

Contested Legitimacy

The shrimp sustainability case in Sweden

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Abstract

The world faces a plethora of serious challenges. The current SARS-CoV-2 Pandemic, Australian bushfires of 2019–2020 and rapid decline in global fish stocks are just a few of numerous recent events which highlight the necessity and urgency of a reconceptualization of the relationship between economic systems, society and the natural world – and the norms that underpin these relationships. While supranational frameworks such as the United Nations Sustainable Development Goals offer a viable ‘to do list’ in the direction of this reconceptualization, the willingness of various actors to work towards this end is mixed. Central to motivating diverse actors with oft-conflicting interests towards a future which is realistic about the carrying capacity of the planet seems to be understanding the role of business and markets as both the cause of – but also solution to – many of these interconnected wicked problems. Pivotal to this is understanding is gaining clearer insights into how and why organizations change their behaviour. This study considers one such mechanism: challenges to legitimacy.

The aim of this study was to describe how organizational legitimacy is contested. This was done by exploring actor relations in the Swedish shrimp industry and analysing how debates around sustainability manifested through to one actor contesting the legitimacy of another. Thirty-five hours of interviews were conducted with senior managers from key actors in the Swedish shrimp and broader seafood industry between 2016 and 2019, including retailers, fishing companies, eco-label and certification schemes, environmental NGOs and seafood consumers.

This study found that contests to legitimacy happen when actors (in this instance, NGOs) adopt the role of norm entrepreneur and use a strategy (in this case, shame-

based campaigns) to uproot old norms and stabilize new ones by contesting the social license to operate (SLO) of corporations, and re-establish new ideas of what should constitute legitimacy. This study makes four specific contributions to existing literature and practice surrounding sustainability, legitimacy and SLO. Firstly, it presents a well-documented case of NGOs launching a successful legitimacy challenge and achieving new operating norms within corporations, a specific industry and the broader society of a country; norms which have remained in place for almost a decade. This is a rather rare and infrequent occurrence in a literature full of examples of NGOs lobbying corporations but often with very limited and slowly-progressing success, or success which is short-lived. Secondly, it considers the capture, exploration and extrapolation of the ramifications of the unusual and relatively under-documented phenomenon of a peculiar response to a legitimacy challenge: corporations 'hedging' their own internal strategy decisions on the artefacts produced by secondary actors – or in some cases outsourcing the strategy decision completely. The third contribution of this study is in showing that impacts of shaming against corporations exist on two distinct levels: the immediate impacts, and the long-term impacts. This is explored through a detailed and longitudinal example of a shame-based campaign in practice – one that was able to, in an efficient and effective manner, uproot an existing social norm and replace it with a new one, and translate this through to permanent changes to the SLO required for corporations to be considered legitimate. Finally, this study contributes by showing the important and presently under-appreciated role played by artefacts such as lists, guides and rankings in the establishment of legitimacy and subsequent contests to this legitimacy.

Keywords: legitimacy, contest, actor, social license, seafood, shrimp, sustainability.

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