** That's such an interesting question, Dan. When I worked at BP, the senior executives there talked about the company's mission as being to deliver heat, light, and mobility—without a hint of irony. This was truly what people believed the company was all about. I suspect—I don't know, but I suspect—that if you talked to people in the pharmaceutical sector, they would say that their mission is to invent drugs that save lives and cure disease. And in order to do that, they have a business model whereby they have to invest so much in R&D [research & development] that this is where their price point ends up.

Again, I don't know the argument that well. I'm just hypothesizing here.

I would hazard a guess—and I don't know; if there are people in the sector here, please chime in—that there are probably people in the company who are lobbying for greater access to medicine for a wider population, but there are probably also people who understand that that's what the business model is right now. You need people to be pushing incrementally to see if there's something to tweak around the edges, if it's special cases or whatever. You need people outside who are clamoring and lobbying and advocating to overthrow the system.

But I don't know. From my own experience—and again, looking back, I realize how unique this is, but that's what I know best—what I saw there and what I believed was that those projects that I worked on were inevitable, that development was going to happen, so my role was to try to mitigate the risks as best I could.

There's a sort of acceptance there that other people don't believe. Some people want to stop development and don't believe that projects like that should go forward at all. I don't know if part of your question would imply being in that camp. That's fine. We need people to sort of be in that camp, too.

But I guess that's sort of where I sit. I didn't feel like, from my own beliefs, that development is inevitable and that we can mitigate risks to people, that I was comfortable sitting in that space.

**QUESTION:** I'm Jerry Weinstein.

I want to hash a question together. [Global Witness](#) just [won](#) two prizes, a TED Prize and Skoll, for a total of \$2 million. Their focus is on unveiling anonymity and how corporations are, through shell accounts, funding conflict.

I'm wondering, in the context of what you have been talking about, if you have thought about that and how these profits are sometimes tunneled into nefarious things?

**CHRISTINE BADER:** It definitely came up in Indonesia, the whole issue of revenue transparency, because we were working in a very remote environment. There was a separatist movement there, in part because it was a very resource-rich province that didn't feel like they were getting their fair share of the revenues. There had recently been a law passed in Indonesia that was supposed to send a greater share of the profits back to that province from oil and gas and other developments, but the law hadn't been implemented yet. The regulations hadn't been written. There was a lot of skepticism that the money would actually trickle back to the province.

So we were having this conversation: "What can we do about this? What is our appropriate role as a company?" Because you can also imagine if we went too far and were trying to train government officials in how to spend their money—what does that look like, for a company to be doing that?

So what's a company's proper role? What we did there was, for example, we started to work with the World Bank, who does training in how to manage revenues and such—so trying to bring in a third party. And we did actually talk to Global Witness with some regularity.

So that was my experience there. It was trying to bring in third parties. It was trying to recognize what the role of government is. But obviously we were starting in a different place in that we were trying to help get this right.

But it certainly is a problem, and I think it does demonstrate some of the challenges of doing this work. First of all, if you assume good intentions on the part of the company, which I know is a really big assumption, and again there were great risks of what can happen to business if it all goes wrong. That's why we were doing it in Indonesia, in part because obviously there was a moral imperative, too, but there was a pretty sound business case for where it has gone so horribly wrong in all these other places when people don't feel like they're getting their fair share of the revenues.

But then again, for me, the question is, what's the appropriate role of the company?

So yes, we thought about that a lot. Then the challenge is, if government were playing its appropriate role, then that would help with the accountability, too.

It's a complex challenge.

**MASHA FEIGUINOVA:** In the early 2000s—correct me if I'm getting the dates wrong—BP was one of the champions of the extractive industry's transparency initiative, which does exactly that—bring companies, civil society, and governments together to foster that level of financial transparency. Companies can't do it alone, governments can't do it alone; civil society can only scream so loud.

**CHRISTINE BADER:** That's right. And I recounted that in the book, that BP had met with Global Witness and said, "Okay, we will publish what we pay in Angola." Global Witness put out a press release that said, "Global Witness Gets BP to Publish What They Pay." And somehow the communication didn't quite get to the Angolan government first. So BP in Angola nearly got kicked out, the government saying, "I'm sorry, you're going to what?" BP didn't get kicked out in the end.

But that actually created a lot of problems in the company, because then people were pushing back inside the company saying, "But, look, we almost got thrown out of Angola." Then some of us had to say, "Yes, but we didn't in the end." It was kind of icky for a while.

It's a good example. Thank you for bringing that up.

**QUESTION:** Ron Berenbeim.

Can we talk for a minute about Deepwater Horizon? In the various postmortems that were done about Deepwater and [John Browne's](#) administration, which was totally angelic until that happened, at least as far as much of the public was concerned, the criticism was made, which I'm sure you have heard, that for him social responsibility was sort of a branding exercise, while he was ruthlessly, ruthlessly cost cutting in terms of the ultimate social responsibility, which was the safety of the public where BP was drilling oil.

I'd like your thoughts on that since you were inside the company at the time.

**CHRISTINE BADER:** Again, that was what really prompted me to write the book, to take a good, hard look back at my time there and think, "What did I see? What happened?"

What you said about social responsibility being a branding exercise, that was not my experience of the company. Now I realize that my experience of the company was perhaps not typical of the whole company. My experience of the company was that the social responsibility work that I did—it was not a branding exercise. The *Wall Street Journal* did end up writing about it, but we weren't doing it for media. We were doing it to mitigate the risks around those projects. The same thing in China.

Again, looking back, I realize that that wasn't going on in the rest of the company. I can't speak to what was going on in the rest of the company. But that's what I saw.

So in the book I pull out of a couple of themes that people doing this work across different industries and across different challenges seem to face. I think some of those might apply to Deepwater Horizon. I talk about how you make the case. I talk about the importance of scrutiny. I talk about the importance of senior leaders in the company bearing witness to the impacts of their decisions on the far reaches of their supply chain.

I think there are a couple of themes and lessons there. But again, the punch line for me was that my experience at BP was not the BP that was drawn out in all the postmortems. And I don't doubt that those exist. But again, I think that's one of the challenges of a company that operates in 100 countries, with 100,000 people. It's not going to be consistent. And that is not an excuse. I think one should strive for that kind of consistency.

So in some ways my story and the way that I look back on it is deeply unsatisfying to people who want an answer and want to know how this could happen, in a company that, again, was purporting to do all the right things. That's why I wrote the book, because it obviously—it really broke my heart. It was a terrible tragedy and loss of life and wreaking of havoc everywhere.

But again, that was my experience of the company. It was just so different to what came out in the postmortem.

**QUESTION:** Michael Maya, with the International Bar Association.

Congratulations on your book, Christine. I read it. It's a terrific book. I encourage everybody here to read it also.

**CHRISTINE BADER:** Thank you, Mike.

**QUESTIONER:** My question is not so much a question, but I was hoping to get your insights on the evolution of the corporate world in the next 20 years, just sort of a prognostication of where you think

the corporate world will be. If you look at the environmental movement, there are some parallels, I think, between that and the business and human rights movement. Maybe you can give us some sense of, not what's possible, but what's realistic, given human nature and the need for profitability and all the other good things that corporations are interested in.

**CHRISTINE BADER:** That's fun, Michael. Thank you.

I think one development that has been interesting in the last couple of years is how human rights has emerged as a way that people are talking about and thinking about business's role in the world. Human rights has historically been a state-based thing. It's about what governments can and should and must and shouldn't and can't do. But in recent years people have started to talk about human rights in framing business's impacts.

I think that it's actually really helpful. It's a little bit scary at first, because you say human rights to a lot of audiences, and to certainly a lot of corporate people, and they think, "Oh, what did we do wrong? This is about repressive regimes in far-flung lands. This clearly has nothing to do with us." Right? But it's actually incredibly helpful.

You start with the [Universal Declaration of Human Rights](#). It consists of 30 rights and freedoms that were agreed to by the international community. Having worked in a company full of engineers, people love lists. So you give them a list of 30 and say, "This is where we start."

It's not framed in business language. That was part of the exercise of the UN mandate that I left BP to work on. But it's actually incredibly helpful.

I think part of the problem of where we are today with CSR, corporate responsibility, is that there is no universal declaration of corporate social responsibility. Right now it's kind of whatever a company wants it to be, which is why we do have these problems. Some companies are doing it for marketing purposes. For some companies it means sending employees out in matching T-shirts to paint a wall for five hours a year—which is awesome, but that's not what I'm talking about here. So it's kind of whatever a company wants it to be right now, which really creates a lot of frustration, I think, to people who want to know, what are we really talking about here?

I think it has been encouraging, actually, to see so much more uptake of human rights as a framework for companies and for advocates to talk about the responsibilities of corporations, because it provides a common starting point.

I have seen that grown so much in the past 10 years that I would like to think that maybe in 20 years that will be the language that we all use, so at least we'll all know what we're talking about.

**QUESTION:** Julia Taylor Kennedy.

We just talked about the evolution of corporations. I would love to talk about the evolution of idealism. If you went back and talked to young idealists, Christine, pre-BP, would you change your idealism in any way? Obviously you're writing to a certain audience with this book, with some suggestions. But I'm curious if you would like to imbue yourself with more wisdom or if you think that's a necessary journey for everyone to go through.

**CHRISTINE BADER:** Thank you, Julia.

I think one thing that became clear, both reflecting on my own journey and then talking to so many

other people in this space, is that the choice for where each of us can have a positive impact in the world is so deeply personal. I wanted to write the book because I get so many emails and LinkedIn requests from people going, "You know what? I want to get a job in CSR. It sounds really cool. What's it really going to be like, though?" That question is always sort of sitting either on the surface or just below: Will I really be doing real work?

So I wanted to write the book, in part, to tell people when I get those emails, "Here, read the book and then come back to me."

I realized, again, as I was saying, when I worked in the UN process, that I kept gravitating back towards the company people. Whenever we had another conversation about whether we wanted to lobby the Human Rights Council to welcome or endorse our final recommendations, which means a lot in the UN world, my eyes would just glaze over. I worked with people who were so good at that and who were so good at navigating the UN system and understanding what every word means. Bless them, because we need people to do that kind of work. But I just realized it wasn't for me.

Also for the book, most of the people I interviewed are in corporate jobs, but I also talked to a number of the advocates who I have gotten to know over the years, which was really fun, because these are people I'd been sitting across the table from, but I never really talked to them about how they feel about their work and their tactics. It was great.

I asked one of the advocates, who I've known for a long time, "Would you ever work in a company?"

She said, "I don't think I could, because I don't think I could handle feeling like I was complicit in the problems of the company, even if I was part of trying to fix them."

I said, "Wow, that's incredibly poignant. Could I put that in the book?"

She said, "Yes, but could you not use my name, because I think I might want to work for a company someday, if I could actually find one that . . . ." So I put that whole exchange in the book without using her name.

But again, I think it just makes the point that each of us is going to thrive in different environments. If you can embrace the ups and downs and incrementalism that I think come with working in a company, it could be really good work.

But I also interviewed a bunch of people who left and got really frustrated—wanted to go work at Amnesty International or whatever. They'll go spin their wheels a different way, and they know that. I think we each just need to choose.

So my advice would not change in that respect.

**QUESTION:** Tom Newberg. You pretty much just answered my question.

My wife and I [heard you](#) on [The Leonard Lopate Show](#) a couple weeks ago. We had just been here to hear [Sebastian Junger speak](#). During your interview, I thought, "Wow, this would be a great person to have at the Carnegie Council," and at the end of the show, Lopate said you were coming. So we're here. Thank you.

I was interested in your discussion about philanthropy. I'm sure it wasn't lost on anybody else either that you were discussing the robber barons under the sign above you [Carnegie Council].

**CHRISTINE BADER:** With due respect.

**QUESTIONER:** But I wanted to point out that the robber barons helped establish the concept of philanthropy. They built universities and railroad stations and libraries and museums. I'm not suggesting that they did this out of the goodness of their hearts. I think there was some 19th-century PR [public relations] involved.

But the discussion about the moral imperative, companies doing things because of the moral imperative—I think that got kind of lost on me. I think the philanthropic side is important, essential even, because we can't trust corporations, at least not all corporations, to do the right thing.

During the interview on the radio, you mentioned that there was some real lack of leadership at BP, real failure of leadership at BP during part of your time there; at least you thought so. I was wondering if you could speak to that, too. You didn't suggest that it caused you to leave, to go to the UN.

**CHRISTINE BADER:** Thank you for clarifying. I did not mean to imply that we should rely on a moral imperative for companies. I agree with you. I don't think that's the case. And I think if we rely on one leader's perception of what the company should do to do the right thing, then I think we're setting ourselves up for failure.

That's actually what frustrates me about philanthropy, though. I think that some corporate giving, philanthropic giving, comes from the CEO's wife went to a gala last night and then comes in and says, "Hey, this is a great cause. Let's give some money." Then the CEO turns over or the thing isn't trendy or the gala is not so good next year, and then the organizations, the people that have come to depend on that giving, are left out in the cold.

At the end, I have this manifesto for the corporate idealist. One of the points is that leadership transitions and financial downturns should be irrelevant if I have truly embedded my work.

That leads into your question about BP. [Tony Hayward](#), when he took over as CEO of BP from Lord Browne, made statements that are in the public domain about how BP had too many people running around trying to save the world. As [Groucho Marx](#) said, I resemble that remark.

To me, it felt shortsighted, because that's what I was doing. But it was pretty clear to me that without some world-savers like me, we would not have been able to get those projects up and running. The work was totally essential.

I should say that I don't think all of that work went away, because, again, I do think it was embedded. I think that it was pretty clear that that was about risk mitigation. So I don't think all that went away. I don't know for sure. I haven't been back out there. But I don't think it went away.

Now, in terms of the bold public leadership stances that Browne had taken and that Hayward didn't, to me, frankly, I care less about that than about what's going on on the ground. We need CEOs to stand up and be bold and make bold statements, but I'm much more interested in what's going on on the ground. And if that work is embedded, then that shouldn't change with a CEO turnover.

But also part of the reflection of the book was to try to parse out what it felt like to me at the time versus what really happened. To me, when Browne stepped down, it felt like a really seismic shift. I joined BP because of Lord Browne and because of the things that he said and the bold stances that he had taken. Certainly when there's a leadership transition, people leave. That's pretty normal.

But then actually writing the book, I had to go back and look at some of the public statements. And it actually wasn't as bad as it felt at the time. But I was leaving to go work on this United Nations initiative, so at the time it was a little bit of "it's not you, it's me" sort of breakup, that I wanted to go work on this opportunity.

But again, that was part of the journey of looking back and trying to parse out what really changed, because big companies can't change on a dime like that, even though it can feel like that, depending on where you're sitting.

**QUESTION:** My name is Zor Rothman.

I've dealt a lot with companies that pollute air, domestically but also internationally. My job was to extract as much money as possible out of them when they didn't comply or when they didn't care about complying, and later on, when they would wake up, they realized the cost of compliance is high.

I thought about what you said as far as risk mitigation. As horrific as that Sinopec company's eight-people target of dying in a project was, that was very much a realistic thing.

My question is, did companies like BP, which is where you were, ever have their spreadsheets that said, "If this doesn't go well, it's going to cost us X, so in order to preclude X from happening, let's spend a fraction of X"—to your point, in Aceh state, when Exxon lost between \$100 million and \$350 million. Do companies actually think about it contemporaneously, in real time, or do they only start pulling their hair out when the media turns on them and people are actually dead?

**CHRISTINE BADER:** Thank you for that.

Well, we know that Ford, with the Pinto, did [this](#) in the 1970s. Gee, what's going on today? [Something similar](#), so clearly this happens.

My projects did not have those spreadsheets. We just had those figures sort of floating around in the ether: "Okay, here's what could happen when things go wrong."

I talk in the book a lot about the business case, because I think it's important, but also one of my manifestos is that the business case is important; so is morality. I think that the business case is important. I get it, and I'm glad I went to business school, because I could speak the language of business when advocating for human rights inside a company. I think that's really important.

But I also think it's okay to call out when the business case discussion is silly. If I say, "I would like to spend \$11 million next year to hire 15 community liaison officers and make sure that we have open channels of communication so that we're not complicit in genocide," for example, I don't want to have this conversation, "Okay, I can't find \$11 million. How about \$4 million, and then is there a 30 percent risk that we'll be 30 percent complicit in genocide?"

So I get it, but at some point I think you can call out that this is a ridiculous conversation. I think there's constant tension.

But, yes, I do have some stories in there. Sometimes people do say, is this the cost of doing business? And it can't be.

Go ahead. An urgent follow-up.

**QUESTIONER:** What will it take to get people in your space to actually start talking in the financial language, as you mentioned, of this is going to be the real cost when stuff blows up, when X hits the fan, to actually try to model out those things based on similar events and other corporate fiascos and disasters—just like in our little friends from Detroit, GM, when the part would have cost less than a dollar to fix. Now they have dead people and probably billions of dollars in settlements that they will pay, when someone actually, in 2005, wrote a study that said it's not cost-effective for us to replace this; it's not good business.

I'm a firm believer of incrementalism. I actually agree with you, firmly. But the question is, can you actually speak in that language, but explain how you can't just factor in a 30 percent? It's either all or none. Thirty percent is not a reality situation that we all deal in.

**CHRISTINE BADER:** I think it's giving people options to show what's effective. A lot of what the UN work was about—a big piece of it—was that a company should have grievance mechanisms in place to catch issues before they escalate into serious costs and serious harm to people.

One story. The UN expert who I worked for went to go visit a mine in South America. Things had gotten really bad there between the company and the community. The community blockaded the only access road into the mine. The mine manager, understandably, freaked out, called the police. Stones were thrown. Shots were fired. People got hurt. And the company had to delay expansion of the mine at great opportunity cost to them.

So the UN expert I worked for went to go meet with the community a year and a half later and said, "What happened here? Tell me how this all started."

They said, "These guys from the mine, they drive through our village really fast in their four-by-fours and they kick up all this dust."

He said, "That doesn't sound like such a big deal. How did it escalate? People have gotten shot here. What happened?"

The community leaders said, "Well, the company wouldn't listen to us when we had small problems, so we had to make a big one."

Imagine the money and the business opportunities and the harm. If you can just put some kind of grievance mechanism in place, whatever that looks like—if it's one community liaison officer or something—I think it's also about giving companies options that are tangible, that are practical, and saying, "Look, put this in place right now. It doesn't even cost that much. And look at what it could prevent down the road."

**QUESTION:** Susan Ball.

I want to know if you feel that maybe perhaps we, the public, are becoming too idealistic in thinking that corporations can keep providing us with all these things and having no accidents. Accidents don't seem to happen. When President [Obama](#) jumped on BP with such ferocity without even knowing if it was accidental or not—those things happen. I can't imagine that we have gotten to the point where we expect every corporation to—you don't know whether it's good or bad—whether an incident is an accident. I have accidents happen in my life. I can't imagine that corporations shouldn't have that chance.

**CHRISTINE BADER:** The presidential oil spill commission report [said](#) even inherently risky

businesses can be made safer. We can't accept that that's just going to happen. We can't accept that there will be eight fatalities. We can't accept that.

Where I thought you were going with your question, though, was, what role do we all play? I think that acknowledging that we are all complicit in this, that this is how we keep the lights on—I think that's such an important point.

Frankly, I'm really depressed about the role of consumers. I mean, this population—in part I wrote about it because this is where I think change is coming from right now, inside corporations. But I'm so depressed by all these studies that show that if you have two piles of socks, if one of them is marked "Fair Trade," if they are the same price, only half the people will buy them, because they think that the quality might be poorer. And as soon as you bump up the price, people don't buy them anymore, even though they say, "We want fair trade."

I get that budgets are tight. But we have such an overconsumption problem that is fueling some of these accidents. It does not excuse them. But we're part of the problem.

So I think we all have a role to play, whether it's as consumers or investors or citizens. But that doesn't let the companies off the hook by any stretch.

**QUESTIONER:** I am all for keeping it going, but I do think there have to be some allowances for human error.

**CHRISTINE BADER:** Yes, but we can't have the eight fatalities.

**QUESTIONER:** It's good to be idealistic, but I'm with the Chinese.

**CHRISTINE BADER:** Wow. Okay, that's a good note to end on, I think.

**MASHA FEIGUINOVA:** It has been a really terrific conversation. I guess I'll just close with one final statement.

It seems to me that part of the evolution of CSR is, on some level, a reconciliation that the business of business is business, but that companies can allocate more resources and be smarter and be more mindful of how they mitigate risk, being a more responsible corporate citizen, even if the bottom line is business.

Do you see that trend continuing? How does it look into the future?

**CHRISTINE BADER:** You mean CSR being more about risk mitigation?

**MASHA FEIGUINOVA:** No, in terms of companies thinking more deeply about how to mitigate risk, how to be responsible corporate citizens, allocating money for those community liaisons, doing the human rights assessment, etc.—doing those steps so that we have fewer accidents?

**CHRISTINE BADER:** I hope so. I mean, it's pretty clear that you can't hide anymore. One of the people I interviewed for the book, working in a company, he said he used to have to call up one of his NGO or socially responsible investor friends and say, "Now would be a really good time for you to write a letter to my CEO about this issue that he has been trying to push internally." But you don't need to do that anymore. We have a 24-hour, ubiquitous media, and it's as easy as a hashtag to start a campaign. So I would like to think this isn't going away.

**MASHA FEIGUINOVA:** Thank you.

### **Audio**

How can corporations work to prevent human rights violations on their watch, as well as disasters like the BP Deepwater Horizon explosion? Christine Bader discusses her time at BP, where she was part of the invisible army of people inside corporations who are pushing for safer and more responsible practices.

### **Video Clip**

How can corporations work to prevent human rights violations on their watch, as well as disasters like the BP Deepwater Horizon explosion? Christine Bader discusses her time at BP, where she was part of the invisible army of people inside corporations who are pushing for safer and more responsible practices.

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