

**STANFORD ROCK CENTER PROGRAM FOR JOURNALISTS:
A PRIMER IN CORPORATE GOVERNANCE**

May 13, 2022

**ONLINE AGENDA
(All times are PST)**

- 8:45 a.m.** **Welcome Remarks**, *Kristen Savelle, Managing Director of the Rock Center for Corporate Governance, Stanford Law School*
- 8:50 a.m.** **Introduction to SLS Media Relations**, *Stephanie Ashe, Director of Media Strategy, Stanford Law School*
- 9:00 a.m.** **China's Corporate Social Credit System and the Dawn of Surveillance State Capitalism**, *Curtis Milhaupt, William F. Baxter-Visa International Professor of Law, Stanford Law School*

China's corporate social credit system (CSCS) is a big data project to evaluate the "trustworthiness" of all business entities registered in the country, including foreign firms. The CSCS, which runs parallel to a system of evaluation for individuals, is linked to a system of corporate rewards and punishments, representing a futuristic strategy of automated screening to determine which enterprises are allowed market access and benefits. When the system is fully operational, it portends the transformation of China's economic and corporate regulatory system into what Stanford Law School professor Curtis Milhaupt and his co-author Yu-Hsin Lin call "surveillance state capitalism."

This session will explore Professor Milhaupt and Lin's findings from their empirical analysis of the CSCS scoring system, based on its recent rollout in Zhejiang Province (one of the first to implement the CSCS at the local level), as well as the potentially far-reaching implications of the CSCS for the country as a whole. This session will also examine intensifying capital market frictions between the U.S. and China fueled by national security and data security concerns.

10:00 a.m. **Break**

10:10 a.m. **Corporations and Politics**, *Didi Kuo, Associate Director for Research and Senior Research Scholar at the Center on Democracy, Development, and the Rule of Law, Stanford University*

CEO and corporate activism—the practice of CEOs taking public positions on environmental, social, and political issues not directly related to their business—has become a hotly debated topic in corporate governance. Following the events of January 6 and the 2020 U.S. presidential election, many corporations reconsidered their approaches to political spending. As the country approaches midterm elections this November, the staying power of many of those policy changes will be tested. How should corporations get involved in political issues, if at all? How do they respond to the demands of various stakeholders (employees, investors, consumers)? This session looks at the past few decades of corporate political activity, including patterns of campaign financing, public political stances, and growing pressure for capitalists to protect democracy.

11:10 a.m. **Break**

11:20 a.m. **Corporations and the Justice System**, *Anat Admati, George G.C. Parker Professor of Finance and Economics, Stanford University Graduate School of Business*

Compelling corporations to obey laws and fulfill their legal responsibilities has proven exceedingly difficult. Worse still, criminal justice for large corporations generally consists of settlements obtained outside of the courts in a non-transparent process in which shareholders often pay fines, corporations promise to comply better, few or no individuals are held to account, and little else happens. This session will explore the failings of the justice system in the corporate context using real world examples pulled from the headlines, including PG&E, Purdue Pharma, and Boeing. This session will also consider, among other things, whether current laws impose sufficient accountability for those with power, whether current laws are able to prevent law evasion by corporations but fail to do so due to ineffective enforcement, and whether we need to write expanded “responsible officer” statutes.

12:20 p.m. **Lunch Break**

12:50 p.m. Special Lunchtime Q&A with Professor Nate Persily, *James B. McClatchy Professor of Law, Stanford Law School*

[New legislation](#) called the Platform Transparency and Accountability Act, informed by the testimony of Professor Persily, would authorize the Federal Trade Commission to set mandatory requirements for social media platforms to share data with researchers at universities. The goal of the legislation is to increase transparency, and give researchers access to critical data gathered by platforms, in order to gain insight into key societal issues. During this open-ended Q&A session, participants can ask Professor Persily about the Act, the role of social media in the upcoming state primary elections, and more broadly about elections and democracy in the digital age. Feel free to bring your lunch!

1:20 p.m. The Future of Work, *Nick Bloom, William D. Eberle Professor of Economics, Stanford University*

In year three of a global pandemic, employers are still grappling with when - and whether - to bring employees back to the office. Employees, meanwhile, are voluntarily leaving their jobs en masse as part of the "Great Resignation." Given a possible new reality marred by new and mutating strains of COVID-19 and other viruses, will hybrid or remote work become the new normal? Can a workforce that is now accustomed to working from anywhere be forced to return to the office full time? This session will explore what the future of work will look like, and the long-term implications on the workplace and the workforce stemming from more than two years of hybrid and remote work. This session will also examine how board members should be thinking about these risks and opportunities and working with management on talent and human capital.

2:20 p.m. Break

2:30 p.m. DAOs and Decentralized Governance, *Dan Boneh, Cryptography Professor, Professor of Electrical Engineering and Senior Fellow at the Freeman Spogli Institute for International Studies, Stanford University*

DAOs – or decentralized autonomous organizations – have the potential to revolutionize governance. Instead of a board of directors setting the rules and a collection of employees carrying out all the normal functions of a business, you have a string of smart contracts executing on pre-programmed terms. But what exactly is a DAO, and how does it operate? This session will explore the nature, structure, and operation of DAOs, the role DAOs play in Web3, and whether DAOs could replace traditional company boards.

3:30 p.m. Conclude