

Are Corporations People, Too? Your Brain Seems to Process Them That Way

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According to rulings from the U.S. Supreme Court, corporations are people, at least when it comes to certain legal rights such as free speech. While corporations may be people in the eyes of the law, a team of psychological scientists recently investigated whether corporations also register as people in the brain.

Researchers Mark Plitt, Ricky Savjani, and David Eagleman of Baylor College of Medicine utilized neuroimaging technology to determine whether people unconsciously perceive corporations as inanimate objects or as people.

“Little is known about how our brains process information about collective units such as corporations,” the researchers write in the journal *Social Neuroscience*. “As an organization comes to form an identity, a question arises: are corporations and their actions regarded as social beings or as inanimate objects?”

Plitt and colleagues hypothesized that not only would participants rate the actions of corporations and individuals similarly, but they would also show similar neural responses to both.

Using functional magnetic resonance imaging (fMRI), the researchers scanned activity in the brains of 42 participants as they reviewed vignettes about corporations, individual people, and objects. Each of the vignettes described either a positive action (e.g. donating to charity), a negative action (e.g. cheating on taxes), or a neutral action (e.g., buying a printer). After each vignette, participants chose one word out of a list of eight major emotions that best described their response to the scenario.

When reasoning about a person, brain areas associated with social cognition, such as the superior medial prefrontal cortex (SMPFC), tend to become relatively more active. When reasoning about an object these brain areas tend show diminished activity. Therefore, increased activation in brain areas associated with social reasoning would suggest that corporations are being perceived as people rather than

inanimate objects.

The results revealed that patterns of activation involved in judging corporations were almost the same as those involved in judging people, including activation in the SMPFC.

“We found that the networks that underlie our ability to understand the actions of companies and people substantially overlap,” the researchers conclude. “That is, corporations are neurally represented as social beings rather than inanimate objects.”

Additionally, Plitt and colleagues found that people showed a bias against companies when rating both positive and negative vignettes. Corporations’ anti-social actions elicited more intense negative emotions, while people’s pro-social actions garnered more intense positive emotions. When reading a neutral vignette about a company, the neural response actually resembled those for anti-social scenarios.

Another recent study, from researchers Taze S. Rai and Daniel Diermeier of the Kellogg School of Management and Northwestern University, helps explain why companies were judged more harshly than individuals.

Previous research has shown that when humans are perceived to have more agency—the ability to make their own decisions and act on them—they receive more blame for their actions. However, when people are perceived as experiencing feelings like pain or hunger, they tend to elicit more sympathy.

“Across four experiments and a pilot study, we demonstrated that companies are seen as being capable of ‘thinking’, but not ‘feeling’, and as a result, they elicit anger for their transgressions, but fail to elicit sympathy as victims,” Rai and Diermeier write in the journal *Organizational Behavior and Human Decision Processes*.

In an online experiment, Rai and Diermeier had participants read a scenario about either an individual entrepreneur or a company. In the “villain” scenario, the company or the entrepreneur is caught stealing customer information. In the “victim” scenario, the company or entrepreneur is forced into bankruptcy as the result of a crime.

Participants then rated how angry they felt towards the villain, or how much sympathy they felt towards the victim, on a five-point scale.

As predicted, individuals garnered higher levels of sympathy compared to companies, due in part to individuals being seen as more capable of experiencing pain and suffering.

Although more research is needed to better understand the cognitive processes underlying moral judgments of groups and individuals, these findings are a first step toward understanding how our brains process information about collective units like corporations.

References

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