

# Rachel's Environment & Health News

## #449 - Corporate Behavior

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In an editorial last month (6/18), the NEW YORK TIMES noted that the environment of the Western states is under siege by commercial interests (grazing, mining, timber, developers, big commercial farmers), and a small but noisy group of property rights activists, engaged together in a full-scale mutiny against Federal and state regulations meant to protect what is left of America's natural resources. "The war in the west and the war in Congress on basic environmental protections have much in common," the TIMES said. "First, both are being driven and in some cases underwritten by big business. Second, both are being waged to save the 'little guy' from Federal tyranny. Third, this alleged little guy is nowhere to be found when the time comes to draft crippling legislation. Indeed, his wishes have been largely ignored. Poll after poll suggests that what ordinary citizens want is more environmental protection if it means a cleaner environment and a healthier society."

Most citizens want the environment protected, but Congress and the states are giving us the opposite. How does that happen?

The short answer is "money in politics." Legislators are beholden to the individuals and corporations who provide mountains of cash for election campaigns. The solution to that problem is public financing of elections.

But the full answer is a bit deeper than that. The commercial interests destroying the environment world-wide are not just "bad people" or crooks. They literally can't help themselves because of the kind of organization that propels their behavior: the corporation. Successful advertising executive Jerry Mander writes that, "The corporation is not as subject to human control as most people believe it is; rather, it is an autonomous technical structure that behaves by a system of logic uniquely well suited to its primary function: to give birth and impetus to profitable new technological forms, and to spread techno-logic around the globe." [1]

Mander suggests 11 rules that describe corporate behavior, which we offer here in shortened form (we urge you to get and read the original, which is eloquent):

1. The Profit Imperative: Profit is the ultimate measure of all corporate decisions. It takes precedence over community well-being, worker health, public health, peace, environmental preservation or national security. Corporations will even find ways to trade with national "enemies"--Libya, Iran, the Soviet Union, Cuba --when public policy abhors it. The profit imperative and the growth imperative are the most fundamental corporate drives; together they represent the corporation's instinct to "live."

2. The Growth Imperative: Corporations live or die by whether they can sustain growth. On this depends relationships to investors, to the stock market, to banks and to public perception. The growth imperative also fuels the corporate desire to find and develop scarce resources in obscure parts of the world.

3. Competition and Aggression: Corporations place every person in management in fierce competition with each other. Anyone interested in a corporate career must hone his or her abilities to seize the moment. This applies to gaining an edge over another company or over a colleague within the company. As an employee, you are expected to be part of the "team," but you also must be ready to climb over your own colleagues.

Corporate (or athletic) ideology holds that competition improves worker incentive and corporate performances and therefore benefits society. Our society has accepted this premise utterly. Unfortunately, however, it also surfaces in personal relationships. Living by standards of competition and aggression on the job, human beings have few avenues to express softer, more personal feelings.

4. Amorality: Not being human, corporations do not have morals or altruistic goals. So decisions that may be antithetical to community

goals or environmental health are made without misgivings. In fact, corporate executives praise "nonemotionality" as a basis for "objective" decisions.

Corporations, however, seek to hide their amorality and attempt to act as if they were altruistic. Lately, there has been a concerted effort by American industry to seem concerned with environmental cleanup, community arts or drug programs.

It is a fair rule of thumb that corporations tend to advertise the very qualities they do not have in order to allay negative public perceptions. When corporations say "we care," it is almost always in response to the widespread perception that they do not care. And they don't. How could they? They don't have feelings or morals.

5. Hierarchy: Corporate law requires that corporations be structured into classes of superiors and subordinates within a centralized, pyramidal structure: chairman, directors, chief executive officer, vice presidents, division managers, and so on. The efficiency of this hierarchical form, which also characterizes the military, the government and most institutions in our society, is rarely questioned.

The effect on society from all organizations adopting the hierarchical form is to make it seem natural that we have all been placed within a national pecking order. Some jobs are better than others, some lifestyles are better than others, some neighborhoods, some races, some kinds of knowledge. Men over women. Westerners over non-Westerners. Humans over nature.

That effective, non-hierarchical modes of organization exist on the planet, and have been successful for millennia, is barely known to most Americans.

6. Quantification, Linearity, Segmentation: Corporations require that subjective information be translated into objective form, i.e., numbers. The subjective or spiritual aspects of forests, for example, cannot be translated, and so do not enter into corporate equations. Forests are evaluated only as "board feet."

When corporations are asked to clean up their smokestack emissions, they lobby to relax the new standards in order to contain costs. The result is that a predictable number of people are expected to become sick and die.

7. Dehumanization: In the great majority of corporations, employees are viewed as ciphers, as cogs among the wheels, replaceable by others or by machines.

As for management employees, not subject to quite the same indignities, they nonetheless must practice a style of decision making that "does not let feelings get in the way." This applies as much to firing employees as it does to dealing with the consequences of corporate behavior in the environment or the community.

8. Exploitation: All corporate profit is obtained by a simple formula: Profit equals the difference between the amount paid to an employee and the economic value of the employee's output, and/or the difference between the amount paid for raw materials used in production (including costs of processing), and the ultimate sales price of processed raw materials.

Capitalists argue that this is a fair deal, since both workers and the people who mine or farm the resources (usually in Third World environments) get paid. But this arrangement is inherently imbalanced. The owner of the capital --the corporation or the bank --always obtains additional benefit. While the worker makes a wage, the owner of the capital gets the benefit of the worker's labor, plus the surplus profit the worker produces, which is then reinvested to produce yet more surplus.

9. Ephemerality: Corporations exist beyond time and space: they are legal creations that only exist on paper. They do not die a natural death; they outlive their own creators. They have no commitment to locale, employees or neighbors. Having no morality, no commitment to place and no physical nature (a factory, while being a physical entity, is not the corporation), a corporation can relocate all of its operations at the first sign of inconvenience: demanding employees, high taxes and restrictive environmental laws. The traditional ideal of community engagement is antithetical to corporation behavior.

10. Opposition to Nature: Though individuals who work for corporations may personally love nature, corporations themselves, and corporate societies, are intrinsically committed to intervening in, altering and transforming nature. For corporations engaged in commodity manufacturing, profit comes from transmogrifying [changing] raw materials into saleable forms. Metals from the ground are converted into cars. Trees are converted into boards, houses, furniture and paper products. Oil is converted into energy. In all such activity, a piece of nature is taken from where it belongs and processed into a new form. All manufacturing depends upon intervention and reorganization of nature. After natural resources are used up in one part of the globe, the corporation moves on to another part.

This transformation of nature occurs in all societies where community manufacturing takes place. But in capitalist, corporate societies, the process is accelerated because capitalist societies and corporations MUST grow by extracting resources from nature and reprocessing them at an ever-quickening pace. Meanwhile, the consumption end of the cycle is also accelerated --by corporations that have an interest in convincing people that commodities bring satisfaction. Inner satisfaction, self-sufficiency, contentment in nature or a lack of a desire to acquire wealth are subversive to corporate goals.

11. Homogenization: American rhetoric claims that commodity society delivers greater choice and diversity than other societies. "Choice" in this context means PRODUCT choice in the marketplace: many brands to choose from and diverse features on otherwise identical products. Actually, corporations have a stake in all of us living our lives in a similar manner, achieving our pleasures from things that we buy in a world where each family lives isolated in a single family home and has the same machines as every other family on the block. The "singles" phenomenon has proved even more productive than the nuclear family, since each person duplicates the consumption patterns of every other person.

Native societies --which celebrate an utterly non-material relationship to life, the planet and the spirit --are regarded as backward, inferior and unenlightened. We are told that they envy the choices we have. To the degree these societies continue to exist, they represent a threat to the homogenization of worldwide markets and culture.

Form is content: The most important aspect of these 11 rules is the degree to which they are inherent in corporate structure. Corporations are INHERENTLY bold, aggressive and competitive. Though they exist in a society that claims to operate by moral principles, they are structurally amoral. It is inevitable that they will dehumanize people who work for them and the overall society as well. They are disloyal to workers, including their own managers. Corporations can be disloyal to the communities they have been part of for many years. Corporations do not care about nations; they live beyond boundaries. They are intrinsically committed to destroying nature. And they have an inexorable, unabatable, voracious need to grow and to expand. In dominating other cultures, in digging up the Earth, corporations blindly follow the codes that have been built into them as if they were genes.

We must abandon the idea that corporations can reform themselves.

To ask corporate executives to behave in a morally defensible manner is absurd. Corporations, and the people within them, are following a system of logic that leads inexorably toward dominant behaviors. To ask corporations to behave otherwise is like asking an army to adopt pacifism. Form is content.

--Peter Montague

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[1] GET: Jerry Mander, IN THE ABSENCE OF THE SACRED; THE FAILURE OF TECHNOLOGY AND THE SURVIVAL OF THE INDIAN NATIONS (San Francisco: Sierra Club Books, 1991). Cost is \$14.00; phone: (415) 923-5600. (Chapter 7 is titled, "Corporations as Machines.")

Descriptor terms: wise use movement; property rights movement; environmental regulations; backlash; agriculture; mining; grazing; timber industry; logging; natural resources; jerry mander; money in politics; corporations; corporate form; native people;