Corporate Historical Responsibility (CHR): Addressing a Past of Forced Labor at Volkswagen

Claudia Janssen Danyi, Eastern Illinois University

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Abstract

This article introduces corporate historical responsibility (CHR), a concept that can guide organizations when addressing dark corporate histories. CHR holds that organizations have responsibilities toward victims of past corporate practices and toward present reconciliatory discourse. Volkswagen’s discourse about its history of forced labor during WW II serves as an example of CHR. The rhetorical analysis illustrates that CHR hinges on the recognition of the past as a moral issue and on the organization’s ability to create historical accountability, take responsibility, make public acknowledgements, and remember its past. It further illustrates that CHR creates sustainable policies that can strengthen corporate citizenship and serve as a means of (re-)legitimation. In order to repair broken relationships, the article concludes, organizational leaders need to overcome primary concerns with liability and invest in a shared and long-term CHR process that creates spaces for ongoing discourse about the past.

Author Bio and Note

Claudia I. Janssen Danyi (Ph.D, Purdue University, 2011) is currently an Assistant Professor in the Department of Communication Studies at Eastern Illinois University. Her research focuses on organizational rhetoric, remembrance, and crisis communication. This article is part of my dissertation research, and I would especially like to thank my advisor Joshua Boyd for his advice and support throughout this process. Additionally, I would like to thank Robin Jensen, Stacey Connaughton, Laurel Weldon, Paul Danyi and the two anonymous reviewers for their insightful feedback and suggestions.

Correspondence to: Claudia I. Janssen Danyi, PhD; email: cijanssen@eiu.edu
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Spiliotis (2006) has noted that, “at the dawn of the new century” civil society has taken on the task to “set history straight” (pp. 52–53), a phenomenon scholars have called “The Age of Apology” (Brooks, 1999). Indeed, throughout the world, societies are revisiting their darkest histories in efforts to come to terms with their past in the present (e.g., Barkan, 2000; Brooks, 1999). These discourses involve a plethora of actors beyond the state level, and corporations, which often benefited from, and actively participated in unjust systems, increasingly face public pressure to take responsibility for their histories in the present. These histories include, for instance, corporate complicity with the South African Apartheid regime, links between American corporations and slavery, and the profits major Swiss banks gained from the Holocaust and Nazi occupations.

The role of German corporations during the Third Reich became an especially prominent issue in the late 1990s. Reconciliation after the Holocaust had been a central concern in post-war Germany. Corporate complicity with the inhumane system, however, remained a “forgotten” chapter. With lawsuits filed in 1998, major German corporations, including pillars of German industry such as Siemens, Daimler, and Volkswagen, finally faced significant pressure to address their role in Nazi Germany. The negotiations that followed presented probably the “last German negotiation on the unfinished business of World War II” (Eizenstat, 2004, p. 229).

The resurrected histories produce public relations dilemmas for a broad range of corporations. When lawsuits and activists raise public pressure, the organizations, in one way or another, have to find ways of addressing their past. In light of these challenges, organizations continue to struggle to find the right tone and course of action to address their histories. Indeed, corporations have often taken defensive stances. When a class-action lawsuit confronted the Union Bank of Switzerland (UBS), Credite Swiss, and the Swiss Bank Corporation regarding the profits they had made from Nazi occupations and the Holocaust, the banks focused on avoiding liability and
reparations. Their crisis management set an especially negative precedent. Credite Swiss, for instance, came under additional scrutiny when an employee revealed that the bank had shredded documents that proved the existence of Holocaust victims’ bank accounts (see Bazyler, 2003). In the United States, corporations with ties to slavery also took defensive stances toward activist demands for reparations around 2002. Analyzing Aetna Inc.’s discourse about its past business with slave insurance policies, Janssen (2012) has, for instance, illustrated that even though the corporation apologized twice, its strategy of corporate apologia failed to actually reconcile its corporate ties to historical injustices.

Unfavorable episodes of corporate history have mostly been addressed as side notes in marketing or management, where history is commonly viewed as a positive resource for corporate image (e.g., Herbrand & Roehrig, 2006). Furthermore, so-called “Geschichtsfallen” (history traps) (Schug, 2003) have quickly been situated within the traditional realm of crisis communication without reflection on the broader contexts of these unique discourses (e.g., Schug, 2003). These issues, however, differ from common corporate crises, such as accidents, or wrongdoing in the present. They involve retrospective judgments of corporate practices after decades, or even generations have passed, and, thus, defy questions of individual and immediate responsibility (Spiliotis, 2006). Instead, they concern a type of organizational responsibility that transcends time. Besides touching on fundamental questions of retrospective justice, they also transcend simple disputes between the public and an organization, as they are embedded within complex societal processes of “coming to terms” with the past. What corporations may perceive as a crisis is thus also an expression of a long struggle concerning questions of justice, guilt, and redemption. While presenting threats to the organizations’ reputation, discourse regarding unjust corporate pasts then also provides opportunities to come to terms with past injustice in the present (e.g., Bacon, 2003).

This article seeks to develop the potential between corporate crisis communication and reconciliation, to contribute to closing evolving gaps around corporate history and “crises,” and to
develop guidelines for corporate policies that address past complicity with historical injustice. It proposes the concept of corporate historical responsibility (CHR), which can guide corporations when addressing a dark corporate history. Volkswagen’s discourse serves as an example as to how CHR may take shape. The rhetorical analysis shows how an emphasis on remembrance, acknowledgement, and the moral dimensions of the past helped the organization transcend self-defensive strategies, and realize elements of reconciliatory discourse. The following section first reviews the literature on legitimacy, apologia, and reconciliation. This review provides the basis for CHR, which is grounded in corporate social responsibility (CSR), and is characterized by principles of respect and remembrance, accountability for corporate history, an attitude of remorse, and commitments to justice in the present and future.

**Literature Review**

When corporations face public pressure because of their ties to historical injustice, organizational decision-makers are confronted with challenging questions. These questions especially concern organizational legitimacy, present responsibilities toward an unjust corporate past, and the “right” tone and voice to address that past. Organizational legitimacy, a central concept in organizational theories, refers to the organization’s “right to exist” (Metzler, 2001) within society. This status is based on the organization’s coherence with societal norms and values, as perceived by its stakeholders (e.g., Dowling & Pfeffer, 1975; Metzler, 2001; Sethi, 1977). Due to its central role in maintaining an organization’s status as an accepted societal actor, legitimacy is an important concept in understanding organizational crises and corporate responses to crises. When a corporation’s legitimacy is threatened, perhaps because of charges of incompetence or when its unjust past is resurrected, a “legitimacy gap” (Sethi, 1977) occurs. In consequence, the organization needs to seek re-legitimation and restore its image to ensure its future operations. In order to meet such challenges, organizations commonly draw on well-established rhetorical strategies of image restoration (Benoit,
1997) and corporate apologia (Hearit, 1995), which focus primarily on deflecting harm from the
organization both during and after a crisis.

As corporations struggle to develop appropriate responses to their dark histories, theories of
crisis communication, however, seem to fall short in these situations (e.g., Hatch, 2006; Koesten &
Rowland, 2004). Scholars concerned with apologetic rhetoric have identified that theories of
apologia and image restoration are simply insufficient and inappropriate in the context of historical
injustice due to their inherent concern with self-defense (Hatch, 2006) and their inability to account
for situations where “guilt is essentially undeniable” (Koesten & Rowland, 2004, p. 70). Beyond the
specific context of historical injustice, corporate apologia has further been identified as limited,
because it focuses on the organization’s interests and powerful stakeholders over victims and
marginalized publics (Heath, 2010; Kent, 2010; Kim & Dutta, 2009), on restoring image over
relationships, and on blame and guilt over opportunities that a crisis may hold (Ulmer, Sellnow, &
Seeger, 2007).

Recognizing these shortcomings, scholars have broadened the scope of crisis rhetoric. The
discourse of renewal is grounded in theories of restorative rhetoric and focuses on stakeholder
relationships, opportunities (instead of threats), rebuilding and restoration, optimism, and
organizational leaders’ values and visions (Seeger & Ulmer, 2001). While directed at the future,
renewal discourse is based on a willingness to learn from the past as a basis for reconstruction
(Ulmer, Sellnow, & Seeger, 2007). Building on this notion, Veil, Sellnow, and Heal (2011) have also
illustrated the importance of commemorative practices for communicating a “prospective vision” and
of learning as a basis for renewal. The discourse of renewal is especially relevant to post-crisis
discourse in the aftermath of disasters, terrorist attacks, or accidents that require rebuilding (Ulmer,
Seeger, & Sellnow, 2006), but it also provides valuable orientations for corporate rhetoric concerning
unjust histories. Especially value-driven communication and a definition of crises as an opportunity
to learn from the past can help organizations transcend self-defensive stances when addressing their histories.

The rhetoric of atonement (Koesten & Rowland, 2004) provides another extension of apologia. In situations where guilt cannot be denied, rhetors would need to acknowledge wrongdoing, seek forgiveness, engage in a process of self-reflection to prevent the injustice from happening again, take steps to enable a better present and future, and provide evidence of repentance, for instance, through reparations. Hearit’s (2006) proposal of “ethical apologia” adds that rhetors further need to accept responsibility, identify with those harmed, and provide full disclosure along with an explanation “that addresses legitimate expectations of the stakeholders” (p. 69). These approaches focus on taking responsibility and seeking reconciliation with those who have been harmed by organizational wrongdoing. They move close to theories of reconciliation, which provide an important theoretical umbrella to understand corporate crises that evolve around past complicity with historical injustice. Indeed, Hatch (2006) suggested that “when one focuses on apologies purporting to reconcile parties divided by gross human rights violations, the principal generic lens should not be apologia […], but reconciliation” (p. 187).

Reconciliation encompasses collective communication processes, in which groups divided by past injustice—victims and perpetrators—initiate discourse and work to come to terms with the past (see Doxtader, 2009; Hatch, 2008; Lederach, 1997). Discourses of reconciliation, such as the South African transition from Apartheid to democracy, focus on transforming and restoring relationships by moving from identity-based divisions to “unity in difference” (Doxtader, 2009, p. 13). They have the potential to become a base for divided groups to come together and start envisioning a better and shared society (Doxtader, 2003; Hatch, 2008; Lederach, 1997).

Reconciliation has been identified as an inherently rhetorical phenomenon that constitutes “a call for rhetoric and a form of rhetorical activity” (Doxtader, 2003, p. 268). While reconciliation may begin with struggles for discourse about the past, it occurs within that discourse, which may also
entail struggles and controversies about the ways in which the past should be addressed and talked about (Doxtader, 2009). In other words, reconciliation disrupts dominant narratives of the past, which may be ignorant of injustice. It opens “an occasion for talk, performs the movement of relationships and inaugurates deliberative controversy about the form and substance of collective life” (Doxtader, 2003, p. 278), as opposed to silence and ignorance.

Issues that evolve from dark corporate histories can thus not merely be viewed as corporate crises, but also as expressions of broad and diffuse societal discourses regarding coming to terms with the past. In consequence, reconciliatory discourse also upholds the opportunity for an organization to transcend the role of the offender and become a participant and partner in a shared effort to reconcile the past. While the self-defensive, crisis-communication genre of image restoration has theorized “transcendence” as a strategy to reduce offensiveness by “placing the act in a more favorable context” (Benoit, 1997, p. 43), reconciliation does not distort or trivialize the past. Instead, an “attention shift” (Brown, 1986) from primary concerns of retributive justice to concerns regarding the bearing of the past on the present comes to provide the grounds for an active confrontation of a dark corporate history (see e.g., Tutu, 1999).

Remembrance and acknowledgement are also important aspects of reconciliation discourses. When voices call for addressing historical injustice, they commonly contest collective memory shaped by “selective forgetfulness” (e.g., Hasian & Frank, 1999), for instance, of the exploitation of forced laborers by German corporations. Accounting for forgotten histories further contributes to “memory-justice” (Booth, 2001) and respects contemporary, collective identities that may be based on past suffering and injustice (e.g., Waldron, 1992). Remembrance of historical injustice finally matters for reconciliation processes, because it can inform and enable commitments to a present and future, in which past atrocities cannot occur again (e.g., Arendt, 1968).

While reconciliation presents a valuable lens through which to approach discourses about historical injustice, it also provides orientations for how to engage into these discourses. Hatch
(2008) has specified reconciliation as a secondary genre and epideictic dialogue of apology and forgiveness, in which parties address and repent for their past, and reassure each other of shared social norms and values. In contrast to one-time statements, this process would commonly include symbolic actions of atonement such as “confessing truth(s), apologizing for offenses, forgiving offenders, and engaging in a cooperative discourse regarding reparations and symbols of reunion for restorative justice” (p. 189). As reconciliation is a secondary genre, these symbolic actions cannot be viewed as generic prescriptions. Instead, their distinct forms need to be negotiated. Most generally, this process requires dialogic and other-oriented rhetoric focused on the needs and the restoration of the dignity of the ones who have been harmed (Hatch, 2008).

**Corporate Historical Responsibility**

CHR is grounded in the concept and practice of CSR, which assumes that, as members of a society, corporations have social responsibilities beyond legal and economic obligations; that they have rights to act, but also moral obligations to contribute to the greater good of society, and to be accountable for their actions (e.g., Carroll, 1999; Donaldson & Dunfee, 1994; Kuhn & Deetz, 2008; Saiia & Cyphert, 2003). CSR originally emerged as a response to legitimacy crises in the 1960s, and has become a means for organizations to adapt to changing societal expectations, and to prevent crises (Brown, 2008).

While Seeger and Ullmer (2001) held that ethical crisis communication might be bound to the virtue of individual leaders, I propose that CSR provides an established corporate framework with which to translate the ethical demands of reconciliation into the spheres of corporate rhetoric and structures. CHR extends the scope of social responsibilities toward responsibilities in relation to corporate history. It holds that corporations, which have been complicit with historical injustice, have what Volkswagen refers to as its “historical responsibilities.” CHR views a reconciliatory approach as an ethical way for organizations to engage in discourses about their dark histories. It presumes that corporations have responsibilities toward the individuals and groups who have been harmed by past
corporate practices as well as toward present discourses of coming to terms with historical injustice. CHR thus emphasizes restoring broken relationships and constructive participation in reconciliatory discourse.

That corporate ties to historical injustices frequently become the subject of public discourse and criticism indicates that historical responsibilities constitute social expectations toward corporations in the “Age of Apology” (Brooks, 1999). CHR presents a way for corporations to adapt to these expectations. As an alternative means of (re-)legitimation, corporations create social value and strengthen their corporate citizenship by addressing their past responsibly. CHR can thus serve as a response to a legitimacy crisis, but also as a proactive measure in the absence of crises.

CHR further assumes that the way in which organizations address or ignore their past reflects the quality of their present corporate citizenship (see Spiliotis, 2006). Organizations that adapt CHR thus need to go beyond a narrow concern with the good or bad nature of corporate history and focus on the ways in which they address the past in the present. As a dialogical and other-directed practice, CHR then constitutes an open-ended process and may take many different shapes depending on the distinct constellations and interactions involved.

From the perspective of reconciliation, it is most important that discourse about the past is fostered, so that this discourse can potentially create spaces in which relationships can be rethought and redefined (see Doxtader, 2009). Volkswagen’s policies and actions thus do not serve as a prescriptive example of what CHR should look like, but as an anecdote, illustrating how a reconciliatory approach to corporate history may be realized, and what may also act to constrain CHR’s potential.

**Principles of CHR**

CHR is oriented around four principles that demand an organization breaks its silence about the past and evolves out of a moral concern for reconciling historical injustice, as opposed to merely considering questions of retributive justice. CHR first demands respect for victims’ and their
descendants’ memories and identities. This principle accounts for the meaning and the violence of
the denials of historical injustice, the importance of affirming and honoring victims’ suffering and
recollections (e.g., Booth, 2001; Waldron, 2002), and the other-oriented notion of reconciliatory
rhetoric (Hatch, 2008). It further accounts for the discursive responsibility of corporate citizens to
engage in public discourse respectfully (see Saiia & Cyphert, 2003). CHR thus emphasizes
remembrance over forgetfulness, and requires tact and sensitivity, focusing on the needs and
concerns of victims, and embracing the memory of the past.

Second, CHR requires an attitude of remorse. Remorse can, for instance, be expressed with
an apology and acknowledgement, reparations, seeking forgiveness, and an assurance of change
(e.g., Lazare, 2004). Public acknowledgement of the past is important in restoring the public image
and dignity of victims, because it sets the public record straight, affirms what happened, and
acknowledges that fundamental rights were violated (e.g., Tavuchis, 1991). If the organization does
not regret and atone for its past, there is no reason to believe that it has changed and that it is
trustworthy. Consequently, remorse is a necessary stance to potentially redefine relationships and to
position the organization as a corporation that has changed.

Third, CHR demands accountability for corporate history. This principle resonates with
expectations toward corporate citizens when engaging in public discourse (Saiia & Cyphert, 2003)
and for the need for full acknowledgement when reconciling historical injustice. Accountability is
commonly defined as answerability. An organization is accountable to its public when it (has to)
provide(s) information about its past, present, and future actions and decisions, hence enabling
judgment and consequences (Schedler, 1999). If a corporation wants to practice CHR, it thus needs
to be able and willing to provide and share information about the bad parts of its own history.

Fourth, CHR demands corporate commitments to justice in the present and future so that
similar injustices cannot occur again. This principle accounts for the necessary changes to character
and to structures that had allowed the past atrocities to occur. It focuses on (re)affirming and
(re)instating central moral values and principles that had been violated in the past (see Hatch 2008; Koesten & Rowland, 2004). As such, CHR can provide a strong basis for CSR, because the responsibilities evolving from the corporate past come to inform social commitments to the present and future. In this context, remembrance becomes an important activity to maintain this historical consciousness over time.

The following analysis illustrates how Volkswagen’s policies realized principles of CHR. It shows that a) CHR hinges on the corporation’s recognition of the issue as a moral versus primarily a legal one, b) historical research and the publication of victims’ memoirs provide valuable activities that create historical accountability and perform public acknowledgements, and c) embracing remembrance of the past can translate initial responses into sustainable policies and support ongoing CSR efforts.

The Past of Forced Labor Becomes an Issue in the Present

The use of forced labor became a central element of the German war industry when the Nazi regime could not cover its demand for workers. More than ten million people, including “civil workers” from occupied territories, prisoners of war, and concentration camp inmates were forced to work in Germany in a broad range of areas, including factories, mining, farming, administration, and hospitals (Bundesarchiv, 2009; Fasse, 2000).

Volkswagen was not only founded as a Nazi project to build a “Volkswagen” (people’s car) for every citizen, but by 1939, Volkswagen had been transformed into an armament factory. By the end of the war, about 80% of its workers were forced laborers (Mommsen, 1996). Most forced laborers lived in barracks and were watched by military guards. Especially Jewish concentration camp inmates and Soviet prisoners of war received harsh treatment and only minimal food. Collapses due to exhaustion, constant hunger, and work accidents were common. By the time the Allies arrived in Germany in 1945, approximately 20,000 forced laborers had been exploited at the Volkswagen plant (Grieger, 2007; Mommsen, 1996).
Forced labor remained an unresolved issue in post-war Germany. While the German government had paid about 100 billion Deutsche Marks (DM) to Israel and to victims of the Holocaust by 2000, the London Debt Agreement of 1953 had postponed the payment of reparations to other foreign countries and individuals due to a prospective peace treaty. Due to the separation of Germany, a final peace treaty did not follow. In consequence, forced laborers never received individual reparations. In 1990, the Two-Plus-Four Treaty, which sealed the reunification of Germany, finally replaced the agreement. A ruling by the German Bundesverfassungsgericht (Supreme Court) then made claims for individual redress possible and opened a window of opportunity for survivors to file lawsuits against the German State and corporations (Barwig, Saathoff, & Weyde, 1998; Eizenstat, 2004).

Along with continuing activism, demanding that corporations do their victims justice, many companies were sued, and several economic boycotts were launched (Schug, 2003). In Germany, activist and scholar Klaus von Münchhausen represented 150 Jewish victims of forced labor and announced that he would sue Volkswagen if the company did not negotiate individual reparations. While the company initially rejected negotiations, it announced that it would provide 20 million DM to pay for reparations to victims in 1998. A few months earlier, Münchhausen had already reached a similar settlement with the Diehl Company in Bavaria (Andrews, 1998; Henry, 1998).

The domestic political environment also seemed more favorable in terms of realizing reparations. In September 1998, a coalition under Chancellor Gerhard Schroeder replaced the government under Chancellor Helmut Kohl (Eizenstat, 2004). The newly formed government promised, “to provide justice for slave and forced laborers, an issue no postwar chancellor had been willing to confront” (Eizenstat, 2004, p. 206). Alongside these external pressures, Volkswagen’s Works Council, led by Walter Hiller, had started to push the company internally to actively confront its history in the 1980s. It had, for instance, initiated the construction and inauguration of the first
memorial for forced laborers in 1991 at the Volkswagen headquarters in Wolfsburg (Volkswagen, 1999).

The pressure on German companies increased with 57 lawsuits filed in 1998 in the United States against Volkswagen, Bayer, BMW, Daimler-Benz, and Siemens, among others. The lawsuits drew much public attention to Volkswagen’s history of using forced labor and posed a severe threat to the corporation’s image, when it had just introduced the New Beetle to the US market (Eizenstat, 2004). Additionally, victims’ lawyers launched a campaign, which included full-page ads titled “Justice. Compensation. Now.” The ads were placed in US newspapers, and the issue gained increasing national and international attention. In November 1991, 60 Minutes, for instance, aired a special about forced labor in Germany, which focused on Volkswagen, BMW, and Krupp (Bazyler, 2003). To resolve the issue, negotiations started between the German and US government, German industry, Eastern European States, and the class-action lawyers, and resulted in the foundation of the association “Remembrance, Responsibility, Future” in 2000. This association administers a fund of 10 billion DM for reparations provided in equal parts by German companies (including Volkswagen) and the government (Bazyler, 2003; Eizenstat, 2004).

The corporate pasts, while long smoldering under a veil of silence, thus emerged in the 1990s as a public and legal issue. While the legal dispute was resolved with the foundation of the association, the issue tainted the corporations’ image as “Nazi companies.” While some companies limited their response to joining the association, or even kept ignoring the issue, Volkswagen implemented extensive programs and policies to address its history. This included historical research, social and cultural projects in the countries of origin of former forced laborers, the foundation of the corporate archives, and a Begegnungsstätte (Place of Encounter) with seminar rooms and bedrooms for volunteers at the Auschwitz memorial, educational programs for Volkswagen managers and trainees, as well as the creation of two memorials, and an exhibition. Volkswagen also issued several
press releases, web site content, and CSR brochures that directly addressed questions pertaining to its past and its present efforts of remembrance.

**Moving beyond Questions of Legal Liability: The Past as a Historical Responsibility**

Volkswagen’s response is characterized by a strict separation of the moral and legal dimensions of the issue; a distinction the company established most forcefully in 1998/99, when the discourse was concerned with legal claims. Volkswagen (1998d) was aware “of the profound moral and legal questions” that evolved from the past. However, the company’s obligations were seen to be “historical” (Volkswagen, 1998a) and “moral” in nature, and there was felt to be no “legal obligation” (Volkswagen, 1998b). In line with the argument commonly opined by German industry at that time, the company did not view present-day Volkswagen as the legal successor of the “Volkswagenwerk GmbH,” which was founded during the Nazi era. In consequence, Volkswagen (1998d) concluded: “there is no legal obligation for the Volkswagen AG to redress Jewish forced laborers.”

With the settlement of the lawsuits, however, the defense against “legal liability” moved back to the margins, and the company fully acknowledged its “moral responsibility” for the past. Volkswagen (1998a; 1998d) underlined that “independently from the legal situation,” it is “thoroughly committed” to its “historical and political obligations” that derive “from its history.” The term “historical responsibility” then manifests itself and continues to frame Volkswagen’s policies toward its past. Its present “historical responsibilities,” the company (1998c) explained, stem from its “experiences from history” and constitute its “obligation of responsible action in the present and future.”

Once it had defined the issue as a moral matter, Volkswagen could move beyond its legal arguments and take reconciliatory steps that moved beyond apologia. Volkswagen first changed its strict opposition to individual redress payments in response to von Münchhausen’s (1998) requests, and announced the establishment of the “humanitarian fund,” which provided direct financial
reparations for victims of forced labor, while maintaining its prior opposition to liability. “Even though Volkswagen is not legally obligated,” the company (1998b) had taken these steps “in recognition of the historical and moral obligations.” While observers remained critical, and the lawyers of the class-action lawsuit criticized it as insufficient (see Henry, 1998), Volkswagen’s change of policy was noted as a positive development that distinguished the corporation from other German companies. The Jewish Telegraphic Agency, for instance, identified the step as notable, “because it is the first time a major German firm has agreed to such compensation payments” (Berger, 1998). Von Münchhausen (cited from Henry, 1998) stated that the fund provided “a good start and a fine sum of money […] even though it has come 50 years too late.”

Following the announcement, Volkswagen further extended efforts to document its past with the foundation of its new corporate archives in 1999. The archives also produced the series “Historical Notes,” which included autobiographic accounts and memoirs of victims, along with historical contexts. The first issue, published in 1999, introduced the issue of forced labor and Volkswagen’s efforts at remembrance. Seven out of 15 issues to date are devoted to forced labor at Volkswagen. Additionally, Volkswagen opened a memorial and exhibition, the “Place of Remembrance,” in 1999. In five rooms, an exhibition shows documents, pictures, artifacts provided by former forced laborers, and witness statements. Around 6,000 people, among them former forced laborers, and school classes visit the “Place of Remembrance” each year (Grieger, 2007; Volkswagen, 2000).

The initial focus on legal questions illustrates that the process of reconciliation can come along with contentious struggles about how to address historical injustices (see Doxtader, 2003), and that corporate strategic ambiguity, and concerns with legal and financial liability can undermine a reconciliatory stance. For CHR to evolve, Volkswagen thus needed to resolve tensions in favor of a concern for reconciliation, relationship restoration, and the needs of victims. While Volkswagen could have sought closure with the settlement of the class-action lawsuits, the emphasis on moral
responsibility provided an important ground for a continuous engagement with the past beyond the courtrooms, and allowed for the realization of elements of reconciliatory rhetoric as a “third way” between retributive justice and a “blanket amnesty” (see Tutu, 1999, p. 30). This also aligns with several priorities of The Claims Conference on Jewish Material Claims against Germany for the settlement negotiations including “a statement of German moral responsibility,” “no closure for ongoing negotiations of outstanding issues,” and “the establishment of social welfare humanitarian funds,” among others (The Claims Conference, 2000). The developing, long-term commitments, and investments then bestowed credibility on the company’s efforts, and led to the support of the rhetoric through sustainable actions. In consequence, Volkswagen’s efforts continue to be recognized within media discourse as a positive example, and they are discussed especially in contrast to corporations, which chose to remain silent (e.g., Klawitter, 2009).

**Acknowledging and Accounting for Corporate Ties to Historical Injustice**

Throughout the texts, Volkswagen emphasizes knowledge of the past as a central “historical responsibility” and “an important prerequisite for a company’s responsible attitude for its past” (Volkswagen, n.d.). The corporate archives, historical research, and publications are committed to investigating and documenting forced labor. By commissioning an external researcher to investigate its past “extensively and without any gaps” (Volkswagen, 1999, p. 14), the company broke its silence, by signaling that it wanted its history to be known, and that it was sincere about fully acknowledging its past.

The historical publications provide accounts of the past injustice in its cruel detail. This includes general information about the scale of forced labor at Volkswagen, paired with individual experiences, and emotional narratives. The book about Volkswagen’s history presents the factual and most coherent account of forced labor at Volkswagen. Together with the Historical Notes, these publications shed light on Volkswagen’s ties to the historical injustice, affirm victims’ experiences, and provide spaces for victims’ memories to be shared.
Volkswagen underlines that, “Far from being an exception in this regard, the Volkswagenwerk GmbH in fact relied on involuntary labor to a disproportionate extent” and that forced labor accounted “for more than two thirds of the total workforce” (Mommsen, 1999, p. 3) between 1943 and 1944. The company also mentions the highly delicate episode of Ferdinand Porsche’s personal request directed to Heinrich Himmler in 1944 to send 3,500 additional concentration camp prisoners for the extension of its underground plant, which reveals that Volkswagen was an active participant, and promoter of the forced labor system (Mommsen, 1996; Volkswagen, 2005).

The memoirs, and the accounts based on interviews, as well as the exhibition in the “Place of Remembrance” provide personal, and more immediate representations of the individual experience. Polish forced laborer Julian Banas (cited from Volkswagen 2004), for example, describes the hunger he suffered as forced laborer as “a pain that you can’t explain to anyone who hasn’t experienced hunger” (p. 34). Hungarian Jewish slave laborer, Mosche Shen (cited from Volkswagen, 2005), recalls being abused through having to undertake “very dangerous external tasks” (p. 28), which included uncovering duds before experts would discharge them, and fighting fires close to oil deposits. Sara Frenkel’s (cited from Volkswagen, 2005) memoirs provide another insight into the gruesome experience of forced labor. Her readers learn that, as a nurse, she had to care for laborers with injuries ranging from severed hands and feet from machine accidents, frozen off hands and toes, typhus, or wounds from working with mines. She further provides dramatic and personal accounts of “The Dying Children” (p. 66). When female laborers gave birth, the babies were first placed in the hospital and later removed to an “orphanage,” where the conditions were so dire that “the children all died” (p. 45). Other publications specify that until the end of the war, around 365 children of forced laborers at Volkswagen had died because of the neglect and hostile living conditions (Mommsen, 1996).
By publishing personal memoirs and academic work devoted to forced labor, Volkswagen creates accountability for its past and engages in a reconciliatory form of acknowledgement that includes diverse voices and experiences. It accounts for the emotional and immediate dimension of victims’ memory, as it sets the public record straight, affirms, and adds authority to the victims’ experiences by making them publicly available. As survivors of forced laborer often experienced suspicion and even persecution as traitors once they returned to their home countries, public affirmation of their experiences becomes especially important. Dutch survivor t’Hoen (2002) explains, for instance, that this was an important motivation for publishing his memoirs in the Historical Notes; “Upon returning home […] I wanted to talk about my experiences […] but almost no one listened. […] Those of us, who had to work in Germany were confronted with the accusation ‘You worked for the enemy. You really are collaborators’” (pp. 18–19).

Embracing a Corporate “Culture of Remembrance”

The commitment to knowledge of the past is closely aligned with Volkswagen’s commitment to remembrance, which is framed as opposed to denial. “History commits us to remembrance,” (1998d) the company (1998d) states, and Volkswagen (1999, 2006, 2009) informs its public that it has developed a “culture of remembrance.” The corporation (2006) underlines that remembrance has become an integral part of Volkswagen itself and suggests that corporations need to remember their past just as individuals do: “If you never look behind you, you’ll forget where you’ve come from. Companies are also well advised to remember their history” (p. 121).

The efforts to remember the past are presented as a means to show respect for victims as well as to preserve the memory of forced labor and the Holocaust for present and future generations. “The Place of Remembrance,” would “ensure that the company’s history is remembered” (n.d.), and the historical publications would help keep “the time of national socialism with its horrors and tyranny […] in the public sphere and consciousness” (1998d). The “work against forgetting” in the context of
the trainee program at the Auschwitz memorial would contribute to the preservation “of the memory of the Holocaust” (2006).

The commitment to remembrance extends initial acknowledgements into sustainable policies. It thus furthers discourse about the past, as opposed to bringing closure, and presents a clear departure from common modes of crisis communication that seek to end public discourse about corporate wrongdoing quickly. The notion of sustainability is reflected in Volkswagen’s choice of the term “culture,” which defines remembrance as a part of the company’s identity, and not as a one-time effort. Indeed, Volkswagen continues to develop and further its efforts. In 2009, it implemented additional educational programs for its managers at the Auschwitz memorial as one of the latest “building blocks in the company’s culture of remembrance” (Volkswagen, 2009). During the same year, the chairman of the Volkswagen Works Council stated, “We don’t consider this chapter closed, we want to build our future on knowledge and not on denial” (Volkswagen, 2009).

Volkswagen’s remembrance accounts for several dimensions of reconciliatory rhetoric. It shows that the company honors victims’ memories of the past by providing spaces in which their personal narratives can be told and preserved. The published narratives and accounts secondly contribute to “memory-justice” (Booth, 2001), as they help recover neglected aspects of the past along with industry’s entanglements with the Third Reich. The publications thus potentially contribute to reshaping public memory about the injustice.

By embracing this memory, Volkswagen further moves beyond the role of a defendant and perpetrator “who did it,” and comes to take the position of an agent for the memory of the past. In doing so, it thirdly creates spaces to develop and articulate shared oppositions to the injustice in cooperation with the victims of forced labor. “It is important to preserve history and to learn from it. That’s an important mandate,” states forced-labor victim Julie Nicholson (cited from Volkswagen 2005, p. 27), explaining why she participated in the research interview, a rationale that mirrors Volkswagen’s commitment to remembrance.
That Volkswagen and its victims do not stand on completely opposite sides of history anymore, but have come to share important concerns in relation to their past is further reflected in the collaboration between victims and the company. Several victims of forced labor, for instance, attended the inauguration of the “Place of Remembrance,” contributed artifacts to the exhibition, shared their stories for historical publications, and continue to visit the Volkswagen plant, and the City of Wolfsburg (Volkswagen, 1999). Additionally, to direct invitations from Volkswagen, the City of Wolfsburg and the local Catholic Church also host victims of forced labor, and commonly include a visit to Volkswagen, where the group meets with representatives of the company, and visits the exhibition (Empfang für, 2010; Gesamtverband der Katholischen, 2012). Remembrance thus opens promising spaces, in which shared commitments to the preservation of the memory of the past come to foster conversations. It provides a focal point around which relationships may be redefined and restored. “They continue to think of us. This reassures us,” forced-labor victim Sara Frenkel (cited from Empfang für, 2010) stated during a visit to Wolfsburg.

The “culture of remembrance” is finally linked to a commitment to future and present responsibilities by emphasizing that Volkswagen is working to prevent similar atrocities in the present and future. While “historical facts cannot be changed,” Volkswagen (1999) finds that “the people can develop the ability to learn from” (p. 14) them. In consequence, it would be the corporation’s present “obligation to make sure that injustice and violence, racism and sedition will never again replace justice and peace” (p. 21) and that Volkswagen has a “responsibility to do all we can do to ensure that something like this never happens again” (Volkswagen, 2006, p. 124).

On this ground, Volkswagen (1999) further ties its commitment to “historical responsibility” to its present corporate citizenship. Corporate values, such as “social responsibility, cooperation, and cosmopolitanism” (p. 20) are linked to “historical responsibilities” as a consequence of the lessons learned from history. Volkswagen, for instance, frames its labor policies as based on the experience of the past: “everything has to be done to prevent that workers are treated in a way that violates the
fundamentals of human dignity” (p. 14). Today, the company would embrace a “culture of cooperation” between management and labor. By 2006, sections titled “Remembering the past” appear in the company’s CSR and sustainability reports, and the company presents its “culture of remembrance” as a social responsibility next to topics such as diversity and sustainability.

The “culture of remembrance,” then, does not simply emphasize Volkswagen’s human rights abuses of the past in the spirit of self-blame. Instead, how the organization continuously addresses its dark history shows that the character of the organization has changed. This notion is especially “visible” at the “Place of Remembrance.” By contrasting the different meanings of the same rooms, a bunker room for forced laborers in the past, and an exhibition and memorial in the present, the exhibition is also intended to highlight the changed character of the company (Volkswagen, 2006). The “culture of remembrance” thus accounts for important dimensions of reconciliation, yet also serves as a unique kind of re-legitimation (see Hearit, 1995), which enhances Volkswagen’s association with present norms and values, while subtly establishing dissociation from the past behavior and the injustice of forced labor.

**Summary and Implications**

This article theorized how corporations may address dark corporate histories. It has proposed the concept of CHR, which integrates considerations of reconciliatory rhetoric into the sphere of corporate advocacy via ideas of CSR and legitimation. By viewing crisis communication in relation to historical injustice as a matter of corporate citizenship, CHR extends the scope of established crisis-communication genres and of CSR, and offers an ethical orientation that differs from self-defensive rhetoric directed at image protection and closure. As it embraces a sustainable and active engagement with its corporate past as an opportunity to come to terms with, to repair broken relationships, and to shape a better present and future, practicing CHR underlines the changed character of the present-day organization, and provides an alternative way of seeking re-legitimation.
Certainly, corporations that have chosen to respond to issues about their dark pasts neglectfully have not ceased to exist. The significance of the choice of strategy is thus not so much rooted in the question of survival and the bottom-line. Instead, it touches on fundamental questions of moral responsibility and the role an organization plays within society, the tone and voice it wants to establish within public discourse, and the kinds of relationships it wants to maintain with its public in the present. The investments in long-term CHR commitments are thus investments in trust, in corporate–public relationships, in reputation, and in an organization and society that are fundamentally better than those of the past.

Organizations that want to address a dark history and practice CHR need to find ways to break their silence, remember and acknowledge, take a remorseful and reconciliatory stance, and create spaces where continued discourse about the past can be fostered. While these processes may take different forms, Volkswagen’s CHR provides several instructive orientations for organizational leaders. The company faced public pressure to pay reparations to victims, atone, and take responsibility after a long period of silence. Volkswagen finally broke its silence by inaugurating a memorial and by publishing a research study, which constituted a detailed acknowledgement. The focus on research and documentation was established as a shared cause by inviting former forced laborers to participate in this process, for instance, through eye-witness interviews, the publication of personal memoirs, or the development of an exhibition.

Such initial measures, however, can only constitute a starting point for CHR, which requires long-term commitments that evolve from the recognition of the past as a moral responsibility. Volkswagen’s emphasis on remembrance provided a strong rationale to translate initial actions into sustainable policies. The memorial is probably the most durable manifestation of remembrance within the corporate space, while historical publications such as the “Historical Notes,” the corporate archives, and the exhibition at the “Place of Remembrance” preserve, and articulate accounts of the past across time. Additionally, continuous educational programs for Volkswagen trainees and
managers at the Auschwitz memorial contribute to awareness across multiple generations and foster a historical consciousness within the company. In consultation with victims, their descendants, or representatives, organizations may also identify other ways of remembrance, such as naming rooms or buildings after victims, participating in joint exhibitions, or providing funds for relevant projects, research, memorials, or museums.

The maintenance of a historical consciousness then provides a strong basis for long-term CSR commitments to justice in the present and future. Indeed, to create such a credible link first means ensuring that there is consistency between present corporate conduct and the displayed regret for the past injustice. Volkswagen emphasized that, today, it is committed to fair working conditions and that it supports labor representation and participation within the organization. To practice CHR, corporations thus need to assess the underlying causes of the past injustice and adequately address them in the present. In turn, such a commitment can provide a strong rationale for broader CSR projects, for instance, projects that aim to prevent racism, labor exploitation, or ethnic violence.

The case of Volkswagen has also shown that CHR presents challenges to organizational leadership. Like Volkswagen, organizations faced with a dark history need to overcome concerns with legal/financial liability and stockholder interests and accept their moral responsibility. This means adopting a “public relations stance” that is concerned with relationship building as opposed to a “legal stance” or traditional patterns of corporate apologia (see Hearit, 2006). If the company does face ongoing lawsuits, it thus needs to be open to negotiating reparations, acknowledging all aspects of its past, and continuing active confrontations of its history beyond the courtrooms. Reparations can further take many different forms and constitute the basis for continued engagement. Volkswagen, for instance, provided funds for cultural and social projects in the countries of origin of forced laborers, individual redress payments through its humanitarian fund, and contributions to the association ‘Remembrance, Responsibility, Future’ as part of a legal settlement.
To practice CHR, organizations further need to recognize that prioritizing publicity would be contrary to reconciliatory discourse, which requires remorse along with a commitment to coming to terms with the past. Practitioners thus need to establish a fine balance between communication with victims and with other stakeholders. The critical balance that had to be maintained in Volkswagen’s case was between the cooperation with victims to reconstruct history and the public information about these processes. This balance is best achieved when public information directed at other stakeholders furthers reconciliatory goals. The publication and marketing of victims’ memoirs and other historical texts, for instance, achieved such a balance, because the historical documents filled gaps in public memory, served to acknowledge the injustice, and set the public record straight.

CHR also provides intriguing opportunities for future research that can further extend scholarship of crisis communication, CSR, organizational rhetoric, and reconciliation. While frequent public mentions of Volkswagen’s approach as a positive example indicate that this form of CHR indeed contributed to the company’s reputation as a good corporate citizen, future studies should focus on stakeholders’ perceptions of different corporate responses to a dark history. Additionally, case studies of discourses of non-profit organizations and corporations that failed to adopt a reconciliatory stance can extend our understanding of organizational participation in discourses of reconciliation. These could also provide insights into the variables that may enable, or constrain the ability and willingness of organizations to adopt CHR. Moving beyond the German context, future research is also needed to understand how different cultural contexts may enable or constrain CHR. Finally, reconciliatory approaches to crisis communication may also provide a valuable perspective on other types of crises, in which relationships have been broken due to organizational wrongdoing.

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