

Women in Shareholder Activism

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CONTENTS

INTRODUCTION	469
I. WOMEN & SHAREHOLDER ACTIVISM BEFORE THE NINETEENTH AMENDMENT.....	471
<i>A. Ellen M. Henrotin & the Chicago Women’s Shareholder Movement</i>	472
<i>B. Louise de Koven Bowen: The Chicago Movement in the Progressive Era.....</i>	474
II. WOMEN & SHAREHOLDER ACTIVISM AFTER THE NINETEENTH AMENDMENT.....	476
III. WOMEN SHAREHOLDER ACTIVISTS IN THE MODERN ERA	485
<i>A. Early Organizational Activism</i>	486
<i>B. Religiously Affiliated Activism.....</i>	487
<i>C. Women Emerge as Leaders of Corporate Advisory Entities</i>	488
<i>D. Facebook, Women, and Shareholder Activism.....</i>	489
CONCLUSION.....	491

INTRODUCTION

Even a cursory review of the history of American environmental, social, and corporate governance (ESG) shareholder activism reveals the presence of women leaders. This Article sketches some of this history and interrogates the role of women in the shareholder activism movement. That movement typically has involved claims by minority shareholders to

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corporate power; activists are nearly always on the margins of power, though minority shareholders may, collectively, represent a majority interest. This Article ascribes women's leadership in shareholder activism to their longstanding position as outsiders to corporate organization. Women's participation in shaping corporate policy—even from the margins—has provided women with unique opportunities for leadership and challenged stereotypes about the role of women in public life, while *also* challenging and reforming business practices and policies.

The comparatively leading role of women in shareholder activism contrasts with the subordinated role of women in the management of public companies. For many decades, women could play an active role as shareholders in large public companies, but virtually no role in the management of the same companies. Thus, by the 1950s, shareholders' meetings themselves were deeply gendered events; the throngs of shareholders who attended town-hall-style meetings included both men and women, but the raised stages at the front of those meetings, upon which the board of directors and other officers sat, were male-only. The gendered nature of corporate power was on visual display, and women were relegated to the literal periphery.

The rise of institutional investing at the end of the twentieth century shifted women's participation in the shareholder activism movement further to the edges, at least at first. Yet women played key roles in information intermediaries and proxy advisory firms. In the current period of asset manager activism, women are moving up the ranks of management, but they continue to experience sexism in the shareholder-manager dynamic. Sometimes, the gender of shareholder-activists still seems to matter.

Consider what it says about American corporate governance that women have found greater opportunities to participate in high-level corporate decision-making as outside-antagonists (shareholders) than as insiders (officers and directors). Though it is tempting to romanticize shareholder activism as a means to participate in corporate organization, we must resist this. Activists absorb significant costs, and women activists have been targets for ridicule and disparagement. Shareholder activists do not receive the rich compensation enjoyed by corporate officers and directors. And any gains to the company's bottom line or reputation that result from shareholder activism are shared with numerous others. The activism of the small shareholder is largely a thankless effort.

Much of this Article sketches the history of American women in shareholder activism, beginning in the 1890s with Ellen M. Henrotin, perhaps the first person to recognize the potential for collective action among women shareholders. This Article describes the ESG activism of

Louise de Koven Bown, another Chicago socialite, and explores the rise of women activists after World War II, led by Wilma Soss, who pursued a mix of social and governance reforms and even achieved some fame in popular culture. Unlike their male counterparts, such as Lewis Gilbert, women activists were savaged by the press. This Article describes the role of women shareholder activists after the emergence of institutional investing, from the Sisters of the Precious Blood, a group of nuns who waged a shareholder activism campaign against the manufacturers of infant formula, to the Corporate Social Responsibility movement of the 1960s and 1970s and the leadership of such women as Alice Tepper Marlin, Joan Bavaria, Amy Domini, and Nell Minow. Finally, this Article describes the experience of a twenty-first century asset manager who ran into sexism in the shareholder-manager dynamic and exposed it in the *Financial Times* in 2018. This Article concludes by summing up some key insights from this history.

I. WOMEN & SHAREHOLDER ACTIVISM BEFORE THE NINETEENTH AMENDMENT

Women have been shareholders in American corporations since the nation's origin.¹ However, women became salient as a shareholder population only at the end of the nineteenth century, particularly at banks and railroad corporations.² From the late nineteenth century until 1920, when women gained the vote for the first time in American democracy, corporate governance was the sole context within which women could express their views on policy or exercise the power of the franchise. Before 1920, corporate organization represented something that, for American women, was unique: the opportunity to fully participate in the governance of an institution through voice and vote. Indeed, newspaper reports from the nineteenth century documented women attending shareholder meetings and speaking out on issues of corporate policy.³

1. See, e.g., Sarah C. Haan, *Corporate Governance and the Feminization of Capital*, 74 STAN. L. REV. 515, 530–31 (2022) (identifying twelve women shareholders of the Bank of New York in 1791).

2. See, e.g., *Females as Stockholders in National Banks*, BANKER'S MAG. & STAT. REG., June 1877, at 987 (providing a table with sex-disaggregated data about shareholders of ten national banks in central New York).

3. See, e.g., *The Railroads: Local and General Notes*, DAILY J. (Evansville, Ind.), Feb. 25, 1884, at 3 (at the annual meeting of the Boston & Albany Railroad, “[a] lady stockholder, Elizabeth O. Stone, offered a resolve that the running of gravel trains on Sunday be discontinued. The motion gave rise to a little discussion, but was finally referred to the directors.”); *Local Miscellany*, MATAWAN J., Jan. 27, 1877, at 2 (At the annual election meeting of the *Matteawan* Steamboat Company, “[a]nimated discussions were held on the sale of liquors on the boat, and the making of Sunday trips in summer, some of the lady stockholders standing boldly against both these curses, and making speeches against

At the same time, corporate law and practice treated women shareholders differently from men. For example, some corporations made dividend payments available to women shareholders *before* distributing them to men.⁴ Another important difference involved proxy voting. In the nineteenth century, some states granted women more generous proxy voting rights than men; though this practice acknowledged women's societal roles, which often kept them homebound, it also encouraged women to delegate their voting rights to others.⁵

A. Ellen M. Henrotin & the Chicago Women's Shareholder Movement

In 1893, the Chicago World's Columbian Exposition, known as the World's Fair, included a Congress of Commerce and Finance that "attracted the attention of women."⁶ Ellen M. Henrotin, an activist in the women's suffrage movement and the wife of Charles Henrotin, a prominent Chicago banker and a founder of the Chicago Stock Exchange, gave a speech at the Congress about women as shareholders of national banks, titled *Women Investors*.⁷

them. The vote was taken according to the amount of stock held, and alas ! the majority of stock went in favor of these immoralities.").

4. *Giving Women Stockholders Precedence*, N.Y. TIMES, Dec. 1, 1878, at 2 (describing this practice at the Pennsylvania Railroad).

5. States that gave more generous proxy voting rights to women than to men included Pennsylvania, New Jersey, and New Hampshire. *See, e.g.*, Act of Apr. 7, 1849, No. 368, § 4, 1849 Pa. Laws 563, 564 (to encourage manufacturing operations in this commonwealth) ("no stockholder, females excepted, residing within ten miles of the place appointed for such general meeting or election, shall vote by proxy"); Act of July 12, 1856, ch. 1839, § 1, 1856 N.H. Laws 1748, 1748 (to limit the right of voting by proxy in railroad corporations) ("No person shall, at any meeting of the stockholders of any railroad corporation in this State, vote by proxy on more than fifty shares . . . nor on a greater number of shares by proxy, than will be sufficient together with shares owned and voted on by himself at said meeting, to make up the number of shares as aforesaid; nor shall any stockholder authorize more than one person to vote on his shares by proxy at the same meeting."); Act of June 27, 1857, ch. 1951, § 1, 1857 N.H. Laws 1867, 1867 (relating to voting by proxy) (proxy voting prohibition "shall not affect the right of female stockholders to vote at such meeting in the way and manner provided by existing laws; nor the right of any stockholder who is unable, by reason of sickness, infirmity or old age, to attend such meeting"). In New Jersey, under an 1834 case, *Taylor v. Griswold*, married women could not give proxies for their stock; however, a special legislative charter enacted by New Jersey's General Assembly in 1860 allowed only "female stockholders" to vote by proxy. *Taylor v. Griswold*, 14 N.J.L. 222, 236 (1834) ("Feme covert, infants, and persons non compos, cannot make proxies."); Act of Mar. 21, 1860, ch. CLXXXIV, § 2, 1860 N.J. Laws 479, 480 (to incorporate the Gloucester County Glass Manufacturing Company) (noting that directors would be elected by stockholders present at the meeting, plus "the executors or administrators of those who may be dead, the guardians of minors who may be stockholders, and by persons holding proxies from female stockholders").

6. *Commercial and Financial Pickings*, ROCHESTER DEMOCRAT & CHRON., June 30, 1893, at 6.

7. *Gives It a Scoring*, CHI. DAILY TRIB., June 22, 1893, at 1 (noting "Today's Program"); *Women as Bank Directors*, EMPORIA GAZETTE (Kan.), June 23, 1893, at 1. Henrotin's role at the World's Fair was mentioned in her obituary more than twenty years later. *See Mrs. Henrotin, Woman Leader, Is Dead in East*, CHI. TRIB., June 30, 1922, at 14; *She's a Reformer*, BALT. SUN, May 15, 1894, at 10; *Will Address Women*, BOS. GLOBE, Oct. 12, 1895, at 7.

Henrotin's speech attracted significant attention. A brochure, "Woman's Part at the World Fair," promised additional information at a gathering, "which will show the enormous amount of property controlled by women in the financial institutions of the country, in the management of which they are mostly content to vote by proxy."⁸ The brochure further advised that if women could fully realize their financial power, "their sense of responsibility would be aroused and they would give to the subject that attention which it merits."⁹ Henrotin told the press that she had begun a project to identify the number of women stockholders in national banks, and to "impress upon them a sense of their duty toward the institutions in which they are interested."¹⁰ Henrotin's speech, and the interest generated by it, were among the first indications that American women were seeking ways to organize women collectively as investors.

The following year, when workers at the Pullman Company, a railroad car manufacturer, went on strike, Henrotin participated in efforts to mediate the dispute. News coverage at the time noted the high percentage of women among Pullman shareholders.¹¹ A few years later, in a published article, Henrotin described increasing participation by American women in financial activities, evidenced by a report she had been shown by the Comptroller of the Currency, who, she said, had a list of women holding bank stock.¹² Henrotin later told the *Chicago Tribune* that the Comptroller had been gathering data about women shareholders in national banks "at her request."¹³ "Within the last thirty years, public opinion and the laggard that always halts behind it, the law, has practically revolutionized the financial standing of women," she wrote.¹⁴ She also discussed the rise of the "woman's club movement" at length, and explained how women's financial management of clubs had "educated

8. Ellen M. Henrotin, *The Woman's Branch of the World's Congress Auxiliary*, 7 REV. REVS. 419, 421 (1893).

9. *Id.*

10. *Commercial and Financial Pickings*, *supra* note 6.

11. See *The Pullman Company*, BOS. POST, July 15, 1894, at 19 (reporting that 1,400 of the Pullman Company's 3,246 shareholders—over 43%—were women); *Hope Grows Apace*, BOS. GLOBE, Aug. 5, 1894, at 22 (reporting that "[t]here are over 4,000 stockholders of the [Pullman Co.], of whom more than one-half are women and trustees of estates"); *Gives the Men's Side*, CHI. TRIB., Aug. 19, 1894, at 6 (describing Henrotin as working with Jane Addams of Hull House to mediate the Pullman dispute). On Jane Addams's role in trying to end the Pullman Strike, see Victoria Brown, *Advocate for Democracy: Jane Addams and the Pullman Strike*, in *THE PULLMAN STRIKE AND THE CRISIS OF THE 1890S: ESSAYS ON LABOR AND POLITICS* (Richard Schneirov, Shelton Stromquist & Nick Salvatore eds., 1999) (documenting Addams's efforts to arbitrate the strike as part of the Industrial Committee of the Civic Federation of Chicago).

12. Ellen M. Henrotin, *Women in Finance*, NAT'L MAG., Oct. 1897 to Mar. 1899, at 51, 53–54.

13. *Women Unskilled in Finance: Possibly Only a Lack of Training*, CHI. TRIB., Feb. 25, 1900, at 8.

14. Henrotin, *supra* note 12, at 51.

many women to a broader view of financial conditions and in the ethical questions involved, in handling the money of others.”¹⁵

Henrotin told the *Chicago Tribune* that if women recognized their financial power, “the responsibility born of power would arise within them . . . and they would content themselves no longer with giving their proxies when asked and never voting themselves or attending a stockholders’ meeting.”¹⁶ If this was a call to arms, it went largely unanswered. Meanwhile, Henrotin reportedly went into the stock brokerage business herself, partnering with a former clerk of her husband’s. When the brokerage failed, Henrotin was excoriated by the press, who mocked her “pleas” for “women in business” in light of the “disastrous failure” of her own business.¹⁷ It was an early example of the backlash experienced by women shareholder activists who transgressed gender norms.¹⁸

*B. Louise de Koven Bowen: The Chicago Movement in
the Progressive Era*

“Social” shareholder activism, the precursor to modern ESG activism, emerged during the labor-management clashes at the turn of the century. In the early 1900s, reformers reached out to “the more kind-hearted and conscientious among the stockholders of Southern cotton mills” and asked them to vote their stock in favor of “more humane hours of labor” for women and children.¹⁹ These appeals were likely made to women shareholders, who could not vote in political elections and thus had no voice in the enactment of wage and hour laws. Women’s sole opportunity to have meaningful impact on one of the leading issues of the day—the rights of labor—was as shareholders.

Striking telegraphers at Western Union repeatedly sought to engage sympathetic women shareholders of the company during a 1907 labor dispute.²⁰ Within a few years, rich women in Chicago and Boston had

15. *Id.* at 54.

16. *Women Unskilled in Finance: Possibly Only a Lack of Training*, *supra* note 13.

17. *Disastrous Failure*, *TIMES* (Shreveport), Oct. 7, 1900, at 10 (“She attracted attention for two years by her speeches and pleas for ‘women in business.’ . . . Mrs. Henrotin went into business. Sad to say, the business has gone to everlasting smash. She was a partner, so the unsympathetic creditors say, in the firm of Ulric G. Peters & Co., stock brokers.”).

18. *See generally* SUSAN FALUDI, *BACKLASH: THE UNDECLARED WAR AGAINST AMERICAN WOMEN* (1991).

19. Florence Kelley, *The Right to Leisure*, 14 *CHARITIES: REV. LOC. & GEN. PHILANTHROPY* 1055, 1062 (1905).

20. *See Rose Pastor Stokes Will Ask the Aid of Mrs. Sage*, *S.F. CALL*, Aug. 22, 1907, at 3 (describing efforts by labor advocates to gain the support of Mrs. Russell Sage, who owned “an enormous quantity of Western Union stock”); *Girl Operators Appeal for Aid to Helen Gould*, *INTER OCEAN*, Aug. 18, 1907, at 1 (describing efforts by women operators to communicate “an appeal to

become shareholder activists at other companies on behalf of workers, such as the Pullman Car Company, International Harvester Company, and the Boston Elevated Railway Company.²¹ In this early period, activists were experimenting with the power that accompanied stock ownership, and primarily used publicity tactics and social connections as a means to reform corporate policies.

Louise de Koven Bowen emerged as a leading shareholder activist during this period. Like Henrotin, Bowen was an older wealthy Chicagoan and related to a prominent Chicago banker. She was also active in the women's club movement and the women's suffrage movement. Bowen became an early pioneer of "social" shareholder activism by focusing on companies' labor policies. Bowen began her activism in 1911 by making demands on behalf of workers at the Pullman Company, where she was a stockholder. Henrotin was still active in Chicago women's organizations and social reform movements at this time, but it is unclear whether they crossed paths.

Bowen provided a first-hand account of her objectives in a 1926 memoir,²² in which she said that Pullman's management agreed to create a new hospital for its workers, in direct response to her efforts as a shareholder activist. Bowen recalled feeling "gratified" by this success.²³ She next focused her activism on the International Harvester Company.²⁴ When Bowen objected to the night shifts worked by the company's women laborers, the company's president told her that he agreed that women should not work such hours "and now that a stockholder had objected he would take up [the matter] with the board of directors."²⁵ International Harvester ended the night shifts and, after further activism by Bowen, agreed to pay its women workers a minimum wage.

In her memoir, Bowen wrote that she viewed shareholders as "partners" in the business who should not be "indifferent to the conditions

Helen Gould, a stockholder in the Western Union, with a denunciation of the high officials of that company for alleged persecutions of their sex").

21. See LOUISE DE KOVEN BOWEN, *GROWING UP WITH A CITY* 166–68 (1926) (describing Chicagoan Louise de Koven Bowen successfully challenging management to improve workers' conditions at Pullman and International Harvester); *What One Woman Stockholder Did*, INTER OCEAN, Nov. 24, 1912, at 6 (describing Bowen's activism at Pullman); *Make Appeal for Carmen*, BOS. GLOBE, June 25, 1912, at 10 (public statement by shareholder Elizabeth G. Evans, also known as Mrs. Glendower Evans, criticizing the management of the Boston Elevated Railway and calling upon shareholders to focus on workers' welfare).

22. See generally BOWEN, *supra* note 21. Indeed, the chapter of Bowen's book that described her shareholder activism expressly linked political and corporate suffrage; it was titled "Suffragists and Stockholders." *Id.* at 156.

23. *Id.* at 167.

24. *Id.*

25. *Id.* at 168.

under which their employees work.”²⁶ “[W]hile it is difficult to know the details of a business in which one owns stock,” she asserted, it was “always possible” to become informed “and to protest or approve” at a shareholders’ meeting.²⁷ Of course, small shareholders of that era would have found it difficult to obtain information about corporate practices. Bowen’s conception of herself as a “partner” in the firm subverted gender norms but assumed away the race- and class-based biases that would have prevented many individual shareholders from obtaining even basic information about a corporation’s operations in an era before modern securities disclosure requirements.

In the rhetoric of both Henrotin and Bowen, we find arguments that women should embrace their roles as voting shareholders and exercise power within corporations. Bowen, in particular, exhorted shareholders to inform themselves about the companies in which they invested and become active in corporate governance, suggesting shareholders had a moral obligation to do so. These arguments laid the groundwork for later generations of women activists, who would continue to gather data about the growth of the number of women shareholders, and to try to organize collective action among them.

II. WOMEN & SHAREHOLDER ACTIVISM AFTER THE NINETEENTH AMENDMENT

Shareholder activism surged during the Great Depression, with the appearance of Lewis D. Gilbert and other small shareholders voicing concerns at shareholder meetings.²⁸ Some of these activists were women: the unidentified woman who “scorched” the chairman of Bethlehem Steel with “invective” at a shareholders’ meeting in 1931,²⁹ the unidentified Canadian woman who, in 1933, rose at AT&T’s annual shareholders’

26. *Id.* at 170; *see also id.* at 165–66 (“I could not help but feel that, as a stockholder and deriving my income from the profits of these corporations, I was at least partially responsible for the grievances of which I was constantly aware, and it seemed to me that as a stockholder I ought to bring about better conditions among working people.”).

27. *Id.* at 170.

28. *See, e.g., Feminine Delegation Turns Borden Meeting into Labor Forum but Stockholder’s Request Brings News of Big Gain in Earnings*, WALL ST. J., Apr. 16, 1936, at 8 [hereinafter *Feminine Delegation*] (describing activism by a shareholder of Borden & Company, Mrs. Hamilton Fish Armstrong, who distributed her shares to proxy holders who supported the labor cause). Other significant shareholder activists of this era included James Fuller and John Campbell Henry. *See Women of Steel Give the Top Brass a Hard Time*, LIFE, Mar. 13, 1950, at 46 (discussing Fuller and Gilbert engaged in joint activism at U.S. Steel); Andy Logan, *Hoboken Must Go!*, NEW YORKER, Mar. 17, 1951, at 34 (describing Henry as “a Gilbert man”).

29. John F. Sinclair, *Everybody’s Business*, SCRANTON TIMES, Apr. 16, 1931, at 35.

meeting to demand that a woman be added to its board of directors,³⁰ the “elderly woman stockholder” who rose at a shareholders’ meeting of the Pennsylvania Railroad in 1934 to lead criticism of the company’s failure to pay dividends,³¹ and the “lady stockholder” from Pittsburgh, who criticized U.S. Steel’s labor policy at a 1935 shareholders’ meeting, and made a motion that would have required the company to permit workers to organize.³² Women Investors, Inc., an early organization of women shareholders led by Catherine Curtis, also appeared at this time.³³ The League of Women Shoppers organized a group and distributed proxies for 750 shares of Borden & Company stock owned by one wealthy woman; the group’s activism at the company’s shareholders’ meeting in 1936 turned it into a “labor forum,” according to the *Wall Street Journal*.³⁴

Women activists were generally overshadowed by the rise of male activists, such as Lewis D. Gilbert and his younger brother, John Lewis, who would become the most celebrated shareholder activist of the twentieth century, and likely gained inspiration from the many small shareholders and nameless activists, including many women, who emerged from the shadows of shareholder meetings during the Great Depression. Then in his twenties, Gilbert shot to fame in 1937, when he and another shareholder brazenly moved for the retirement of Charles M. Schwab, Bethlehem Steel’s aging board chair, at a shareholders’ meeting, arguing that Schwab had “outlived his usefulness.”³⁵ In response, another shareholder jumped to his feet and threatened to “punch [Gilbert] in the snoot.”³⁶ Gilbert averted a fight, but the episode underscored how the hypermasculine culture at shareholders’ meetings could threaten to spill over into violence.

Gilbert became the leader of a campaign for “corporate democracy,” initiating one of the most important phases of the shareholder activism movement. He and other activists pressed for more disclosure and better proxy regulation, and the New Deal Securities and Exchange Commission (SEC) delivered, empowering shareholders with its invention of the proxy

30. See Merryle Rukeyser, *Women Would Aid Business as Directors*, PITT. SUN-TEL., Apr. 18, 1933, at 25; *Gifford Re-elected by A. T. T.; No One Asks About Dividend*, CHI. TRIB., Mar. 29, 1933, at 20 (identifying the woman shareholder as Canadian).

31. *P.R.R.’s Salaries Scored at Meeting*, N.Y. TIMES, Apr. 11, 1934, at 31.

32. *Taylor Sees U.S. Weathering Storm of the Depression*, BROOK. DAILY EAGLE, Apr. 1, 1935, at 24.

33. *\$210,000,000,000 in Investments Held by Women*, WASH. POST, June 5, 1935, at 14.

34. *Feminine Delegation*, *supra* note 28.

35. John Bainbridge, *The Talking Stockholder-II*, NEW YORKER, Dec. 18, 1948, at 33, 33; John Lear, “*Minority Stockholder No. 1*” *Calls Truce in War on Bethlehem Steel*, MORNING CALL (Allentown), Mar. 13, 1938, at 16.

36. Lear, *supra* note 35. Schwab refused to resign but later volunteered for a pay cut. See Bainbridge, *supra* note 35.

statement and a new Shareholder Proposal Rule (recognized informally in 1938 and formally in 1942).³⁷ Building on the shareholder rights discourse, Gilbert called the Shareholder Proposal Rule “the small stockholders’ Magna Carta.”³⁸ Among the first thirteen shareholders to exercise their rights under the Shareholder Proposal Rule was a woman, Harriett K. Skipwith, who owned common and preferred stock in the White Sewing Machine Company.³⁹ Skipwith submitted six proposals in 1943, all addressing governance issues.⁴⁰ The least successful proposal, which garnered 22.69% of the vote, would have required the board to meet monthly.⁴¹ The most successful proposal called for declassifying the board, and won 25.5% of the vote.⁴² The voting results suggest that Skipwith was voicing concerns shared by many of her fellow shareholders.

By the 1930s, journalists were reporting that women constituted a large proportion of shareholders in public companies—perhaps forty percent or more.⁴³ Yet during this decade and the next, women were completely excluded from business schools, which were producing corporate leaders who filled out the tops of corporate organizational charts. At Harvard University, for example, a one-year business administration course was made specially available to women in 1956, and though Harvard Business School had opened its doors for men in 1908,⁴⁴ women did not become eligible to start an MBA degree program at Harvard Business School until 1963.⁴⁵

After World War II, race- and gender-based shareholder activism campaigns achieved some wins. James Peck and Bayard Rustin engaged in activism at the Greyhound Bus Company, and Peck pushed his activism

37. See Exchange Act Release No. 1823, 1938 SEC LEXIS 678 (Aug. 11, 1938), at 1 (describing the new proxy statement as the “keystone” of its revised 1938 proxy rules); Hearings before Committee on Interstate and Foreign Commerce on H.R. 1493, H.R. 1821 and H.R. 2019, 78th Cong., 1st Sess. 15-16 (1943) (statement of Hon. Ganson Purcell, Chairman, Securities and Exchange Commission describing the evolution of the Shareholder Proposal Rule).

38. John Bainbridge, *The Talking Stockholder—I*, NEW YORKER, Dec. 11, 1948, at 40, 46.

39. Rolf Enno Wubbels, *Regulation of Stockholder Proxies 106* (1949) (Ph.D. thesis, New York University) (on file with author).

40. *Id.*

41. *Id.* at 87–91 (Rule X-14A-7 Proposals (June 15, 1943), Table IV (“Nature of the stockholder proposals included in the proxy statements of the 21 companies under Rule X-14A-7.”)); *id.* at 106 (vote results).

42. *Id.* at 106.

43. See, e.g., Otto W. Helbig, *Women’s Holdings Rise in Stock Lists*, N.Y. EVENING POST, June 13, 1931, at 1 (for the period from 1928 to 1931, among companies studied, women were almost 42% of shareholders).

44. See *History: Key Start Dates*, HARV. BUS. SCH.: ABOUT, <https://www.hbs.edu/about/history/Pages/default.aspx> [<https://perma.cc/VL4S-LJ7Q>].

45. *A History of Women at HBS*, HARV. BUS. SCH.: ALUMNI STORIES (Mar. 1, 2008), <https://www.alumni.hbs.edu/stories/Pages/story-bulletin.aspx?num=651> [<https://perma.cc/FK4M-6DVS>].

in court, emulating a tactic used successfully by Lewis Gilbert in *SEC v. Transamerica*.⁴⁶ Peck, however, lost his case.⁴⁷ Peck and the Congress of Racial Equality (C.O.R.E.) collaborated with churches, which often owned corporate stock, picketed shareholders' meetings, and distributed proxies among members to get inside meetings and confront executives.⁴⁸

Wilma Soss came of age in Brooklyn during the suffrage movement. She married and had a decades-long career in public relations before pioneering, at mid-life, the "economic suffrage" movement for women.⁴⁹ As Soss later told it, her break-out moment came in 1947, at the annual meeting of U.S. Steel. That Soss was present at the Hoboken meeting at all—for the second year in a row—underscores how ordinary it was for women to participate in corporate annual meetings after World War II. She was the owner of five shares of U.S. Steel stock.⁵⁰

"I saw a lot of things I didn't like," including "minority stockholders who got up to speak being treated sarcastically, [and] a labor representative getting a brush-off," Soss told a journalist years later.⁵¹ In a spontaneous act, Soss sprang to her feet and gave a speech about the need for a woman on U.S. Steel's board.⁵² As she would do many times in the decades that followed, Soss emphasized the significant stockholding of women in the company, and the fairness of having women's point of view represented "by one of their own gender."⁵³ Soss's act was "so dramatic and unexpected" that it made national headlines.⁵⁴ New York women who heard about Soss's speech in Hoboken were galvanized; the next day, a seventy-three-year-old woman from Long Island arrived on her threshold and handed over proxies for twenty-eight companies.⁵⁵

Soss's activism at U.S. Steel kicked off a long career as a shareholder activist, and a deeply antagonistic relationship with the management of U.S. Steel. At the company's 1949 annual meeting, Soss caused Irving S. Olds, the company's patrician board chair, to smash his own expensive

46. *SEC v. Transamerica Corp.*, 163 F.2d 511 (3d Cir. 1947). See generally Harwell Wells, *Shareholder Meetings and Freedom Rides: The Story of Peck v. Greyhound*, 45 SEATTLE U. L. REV. 1 (2021).

47. Wells, *supra* note 46, at 32; *Peck v. Greyhound*, 97 F. Supp. 679, 681 (S.D.N.Y. 1951).

48. Wells, *supra* note 46, at 36.

49. Michael Norman, *Wilma Porter Soss, 86, a Gadfly at Stock Meetings of Companies*, N.Y. TIMES, Oct. 16, 1986, at B20.

50. Geoffrey T. Hellman, *The Talk of the Town: Pressure Group*, NEW YORKER, June 25, 1949, at 15, 15.

51. *Id.*

52. See *id.*

53. Janice Traflet, *Queen of the Corporate Gadflies: The Unstoppable Wilma Soss*, FIN. HIST., Fall 2016, at 20, 21.

54. Sylvia F. Porter, *Women Own Most Wealth, Seek Control*, PHILA. INQUIRER, Dec. 6, 1948, at 23.

55. Logan, *supra* note 28, at 45.

watch to smithereens trying to restore order with a gavel.⁵⁶ The next year, Soss's organization crowned Olds the "most autocratic chairman" in the country.⁵⁷ The scion of a wealthy lawyer, Olds had clerked for Oliver Wendell Holmes Jr., the Chief Justice of the U.S. Supreme Court, and served simultaneously as the chairman of U.S. Steel and a partner at the white-shoe law firm of White & Case. Soss, who had no legal training, locked horns with him repeatedly, and later with his successors.⁵⁸ U.S. Steel found creative ways to silence Soss, such as cutting the microphone when she spoke. By the end of the 1950s, Soss was using a battery-operated megaphone to speak in favor of resolutions that would have capped the pensions of U.S. Steel's executives and required a holding period for stock purchased through a management option plan.⁵⁹

Soss founded the Federation of Women Stockholders in American Business, Inc., in 1947 to harness the collective action of women shareholders. She spent the next thirty-eight years pressing companies to put women on their boards and to adopt other shareholder-friendly reforms. The Federation fought to empower and educate shareholders, especially women, and to curb managerial self-dealing. It supported cumulative voting, especially after the SEC enacted progressive resubmission thresholds for shareholder proposals in early 1954.⁶⁰ The Federation also pushed for a "secret" corporate ballot. It asked companies to move their annual meetings from obscure locations to big cities, to rotate the location of the meeting around the country, or to hold multiple, regional annual meetings each year. It also urged companies to use radio and closed-circuit and broadcast TV to reach larger shareholder audiences. It pushed for better quality disclosure, and more of it, and asked companies to send transcripts or reports of the annual meeting to shareholders.

To pursue its agenda, the Federation submitted shareholder proposals to a handful of big companies—eighteen in 1950 and 1951 combined.⁶¹ At annual meetings, its members made floor motions—including nominations of women board candidates—and cross-examined corporate executives about their companies' practices. And it employed a number of creative tactics. For example, when increased shareholder participation

56. LEWIS D. GILBERT, *DIVIDENDS AND DEMOCRACY* 10 (1956).

57. Logan, *supra* note 28, at 46.

58. *See id.* at 37.

59. *U.S. Steel Optimistic as Increased Needs Foreseen*, SAN BERNARDINO CNTY. SUN, May 6, 1958, at 30.

60. Letter from Wilma Soss to Mr. S. Whitney Landon, Sec'y, Am. Telephone & Telegraph Co. (undated but marked 1958) (on file with the author) (joined Gilbert's cumulative voting proposal at AT&T in 1958).

61. *See* FRANK D. EMERSON & FRANKLIN C. LATCHAM, *SHAREHOLDER DEMOCRACY: A BROADER OUTLOOK FOR CORPORATIONS* 170 n.159 (1954).

lengthened AT&T's annual meetings, the Federation argued that the company should provide refreshments. AT&T's board likely resisted because it feared that feeding stockholders would lead to more of them showing up. But when the Federation offered boxed meals to shareholders as a publicity stunt, AT&T's board stepped in with a spread of food.⁶²

As an experienced public relations professional, Soss did more than any other activist to publicize her causes through the media. The Federation issued press releases and got regular media coverage in the late 1940s and 1950s. Soss also anchored two radio programs on NBC, the "Pocket News" and "Wilma Says"; the second of these was on the air until 1980. She also penned investment advice for women.

Much of the reporting about Soss by male writers focused on her appearance. She was known by some as the "sonic blonde," apparently in recognition of both her hair color and her assertive voice. Soss understood that her attractive looks garnered attention for her campaigns, and she encouraged the publicity by occasionally showing up at companies' annual meetings dressed in costume.⁶³ She attended U.S. Steel's 1949 annual meeting in a "Gay Nineties costume" to satirize the company's "old-fashioned thinking," prompting a male stockholder to suggest she return in a bathing suit.⁶⁴ But Soss claimed the event as a victory after the company moved its next meeting from the company's "dingy" headquarters to the more spacious and elegant Hoboken Union Club.⁶⁵ Soss advised women to dress up for annual meetings because "[i]t helps you get attention."⁶⁶ In 1964, when Soss finally won the fight with U.S. Steel to move its annual meeting outside Hoboken—sixteen years after she first proposed it—the *New York Times* reported that "as men have learned, a woman's nagging sometimes gets results."⁶⁷ After Sidney Weinberg accused gadfly investors of turning the annual meeting into a circus in 1965, Soss attended the annual meeting of AT&T dressed as a clown.⁶⁸

62. LEWIS D. GILBERT & JOHN J. GILBERT, EIGHTEENTH ANNUAL REPORT OF STOCKHOLDER ACTIVITIES AT CORPORATION MEETINGS, DURING 1957 at 23–24 (1958).

63. Richard Phalon, *The Stockholder as a Reformer*, N.Y. TIMES, Apr. 25, 1965, at F1.

64. See, e.g., Gwen Brewster, *Power of Women's Wealth*, PHILA. INQUIRER, June 5, 1949, at 165 ("The costume, complete with sweeping skirt, leg-of-mutton sleeves, and ostrich feathers, was a not-so-gentle rebuke" to U.S. Steel's board.); Virginia Irwin, *Willful Wilma and Her Self-Appointed Job*, ST. LOUIS POST-DISPATCH, Mar. 26, 1950, at 87. Soss showed up to another company's meeting in "widow's garb" to "mourn the passing of a dividend." Phalon, *supra* note 63.

65. Irwin, *supra* note 64.

66. *Id.*

67. John M. Lee, *U.S. Steel Swayed by Persistence of Wilma Soss*, N.Y. TIMES, Mar. 18, 1964, at 57.

68. Phalon, *supra* note 63.

Soss's activism emphasized the *economic power* of women.⁶⁹ "It's a shameful fact that women own companies but can't get top jobs in them," Soss once said.⁷⁰ She also endorsed the concept of *corporate citizenship*, which, she argued, involved both "rights and responsibilities."⁷¹ She criticized the separation of ownership and control and, in testimony before the Senate Committee on Banking and Currency, leaned into a common metaphor that presented corporate organization as a domestic arrangement. She urged the Senators to take steps "to insure a happy marriage" between shareholders and managers.⁷²

A skilled organizer, Soss built the Federation, which she operated out of her New York apartment, into a tour de force. She recruited prominent women as officers and trustees, including Ruth Bryan Owen, the former Congresswoman (and daughter of William Jennings Bryan); Nellie Tayloe Ross, the former governor of Wyoming (and the director of the U.S. Mint until 1953); and Georgia Neese Clark, the first woman Treasurer of the United States. In the early 1950s, the membership of the Federation was estimated at 1,500 men and women.⁷³

Despite the Federation's many small victories, it struggled to make any progress on its major campaigns, especially the push to add women to corporate boards. The Federation collected proxies from its members, and when Soss appeared at companies' meetings, she represented her own stock and that of the group. At U.S. Steel, for example, she grew her share vote from "five shares in 1947 [to] six in 1948, seven hundred in 1949, 7,135 at a special convocation of shareholders in February, 1950, and [in May 1950], to 10,034 shares."⁷⁴ In 1956, she told a Senate Committee that the largest proxy she held was for 9,000 shares of U.S. Steel, and that the most valuable proxy was worth half a million dollars in AT&T stock.⁷⁵ However, around this time, the Federation's proxy collecting seems to

69. *Federation Leader Wants More Say for American Women in Business*, BILLINGS GAZETTE, June 18, 1950, at 14 ("Women have great economic power now through their shareholding in American industry . . . and men know it. The trouble is that women don't know it and when they do find out, they are afraid to use their power. It's time they did.")

70. Hellman, *supra* note 50, at 16. Soss told one reporter in 1947 that her goal was not only to get women on corporate boards, but "in executive and managerial positions" as well. *Mouthpiece For Women!: Organization Formed to Promote Interests of Feminine Shareholders in Industry*, CIN. ENQUIRER, June 14, 1947, at 14.

71. Women's National News Service, *Resolve This Year to Guard Nest Egg*, MIA. NEWS, Jan. 2, 1953, at 5.

72. *Corporate Proxy Contests: Hearing Before the S. Comm. on Banking and Currency, Subcomm. on Sec.*, 84th Cong. 1631 (1955) (statement of Mrs. Wilma Soss, President and Chairman of the Board, Federation of Women Shareholders in American Business, Inc.) [hereinafter *Hearing on Corporate Proxy Contests*].

73. Logan, *supra* note 28, at 45.

74. *Id.* at 35.

75. *Hearing on Corporate Proxy Contests, supra* note 72, at 1632.

have slowed, and it never represented sufficient shares to carry much weight. Whether this is because of a lack of funds to organize nationwide, or because the publicity she received in the press often made Soss and the Federation seem frivolous, is unclear. Over the years, Soss met the push-back from corporate managers with equal push-back, an approach that may have cost her credibility. She also seems to have understood that, without a large bank account to fund her organizing, her only means of publicizing her cause was to attract news attention, which required increasingly dramatic antics. In hindsight, it was a losing game.

As the popularity (and celebrity) of shareholder activists grew in the early 1950s, corporate managers went further to silence them, even hiring private security to monitor their behavior at meetings. Soss received tremendous media attention in 1965 when Pinkertons were photographed throwing her out of the annual meeting of the Communications Satellite Corporation.⁷⁶ After Soss was thrown out of the 1966 IBM annual meeting for “stubbornly [trying] to nominate a woman director” before nominations had opened, the Federation’s vice president, Beatrice Kelekian, resigned from the organization. Kelekian told the *New York Times* that she could “no longer be associated” with “anyone who indulges in the undignified histrionics of Mrs. Soss with an eye strictly to personal publicity.”⁷⁷ Reporters found her “intense”⁷⁸ and “militant,”⁷⁹ and described her “heckling” and nagging corporate executives at meetings.⁸⁰ In 1966, a reporter for the *New Yorker* wrote: “She is often scolding and occasionally abusive; and nobody could accuse her of being unduly concise. I confess that her customary tone and manner set my teeth on edge, but I can’t help recognizing that, because she does her homework, she usually has a point.”⁸¹ Soss was invited to speak about shareholder activism at Harvard Law School, to give testimony before Congressional committees, and to meet with the chairmen of several big companies, including U.S. Steel and IBM.⁸² “He gave me his views, and I gave him mine,” Soss said of the U.S. Steel meeting.⁸³

Unfortunately, Soss’s contributions were eclipsed by the sensational conduct of Evelyn Y. Davis, whose behavior at shareholder meetings

76. John Brooks, *A Reporter at Large: Stockholder Season*, NEW YORKER, Oct. 8, 1966, at 188.

77. Traflet, *supra* note 53, at 22–23.

78. Irwin, *supra* note 65.

79. Robert P. Vanderpoel, *OK for Stockholders to Question Directors*, CHI. SUN TIMES, June 13, 1954.

80. See, e.g., *Woman Grills Steel’s Boss on Prexy Pay*, PITT. SUN-TEL., May 4, 1959, at 1 (describing Soss “heckling the chairman repeatedly” about executive compensation).

81. Brooks, *supra* note 76, at 164.

82. Lawrence A. Cunningham & Stephanie Cuba, *Annual Shareholder Meetings: From Populist to Virtual*, FIN. HIST., Fall 2018, at 14, 15–16.

83. Stanley Penn, *Point of Order*, WALL ST. J., Apr. 8, 1963, at 1.

made her a virtual pariah among other activists. Davis began her activism at the end of the 1950s and shot to quick fame by shocking audiences. “I’m the vamp of Wall Street,” she reportedly announced into the microphone at one shareholders’ meeting.⁸⁴ She was photographed at meetings in a sweater bearing the words “I was born to raise hell,”⁸⁵ and once got into a shoving match with another woman shareholder over access to the microphone.⁸⁶ Despite her antics, Davis was persistent in demanding that companies hire Black workers and nominate Black directors.⁸⁷ She also raised other board diversity issues,⁸⁸ and waged a campaign against corporate charitable giving.⁸⁹ Davis was repeatedly booed at shareholders’ meetings and was slapped by another woman shareholder at a meeting in 1972.⁹⁰ Like Soss, with whom she was often lumped together, Davis was

84. Webster Gault, *Travelers’ Heckler—Who Is She?*, HARTFORD COURANT, Jan. 14, 1968, at 120.

85. See Steven Davidoff Solomon, *Grappling with the Cost of Corporate Gadflies*, N.Y. TIMES: DEALBOOK (Aug. 19, 2014), [https://dealbook.nytimes.com/2014/08/19/grappling-with-the-cost-of-corporate-gadflies/?_php=true&_type=blogs&_php=true&_type=blogs&_r=1&\[https://perma.cc/Z3NS-JVCB\]](https://dealbook.nytimes.com/2014/08/19/grappling-with-the-cost-of-corporate-gadflies/?_php=true&_type=blogs&_php=true&_type=blogs&_r=1&[https://perma.cc/Z3NS-JVCB]) (describing Davis as the “doyenne” of shareholder proposals); *Hell-Raiser Got Laugh: Satellite Safe, Woman Assured*, DAYTON DAILY NEWS, May 11, 1966, at 52 (includes a photo of Davis wearing the sweater).

86. See, e.g., John Briggs, *Campbell’s Corporate Meeting: No Evelyn to Stir Things up This Time*, COURIER-POST (Camden, N.J.), Nov. 22, 1974, at 17 (reporting that Davis “create[d] a national sensation in 1972 by appearing at the Penn Central’s annual meeting in leopard-skin hot pants and a silk top hat”); Brooks, *supra* note 76, at 184 (reporting that Davis wore a Batman mask at the 1966 RCA shareholders’ meeting); ‘Corporate Democracy’: Holders’ Queries at Annual Meetings Posing Questions for Management, WALL ST. J., Nov. 6, 1964, at 32 (describing a shoving match between Davis and another woman shareholder for control of the microphone at the 1963 shareholders’ meeting of Twentieth Century Fox-Film Corp.); *First Comsat Meeting Has Helmeted Holder, a Horn—and Questions*, WALL ST. J., Sept. 18, 1964, at 12 [hereinafter *First Comsat Meeting*] (describing Davis as “wield[ing] a red and yellow horn” at the 1964 shareholders’ meeting of Communications Satellite Corp.).

87. See, e.g., *Gadflies Unravel SCM Meeting*, CHI. TRIB., Oct. 31, 1979, at 52 (reporting Davis’s questions to SCM Corp.’s chairman about the lack of a Black male director); *First Comsat Meeting*, *supra* note 86, at 12 (describing how Davis “drew a round of boos by asking Mr. Welch [the board chair] why Comsat’s officers and directors didn’t include any Negroes,” and reporting that when she later tried to regain the floor, “shouting repeatedly” in favor of the nomination of a Black board candidate, “she was drowned out each time by hostile shouts”).

88. See, e.g., Joe Dahm, *IBM Answer Man Thinks Ahead*, PRESS & SUN-BULL. (Binghamton, N.Y.), Apr. 29, 1964, at 33 (reporting that Davis asked IBM’s chairman if the company had “anyone of the Jewish faith on the board”).

89. See *Other Firms Please Copy*, BOS. GLOBE, May 10, 1965, at 22 (describing Davis’s shareholder proposal at Xerox Corp. to end the company’s charitable donations, and management’s response that “corporations must be responsible citizens of the society in which they work”).

90. See, e.g., *id.*; Brooks, *supra* note 76 (describing Davis being “greeted with thunderous boos” at the 1966 AT&T shareholders’ meeting); Gault, *supra* note 84 (describing Davis being booed at a shareholders’ meeting of Travelers Insurance Co.); John Briggs, *Despite Stormy Meeting Pennsy to Refinance \$64.3 Million Debt*, COURIER-POST (Camden, N.J.), Aug. 25, 1972, at 39 (describing circumstances of the slap).

targeted with sexist criticism.⁹¹ The *New Yorker* described her as “the youngest and best-looking of the professional stockholders,” but “not the best informed or the most temperate, serious-minded, or worldly-wise.”⁹²

Henrotin, Bowen, and Soss each emerged at different moments of history as charismatic leaders pressing women to do more to shape corporate governance. To galvanize women shareholders to action, each relied on emerging data about the great shareholding wealth of American women. Each was concerned with the welfare of workers, and with women’s equality in the workforce and beyond. Though well-off and white, none of the three had formal education in corporate management or corporate law, a result of women’s exclusion from those opportunities. The fact that all three began their shareholder activism after mid-life suggests a connection between women’s reproductive burdens and their ability to exercise the power that came with shareholding.

III. WOMEN SHAREHOLDER ACTIVISTS IN THE MODERN ERA

At the end of the 1960s, the nature of shareholding itself was showing signs of change. As institutional investors began to predominate, they also started to play a greater role in shareholder activism. Churches, nonprofits, and even university groups became engaged in investor activism; by the 1990s, labor unions had “become the most aggressive of all institutional shareholders” and pension-fund activism was on the rise.⁹³ This was followed, in the twenty-first century, by a rise in activism by asset managers.⁹⁴ Early organizational shareholders that engaged in activism included Medical Committee for Human Rights, a civil rights organization that waged an activism campaign at Dow Chemical Company, and Campaign GM, which fought for reforms at General Motors.

91. By this time, a strong backlash to women shareholder activists was underway. Gerald M. Loeb, a nationally syndicated financial columnist, excoriated women shareholders in a 1966 column, opining that women “generally [are] not as capable as men when it comes to investment, primarily because their interests lie elsewhere.” Gerald M. Loeb, *More Women Investing but Use Men Financial Advisers*, STAR PRESS (Muncie, Ind.), Nov. 13, 1966, at 32 (also observing that “[w]omen certainly worry more than men,” and “[t]here are very few women emotionally able to take the objective view needed to speculate successfully”).

92. *Id.*

93. Stewart J. Schwab & Randall S. Thomas, *Realigning Corporate Governance: Shareholder Activism by Labor Unions*, 96 MICH. L. REV. 1018, 1019 (1998). See generally PETER F. DRUCKER, *THE PENSION FUND REVOLUTION* (1996).

94. See Jill E. Fisch & Simone M. Sepe, *Shareholder Collaboration*, 98 TEX. L. REV. 863, 869–71 (2020) (describing a “shareholder-power model” of governance that developed after the emergence of hostile takeovers in the 1980s); see also *id.* at 881–92 (providing a taxonomy of collaborations between corporate managers and “large institutional investors (such as mutual funds and pension funds) and hedge funds”).

A. Early Organizational Activism

The activism of these organizations changed the nature of social shareholder activism because, for the most part, these organizations did not have women in their leadership.⁹⁵ In addition, sophisticated organizations increasingly turned to progressive corporate law experts for assistance, including former SEC lawyers and academics, and these legal experts participated in activism and shaped activists' strategies. Having been mostly excluded from business law and academia, women generally were not found among these experts.

In Campaign GM, for example, male lawyers and academics, like Ralph Nader and Donald E. Schwarz, took the lead. But women participated in the group's activism and were sometimes held up by Campaign GM's opponents to help vilify the group and its potentially subversive aims. A Black UCLA law student, Barbara Williams, spoke at General Motors's 1970 shareholders' meeting to demand a Black director on its board.⁹⁶ In September 1970, when Milton Friedman published his famous essay in the *New York Times Magazine*, *The Social Responsibility of Business Is to Increase Its Profits*, which criticized the corporate social responsibility movement, the Times featured a photo of Williams at the microphone, in the act of speaking, on the same page.⁹⁷ Women, including Williams, comprised a quarter of the photos of shareholder activists whose photos accompanied Friedman's essay, although women played a comparatively small role in Campaign GM.⁹⁸

An activism campaign by the Congress of Racial Equality (C.O.R.E.), which was led by James Peck, had involved women in its shareholder activism, and even showcased women activists a few years earlier, but women do not appear to have played a leadership role within the organization's shareholder campaign. In May 1960, C.O.R.E. brought a twenty-two-year-old civil rights activist, Barbara Broxton, to New York to protest segregated lunch counters at the shareholder meetings of several national variety store chains as a proxyholder.⁹⁹ At S. H. Kress & Company's meeting, Peck and Broxton were joined by Rosamund Clark

95. For example, Philip Chaiken Sorensen, who later served as a law professor at Ohio State University, was the Chair of the Center on Corporate Responsibility during its Campaign GM. *Philip Sorensen Obituary*, LEGACY (Feb. 14, 2017), <https://www.legacy.com/us/obituaries/dispatch/name/philip-sorensen-obituary?pid=184138069> [https://perma.cc/Q9DU-J4ZV]. The public face of Campaign GM was Ralph Nader, a Harvard-educated lawyer.

96. Donald E. Schwartz, *Corporate Responsibility in the Age of Aquarius*, 26 BUS. L. 513, 521 (1970).

97. Milton Friedman, *The Social Responsibility of Business Is to Increase Its Profits*, N.Y. TIMES, Sept. 13, 1970, at 33.

98. *Id.*

99. *Kress Stores to Abide by Community Customs*, TAMPA BAY TIMES, May 18, 1960, at 8.

of the National Association for the Advancement of Colored People (N.A.A.C.P.), who also spoke to the audience.¹⁰⁰ At Woolworth's annual shareholders' meeting, Barbara Broxton led a picket line outside, then entered the meeting and told the company's board that sit-ins would continue until the company changed its policy.¹⁰¹ While Broxton and Clark were invited to participate in critical strategic moments of activism, they were not leaders in the CORE Campaign.

B. Religiously Affiliated Activism

In the early and mid-1970s, women played a key role in religiously-affiliated activism campaigns coordinated by the Interfaith Center for Corporate Responsibility (ICCR).¹⁰² The ICCR formed a task force on women and corporations, published a booklet, *Women and Corporations: Issues and Actions*, and promoted a campaign to stop the marketing of infant formula in developing nations.¹⁰³ The campaign was spearheaded by the Sisters of the Precious Blood, a Roman Catholic order of nuns based in Dayton, Ohio.¹⁰⁴ In 1976, after a shareholder proposal it sponsored at Bristol-Myers lost at a vote, the Sisters sued Bristol-Myers for making false statements to stockholders regarding its marketing of infant formula.¹⁰⁵ After losing in district court, the Sisters settled their appeal two

100. Kress *Official Says Company Will Follow Local Customs*, TIMES & DEMOCRAT (Orangeburg, S.C.), May 18, 1960, at 16.

101. Jim Peck, *The Woolworth Stockholders Meeting*, CORE-LATOR, June 1960, at 1 (includes a photo showing Broxton at the head of the picket line); *Famcee Co-Ed Jailed in (Sit-In's) Speaks at Woolworth Meet*, ALA. CITIZEN, May 28, 1960, at 1.

102. See generally M. David Ermann & William H. Clements II, *The Interfaith Center on Corporate Responsibility and Its Campaign Against Marketing Infant Formula in the Third World*, 32 SOC. PROBS. 185 (1984). See also Philip Greer & Myron Kandel, *Annual Meeting a Religious Experience*, KAN. CITY STAR, Mar. 6, 1977, at 125 (stating that the ICCR was formed in 1970 and was "headed by Timothy Smith, a curly-haired 33-year-old Canadian native who was graduated from Union Theological Seminary but passed up ordination"); Richard Rodda, *Praise the Lord and Block That South African Loan*, SACRAMENTO BEE, Mar. 26, 1978, at 10 ("As the number of church-related resolutions increased from year to year, the need for a central organization to coordinate the activity became apparent. This resulted in the formation of the Interfaith Center on Corporate Responsibility in 1973 . . . Church groups, as minority stockholders, are submitting 61 resolutions to 47 companies this spring, compared with 56 companies in 1977, 40 in 1976, and 23 in 1975.").

103. Janice Mall, *About Women*, L.A. TIMES, July 20, 1975, at 135 (describing the booklet and the finding of the ICCR's Task Force on Women and Corporations that "women managers make about half the salary of their male counterparts" at corporations).

104. See Rodda, *supra* note 102 (noting that the infant formula campaign targeted Bristol-Myers, Carnation, and American Home Products).

105. Jonathan Miller, *Precious Blood Suit "Irresponsible," Bristol-Myers Says*, DAYTON DAILY NEWS, Apr. 21, 1976, at 1 (noting that University of Iowa law professor Paul Neuhauser assisted the Sisters with the suit).

years later in exchange for a commitment by Bristol-Myers to produce a report on its infant formula marketing.¹⁰⁶

C. Women Emerge as Leaders of Corporate Advisory Entities

Though women were only rarely at the helm of the organizational investors that took the lead in shareholder activism at the end of the twentieth century, a number of women made significant contributions to the movement.

Alice Tepper Marlin founded the non-profit, Council on Economic Priorities (CEP), in 1969.¹⁰⁷ The CEP functioned as an information intermediary on ESG subjects, gathering and disseminating information to investors about workplace diversity, “environment, defense production, and foreign investment.”¹⁰⁸ In 1981, Joan Bavaria co-founded the Social Investment Forum, an association of individuals and companies involved in socially-responsible investing.¹⁰⁹ After the Exxon Valdez tanker spill in 1989, Bavaria became a “driving force” behind the creation of Ceres, which created the Valdez Principles and a campaign of shareholder proposals demanding that corporations adopt the Principles.¹¹⁰ A few years later, a co-chair of Ceres told the *Washington Post* that Bavaria emerged “as a power [because] in addition to her strengths . . . she is a woman who can play men’s games better than most of the men she deals with.”¹¹¹

Bavaria’s protégé, Amy Domini, founded Domini Social Investments in the 1980s and created an early ESG index fund, the Domini 400 Social Index. Domini Social Investments sponsored shareholder proposals and set the standard for disclosure of voting by investment funds. Domini began publishing reports on how it would vote its proxies in 1992,¹¹² and the Domini Fund made its voting record transparent in

106. *Judge Rejects Suit Against Baby Food Firm*, PRESS & SUN-BULL. (Binghamton, N.Y.), May 12, 1977, at 18; *Nuns Claim Victory over Bristol-Myers*, L.A. TIMES, Jan. 28, 1978, at 22.

107. Sandra Waddock, *Making a Difference? Corporate Responsibility as a Social Movement*, 33 J. CORP. CITIZENSHIP 35, 37 (2009).

108. GEOFFREY JONES, PROFITS AND SUSTAINABILITY: A HISTORY OF GREEN ENTREPRENEURSHIP 281 (2017).

109. *The Scientific American* 50, 287 SCI. AM. 43, 64 (2002) (dating the founding of SIF to 1981). *But see* Stan Hinden, *Joan Bavaria’s Crusade for the Environment*, WASH. POST, Dec. 23, 1990, at H1 (putting the date at 1984).

110. Hinden, *supra* note 109. *See generally* Joan Bavaria, *An Environmental Code for Corporations*, 6 ISSUES SCI. & TECH. 28 (1989) (outlining the Valdez Principles).

111. Hinden, *supra* note 109. In 2002, *National Geographic* magazine recognized Bavaria as a pathbreaking environmental leader, describing her as “at the forefront of the movement to guide investment by social and environmental criteria.” *The Scientific American* 50, *supra* note 109, at 64.

112. Richard Teitelbaum, *Domini’s Proxy Votes Are an Open Book*, N.Y. TIMES, May 30, 1999, at 6.

1999.¹¹³ In 1984, Domini published a book, *Ethical Investing*, that included a whole chapter on shareholder activism.¹¹⁴ In it, Domini wrote that “[a]s an instrument for change, both personal and social, ethical investing is unequaled.”¹¹⁵ Nell Minow, a 1977 graduate of the University of Chicago Law School, joined forces with Robert Monks and became an early partner in Institutional Shareholder Services, the proxy advisory firm.¹¹⁶ In 1992, she and Monks formed Lens Investment Management, an activist asset manager,¹¹⁷ and in 1995, Monks and Minow published *Corporate Governance*; they suggested that large institutional investors were so widely diversified that their economic interests included broad social goals, such as the reduction of environmental harms.¹¹⁸ Minow is a widely-recognized expert on corporate governance and executive compensation and has authored works in law reviews and the popular press on the subject.¹¹⁹ She remains an important voice on shareholder activism today.

D. Facebook, Women, and Shareholder Activism

A number of women have followed in Minnow’s footsteps to lead activist asset managers. Yet gender remains a factor in the shareholder-manager dynamic. An episode that played out between Natasha Lamb, a managing partner of asset manager Arjuna Capital, and executives of Facebook, Inc., demonstrated this as recently as 2018.

113. Kathleen Day, *Prodding for Disclosure of Funds’ Proxy Votes*, WASH. POST, Apr. 8, 2001, at H1.

114. AMY L. DOMINI & PETER D. KINDER, *ETHICAL INVESTING* 192 (1984).

115. *Id.* at 211.

116. David Owen, *The Pay Problem*, NEW YORKER (Oct. 5, 2009), <https://www.newyorker.com/magazine/2009/10/12/the-pay-problem> [<https://perma.cc/Q37M-EZPS>].

117. Adam Bryant, *The Corporate Critic: Nell Minow Uses Her Zeal for Films to Investors’ Advantage*, N.Y. TIMES (Jan. 19, 1999), <https://www.nytimes.com/1999/01/19/business/the-corporate-critic-nell-minow-uses-her-zeal-for-films-to-investors-advantage.html> [<https://perma.cc/4XLR-93GB>].

When she departed the firm in 2000, Monks closed the fund. See Philip Boroff, *Lens Investment Exits Money Management on a High Note*, FORT WORTH STAR-TELEGRAM, July 16, 2000, at 91.

118. See Benjamin J. Richardson, *Socially Responsible Investing for Sustainability: Overcoming Its Incomplete and Conflicting Rationales*, 2 TRANSNAT’L ENV’T L. 311, 323 (2013) (crediting Monks and Minnow with originating the “Universal Owner Thesis”). See generally ROBERT A.G. MONKS & NELL MINOW, *CORPORATE GOVERNANCE* (3d ed. 2004).

119. See generally Nell Minow, *Stockholders Would Benefit from More Board Flexibility*, USA TODAY, Sept. 16, 2002, at 13A; Nell Minow, *Corporate Charity: An Oxymoron?*, 54 BUS. L. 997 (1999); Nell Minow & Kit Bingham, *Executive Pay, Someone’s Paying Attention*, CONN. L. TRIB., Oct. 5, 1992, at 20; Nell Minow, *Shareholders, Stakeholders, and Boards of Directors*, 21 STETSON L. REV. 197 (1991); Nell Minow, *Proxy Reform: The Case for Increased Shareholder Communication*, 17 J. CORP. L. 149 (1991); Nell Minow & Michael Deal, *Corporations, Shareholders, and the Environmental Agenda*, 12 CARDOZO L. REV. 1359 (1991).

That year, Lamb attended Facebook's in-person shareholders meeting, where she publicly asked the company's management why it was failing to respond to its investors on several ESG policy matters, including the gender pay gap. After the meeting, Facebook's vice president of communications and public policy, Elliot Schrage, asked her to speak with him privately and at that meeting told Lamb that Facebook was not engaging with her because she was "not nice."¹²⁰ Lamb said later that she was "stunned" by Schrage's "patronizing" response.¹²¹

Lamb published a column in the *Financial Times* about the interaction and told a reporter that "[c]alling a woman 'not nice' who's being assertive and asking questions is just a classic example, almost a meme of sexism."¹²² "I cannot imagine a scenario where a male company executive ignores a male institutional investor with such an excuse," she wrote.¹²³ "Corporate executives say many things to and about Bill Ackman or Carl Icahn, but 'not nice' or 'be sweet' are probably not among them."¹²⁴

Schrage issued a public apology after learning that the *Financial Times* would publish Lamb's op-ed¹²⁵ and resigned a few days later.¹²⁶ Lamb has continued her shareholder activism on gender-related and other topics. In 2021, she spearheaded a shareholder proposal at Microsoft on workplace sexual harassment that was supported by 78% of the vote.¹²⁷ However, the 2018 episode underscored how twenty-first-century women shareholder activists have continued to endure sex-based discrimination—and to object to inequality in a range of corporate contexts.

120. Natasha Lamb, *Investor: Facebook Dismissed My Concerns Because I Am "Not Nice"*, FIN. TIMES (June 11, 2018), <https://www.ft.com/content/53b139de-6c00-11e8-8863-a9bb262c5f53> [<https://perma.cc/5HVU-68HA>].

121. *Arjuna Capital Responds to Facebook Apology, After Sexist Comment from Senior Executive*, CISION (June 12, 2018), <https://www.prnewswire.com/news-releases/arjuna-capital-responds-to-facebook-apology-after-sexist-comment-from-senior-executive-300664975.html> [<https://perma.cc/CG48-GXP2>] [hereinafter *Arjuna Capital Response*].

122. Raj Das, "I Was Wrong to Do So," *Facebook's Policy Chief Before His Resignation in Response to Sexism*, TECHGENYZ (June 15, 2018), <https://www.techgenyz.com/2018/06/15/i-was-wrong-to-do-so-facebook-policy-chief/> [<https://perma.cc/G5XW-U65U>].

123. Lamb, *supra* note 120.

124. *Id.*

125. See *Arjuna Capital Response*, *supra* note 121.

126. See Das, *supra* note 122.

127. Matt O'Brien, *Insider Q&A: Arjuna Capital's Natasha Lamb*, U.S. NEWS (Dec. 20, 2021), <https://www.usnews.com/news/us/articles/2021-12-20/insider-q-a-arjuna-capitals-natasha-lamb> [<https://perma.cc/7UG5-AKPP>] (Lamb calls the Microsoft campaign "probably" her most successful "from a vote standpoint."). Lamb has said that some of her most prominent investors are in the music industry, including "R.E.M., the Beastie Boys" and "Krist Novoselic from Nirvana." *Id.*

CONCLUSION

This Article has offered several insights into both the history of women's leadership in corporate organization and the evolution of ESG shareholder activism itself. First, it is possible that women's early emergence as shareholder-participants in corporate policy may be ascribed, at least in part, to women's lack of opportunity to participate in democratic politics before the ratification of the Nineteenth Amendment; though women did not gain the right to vote in political elections until 1920, they exercised the franchise in corporations, spoke up, and were taken seriously at shareholder meetings long before this. As a critical mass of women shareholders developed, and as women became increasingly visible in corporate meetings, more women may have been drawn to stock investment. The economic aspects of women's shareholding are difficult to separate from the social and political forces that influenced their behavior as investors and shareholders.

Second, though women were excluded from the leadership of the "shareholders' protective committees" that became popular around the turn of the twentieth century, women's organizations engaged robustly in shareholder activism. The League of Women Shoppers and even the National Organization of Women (NOW) pushed corporate reforms through investor activism;¹²⁸ several special women's organizations emerged in the 1930s and 40s to harness the collective action of women shareholders for social and political causes. Observers have connected stereotypes of women as "moral" leaders to women's shareholder activism, naturalizing the participation of women in corporate social policy while at the same time voicing skepticism about women's involvement in financial and business policy. This gendered separation of shareholder expertise was reinforced by women's formal exclusion from business schools, and business management programs, until the 1960s. All of these factors help explain women's important role as shareholder activists, in contrast to their virtual absence from managerial leadership.

Finally, women's role as outsiders to corporate organization may have allowed them significant latitude to operate outside the conventions of business by focusing attention on "social" aspects of business. In other words, women's outsider status may have been central to their willingness to push reforms that have been treated as outside the proper realm of business. Women were at the forefront of pro-labor activism in the Progressive Era, pushed workplace and board diversity campaigns starting as early as the 1940s, and pioneered the Valdez Principles and other

128. See *Proxies Colored by Watergate*, DET. FREE PRESS, Apr. 22, 1974, at 22 (documenting that the National Organization of Women submitted several shareholder proposals advocating workplace diversity in the 1974 proxy season).

environmental reforms in the 1980s. Women were participants in the rise of information intermediaries, proxy advisory firms, ESG index funds, and ESG ratings systems; their contributions go beyond those sketched in this short Article. In sum, it is possible that women have had the freedom to press for ESG reforms precisely because, due to their gender, they were viewed as outsiders with little to gain from playing by the rules of convention.

This Article has traced the origin of ESG shareholder activism to early campaigns by women investors and has charted the important role played by women in shareholder activism to the present date. It has ascribed women's leadership in shareholder activism to their longstanding position as outsiders to corporate organization and shown how women's active participation in shareholder governance continues to challenge gender-based stereotypes. From the period before women won political voting rights to the current era of asset manager capitalism, women have led campaigns for major corporate reforms from the margins of corporate power. Women remain, for the most part, an underrepresented minority in the C-suite and boardroom. This history suggests that greater inclusion of women in corporate leadership will bring an outsider's perspective to corporate governance with the potential to push corporate governance beyond the ossified and widely criticized regime which exists now and was created by past, exclusionary practices.