

# The corporate threat to democracy

Sharon Beder.  
*Global Spin: The Corporate Assault  
on Environmentalism.*  
Scribe Publications, 1997.

'This is such an important book that I would put it on every school curriculum'  
*John Pilger*

'The most important contribution to the environmental debate I have ever read'  
*David Edwards*

Rarely does a book live up to the songs of praise printed on its back cover. This one does. Sharon Beder has written a very important and disturbing book. I urge everyone to read it — because it is not 'just about the environment' (although it is a very important environmental book), it is about how our democracy is being subverted. It is about why we feel increasingly powerless in our own society. Reading the book — being aware of what is happening — is the first step we, as citizens in a democracy under threat, can take to regain control of our future.

In exposing the corporate assault upon environmentalism Sharon Beder documents how the law is being systematically abused for political ends and how corporate interests have compromised the integrity and diversity of opinion expressed in the public forum. Thus the book is one of several that deals with the corporate subversion of the democratic system, placing Beder amongst the likes of Noam Chomsky, John Ralston Saul and John Pilger. Her work complements the work of these esteemed thinkers, in that she focuses upon a specific issue which corporate interests feel threatened by — the public's increasing awareness of and concern for the environment — and documents the corporate response. She provides reasoned, elegant, and impeccably argued theories regarding the threat to democracy posed by increasingly powerful and unregulated corporations not only with evidence of their subversion of the democratic system, but a veritable case study of how their power over democracy is gained and how it is used to hinder those democratic movements (in this case the environmental movement) which corporate interests perceive as a threat.

After having read this book I am convinced that the democratic system and thus the environment are in

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grave danger. However, having read the book, I am also much more aware of the situation, and much less likely to fall for the thin veneer of credibility/integrity/independence that corporate interest attempt to purchase for and apply to their self serving arguments. Awareness is basically the only way to combat the threat to democracy posed by the action of vested (economic) interest, and the only way to save this society from destroying the natural environment upon which it depends. This is precisely why this book is so important, and also why it is so disturbing that the public forum, particularly the mass media, has been so compromised.

With all this talk of vested interests, subversion of the democratic system, and the compromising of the integrity of the public forum, it is hard to escape the conclusion that the book is about a conspiracy. As much as I would like to avoid the stigma of such a claim, I cannot, for this book is very much about how corporate interests have conspired against the public's increasing concern for the environment in order to further and protect their own ends.

The 1995 edition of the Australian Concise Oxford Dictionary defines conspiracy as 'a secret plan to commit a crime or do harm, often for political ends'. The corporate activity detailed in the book is secret in the sense that it is rarely reported and certainly not publicised (though I don't know how often the protagonists meet in deserted warehouses). The ends are definitely political, and they certainly involve harming or defeating democratic principals, systems, and processes. Some of the methods are verging on the criminal, in the sense that they break the spirit of the law (though perhaps not so often the letter).

However the important and interesting distinction is that although, particularly at the smaller scale, many of the outcomes are very much part of a plan (ie a result of the conscious and coordinated efforts of individuals and organisations), some of the outcomes, particularly those at the larger scale, are probably not planned as such (ie not the result of a conscious and coordinated effort) but rather a more cultural phenomenon, an emergent property of inherently selfish acts. For instance, if allowed to, those in powerful positions tend to appoint underlings that will further, or at least not hinder, their

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cause (for example a powerful media tycoon is unlikely to approve of the appointment of an editor who views lack of media diversity as a threat to democracy). This is precisely one of the phenomena John Ralston Saul talks about in his book *The Unconscious Civilisation*, the fact that, historically, the rich/powerful/influential tend to reward and to surround themselves with (and hence be surrounded by) like minded individuals. Consequently, because of their vested interest in the status quo, they are all likely to be in consensus regarding the importance of furthering their own interests (often at the expense of the interests of others). So that the people that the influential and powerful have day to day contact with are all likely to be pursuing similar political ends.

Conspiracy theories are, by their very nature, difficult to substantiate. Currently our society seems to be enamoured with them as forms of entertainment (eg *The XFiles*, *Matrix*). Many of them in popular culture are so convoluted and lacking in credible information that supports the premise that they are probably furbies. Thus people are becoming increasingly sceptical about such theories, and more ready to dismiss them out of hand (myself included). However, the fact is that conspiracies do occur, and some conspiracies that have been alleged, but not substantiated or properly (ie fully and publicly) investigated, are disturbing (eg from the still unresolved assassination of JKK to the recent case that the MUA filed against the government and Patrick Stevedores alleging conspiracy with regard to an attempt to destroy waterfront unions — unfortunately the related industrial dispute was settled separately and part of the settlement was that the MUA would end its legal action so the evidence for conspiracy was never subject to the public scrutiny of the courts).

In a democracy it is vital that alleged conspiracies are fully and publicly investigated so that real conspiracies are exposed, otherwise public confidence in 'the system' will inevitably wain (I would suggest public confidence in our society is declining). We should not be paralysed by paranoia and spend all our lives investigating every conspiracy theory ever suggested, nor should we dismiss all theories out of hand. Ocam's razor (the simplest explanation is usually the correct one) can be a useful aid in working out which theories are worth investigating and which are worth discussing. However conspiracies are not always simple and I would rather err on the side of investigating too many rather than too few conspiracy theories. In the end you just have to make the best decision regarding their plausibility based upon the credible information that you have at hand, yet this is precisely what is classically the trouble with regard to conspiracy theories: the lack of credible information. This is why Sharon Beder's book is so important. In it she unearths and presents a lot of

highly credible and damning information. Indeed her book is in a sense the investigation of a conspiracy theory.

The content of the book could hardly be more current — consider, for example, the following recent events:

- the unmasking of deals between radio presenters and financial institutions (and various other associations) to get favourable editorial coverage;
- the waterfront dispute mentioned above, brought about by the federal government allegedly conspiring with corporate interests (the MUA website has some very telling documentation);
- the National Association of Forestry Industries (NAFI) attempting to stop the sale of a book detailing how you can build with eco-friendly timbers;
- the decision by the world heritage committee not to place Kakadu on the world heritage in danger list despite the fact that all the reports from its independent scientific advisory board recommended that it do so (after extensive lobbying by the Australian government using approximately \$1 million of Australian taxpayers funds even though over two-thirds of the Australian population oppose the mine);
- continuing attempts to privatise the Victorian education system under the guise of 'self-governing schools' and the fact that in at least one recent and controversial case (Blackburn High School) the Victorian Minister for Education brought forward the implementation of the school council's disputed decision *after* having been presented with a petition signed by a significant proportion of the parent population asking that the implementation be delayed so that the school community could further inform themselves about the consequences in order to discuss and re-evaluate the decision;
- the watering down of freedom of information laws in order to protect 'sensitive' corporate information being threatened by the public interest (should the premier be reminded that corporations do not exist without a public, not the other way around, so the public interest should be paramount?);
- attacks upon the powers and independence of attorneys general, public prosecutors, and government auditors, etc.

Beder's book starts by putting the current environmental debate, or rather the lack thereof, into perspective. It provides a brief history of the fluctuating fortunes of the environmental movement, sets the scene by documenting the corporate response to each new turn, and reveals the extent to which that response influenced future changes. It then launches into an exposé of corporate front groups and focuses upon the US 'Wise Use' movement as a prime example of groups funded by corporate interests, spouting corporate propaganda,

posing as public interest groups, and largely mistaken by the mass media as a independent 'grass roots' organisations.

Beder then examines how corporations systematically abuse the law for political ends by employing Strategic Law Suits Against Public Participation (SLAPPs) to silence public expressions of concern regarding the effect of corporate activities upon the environment.

Conservative think tanks, their funding sources, and their influence upon both the general political agenda and the environmental debate in particular are exposed. Misrepresented in the media as independent academic organisations, and frequently quoted as 'independent experts' (thus lending a detached academic facade to corporate propaganda) they have largely succeeded not only in casting doubt upon the urgency of environmental problems, but also in defining the debate regarding possible solutions. The place of both the 'academic' and 'grass-roots' corporate front groups in the wider corporate Public Relations (PR) strategies are examined together with various other media techniques.

The fluctuating fortunes of dioxin regulation in the USA serves as a dramatic example of how effective a corporate assault on environmental regulation can be. In this case scientific uncertainty was not only exploited to its fullest (ie total disregard for the doctrine of the precautionary principle) but actually manufactured. Industry funded research, found not only to be biased, but fraudulent, was successfully used in a comprehensive campaign by the chlorine industry to defeat effective regulation of dioxin, despite the fact that not only did most of the other research indicated that it was one of the most toxic chemicals known to man but the public also had a healthy fear of it.

Advertising techniques are next to be exposed, revealing its central role in consumer culture, the hypocrisy of 'green marketing', the insidious influence of corporate sponsorship upon the curriculum of schools, and the widespread use of corporate propaganda as 'environmental education'.

Corporate control over the media (not only via the advertising dollar, but the fact that media outlets are themselves corporations driven by profit) is discussed together with its implications for the culture of the mass media, the consequential lack of diversity in reporting generally and environmental reporting in particular, and the increasingly trivial manner in which important social issues are portrayed (a consequence of the drive to enter-

tain, as opposed to inform, and the increasingly short attention span of the viewer).

Finally Beder presents a brief look at the effect all of the above are having upon democracy and the implications this has for the environmental movement. The main, and only significant, criticism I would make of the book is the lack of a coherent overview — particularly of how the various PR techniques and strategies tie in with the media.

I will concentrate upon the abuse of the legal system — mainly because it serves as a succinct example of Beder's style and content. I will then (very) briefly examine Beder's case for the manner in which the PR industry and the mass media have compromised the public forum, which forms the bulk of the book.

## **ABUSE OF THE LEGAL SYSTEM**

Abuse of the legal system is the most obvious/least covert strate-

gy employed by corporate interests; one which none the less damages the political/democratic process.

The tactic used by corporations to directly prevent environmental and community groups from participating in the political process is the 'Strategic Lawsuit Against Public Participation' — or SLAPP. They are defined by Penelope Canan and George Pring (the academics from the University of Denver who coined the term and have been studying such cases for over a decade) as court actions alleging that injury has resulted from the efforts of non-government individuals or organisations to influence government action on an issue of public interest or concern.

They are generally filed in order to prevent the public expression of opposing points of view, and strategic in the sense that they often have very little legal merit — ie the case against the defendant (typically a community or environmentally minded individual or group that has publicly voiced their concerns regarding a proposed development) is at best tenuous. Consequently such cases rarely win in the legal sense. Most are dismissed (ie thrown out of court). Of those that are heard, 77% are won by the defendants, and less than 10% are 'won' by the accusers. According to legal experts quoted in the book 'One would be hard pressed to find another area of the law in which so overwhelming a proportion of defendants brought into court are eventually vindicated'. Thus, it would seem that the purpose of filing the case is not to win compensation, but to 'harass, intimidate and distract their opponents' — ie. the aims are political. Beder provides an apt

*'corporations systematically abuse the law for political ends by employing Strategic Law Suits'*

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description of the SLAPP straight from the mouth of a judge presiding in one such case:

'The conceptual thread that binds [SLAPPs] is that they are suits without substantial merit that are brought by private interests to stop citizens from exercising their political rights or to punish them for having done so ... The longer the litigation can be stretched out, the more litigation that can be churned, the greater the expense that is inflicted and the closer the SLAPP filer moves to success. The purpose of such gamesmanship ranges from simple retribution for past activism to discouraging future activism.'

It is by exploiting the least desirable component of the present day legal system — the fact that involvement in the courts is generally both time consuming and very expensive (to the extent that it is generally beyond the means of most citizens) — that the SLAPP gains its political effectiveness. Beder points out that the SLAPPs that make it to court take an average of three years to conclude, and even when the defendant wins it can cost them tens of thousands of dollars in legal fees. Indeed in its judgement on one such SLAPP, the US Supreme Court itself recognised that the defendant 'will most likely have to retain counsel and incur substantial legal expenses' even if the case against them has little legal merit, and consequently legal action (or the threat thereof) can be used 'as a powerful instrument of coercion or retaliation'. Thus the lawsuit is cleverly used by corporate interests as a very effective means to achieve political ends.

Firstly, the mere threat of legal action may induce the 'defendants' to concede to the political demands placed upon them.

Secondly, if the 'defendants' make a stand and take it to court they are then, as a matter of legal process, often prohibited from their political activities and even if not legally prohibited they are at least distracted by expensive and time consuming (not to mention stressful) legal action for as long as they choose to continue their stand.

Thirdly, the stress (financial, mental, emotional, etc.) of the court case may eventually wear them down and the defendant may settle out of court just to bring an end to legal proceedings.

Finally, SLAPPs threaten the political / democratic process at the societal level by discouraging other individuals from publicly voicing their concerns — ie discouraging them from participating in the political process. Indeed research conducted by Canan and Pringle has shown that knowledge of the existence of SLAPPs makes people less likely to speak out publicly. Furthermore corporate bodies often include 'unnamed persons' in their writs, in an attempt to further dis-

courage others, who are not actually named in the writ, from taking any political action. It is with reference to this threat to democracy that Beder provides more damning testimony straight from the judgement in another SLAPP case:

'[W]e shudder to think of the chill ... were we to allow this suit to proceed. The cost to our society in terms of the threat to our liberty and freedom is beyond calculation ... To prohibit robust debate on these questions would deprive society of the benefits of its collective thinking and ... destroy the free exchange of ideas which is the adhesive of our democracy.'

Typical of Beder's style, she presents a case that is not only impeccably argued and well referenced, but documented. She cites a litany of disturbing cases — from a woman being sued by a company (for \$5 million US) for referring to a landfill site as a 'dump' (which, a couple of years later, when the company closed down, was investigated by the EPA as a hazardous waste site and required cleaning up), to another company that filed a law suit against every single person that attended a town meeting to discuss a proposed development. Most of the cases being dropped some time into the legal proceedings after the companies had achieved their political objectives (ie. after those in the campaign dropped out from fear or financial/emotional/mental fatigue), or being dropped shortly before actually going to court in order to avoid public scrutiny.

Probably the most famous case is what became known as the 'Maclibel case' — where McDonalds sued two unemployed activists, Dave Morris and Helen Steel, for distributing leaflets that accused the company of, amongst other things, exploiting its workforce, targeting kids in its advertisements, cruelty to animals, producing food of poor nutritional quality, and encouraging the destruction of forests through promoting cattle ranching in the third world. Unlike others in the UK that McDonalds had threatened with law suits, such as the BBC, Chanel 4, and the *Guardian* newspaper, the activists, despite being less financially able to defend themselves, decided not to be intimidated into apologising for and withdrawing the comments. As they had little in the form of financial resources they ended up representing themselves in court. It became the longest trial in UK legal history.

Under British libel law the accused has to prove that each of the supposedly libellous statements are true (unlike in the US, where the filer has to prove that they are untrue). Despite the fact that they were up against McDonalds best lawyers, the trial judge found that, in the end, Morris and Steel had sufficiently substantiated several of the statements, such as the targeting of McDonalds advertisements at children, the low wages

of the McDonalds workforce, that the animals destined to be McDonalds hamburgers suffered cruelty, and that the hamburgers were of poor nutritional quality. However as the judge ruled that Morris and Steel had failed to sufficiently substantiate some of the other statements, the pamphlet was declared libellous, and the defendants ordered to pay £60,000. This is actually a very unusual example of a SLAPP in that:

- (1) it actually made it to court (ie the 'defendants' did not capitulate to the superior economic and hence legal force arranged against them, nor did the corporate interest elect to withdraw the legal action at the last minute in order to shield their actions from public scrutiny, nor was the charge actually thrown out of court because of a lack of legal merit), and
- (2) having made it to court, the 'defendants' were not totally vindicated.

Whereas some American states have enacted legislation in an attempt to deter such legal abuse, Beder notes that recent political developments in Australia — particularly the cutting back of legal aid to low income litigants and the fact that, regardless of their legal merit, corporate bodies can claim legal expenses as tax deductions — will only serve to encourage such frivolous legal actions.

## **COMPROMISING THE INTEGRITY AND DIVERSITY OF OPINION IN THE PUBLIC FORUM**

Compromising the integrity and diversity of opinion in the public forum is the most insidious, covert, disturbing, chronic, and pervasive tactic employed by corporate interests.

The bulk of the book is dedicated to revealing just how extensively the public forum, particularly the mass media, has been compromised by corporate interests to the extent that it no longer serves its role as a cornerstone of democracy. Beder shows that the integrity and diversity of opinion expressed in the public forum has been compromised both actively, through deliberate/conscious actions of the Public Relations industry and passively through the action of vested interest upon those who own/control the mass media.

### **(a) The public relations industry**

The public relations industry has basically compromised the **integrity** of the opinion expressed in the public domain by giving the illusion of independence to arguments that are essentially self serving. This is done pri-

marily by a kind of ideological ventriloquism — putting the arguments into the mouths of people/institutions/authorities with important sounding titles that appear to be independent of those forwarding the arguments. PR in this sense is nothing short of an attempt by those that can afford it to buy credibility, integrity, and/or independence for arguments that stem from self interests — essentially an attempt to hide the self serving nature of the arguments. Ultimately this is only successful if the purchase is unnoticed.

For instance, now that the PR deal between John Laws and the banks has been exposed (thanks to the ABC's media watch program) it is unable to buy the banks credibility for the arguments they would have liked John Laws to put forward on their behalf. Hence the deal has been cancelled. I do not for a minute suppose that the deal was cancelled in order to protect the independence of the media (or rather the illusion thereof). Now that the propaganda generated by the banks and put forward by Laws can be identified as self serving, it destroys any credibility that Laws may have been able to bestow upon the arguments, and thus there is



no point in continuing with the agreement. The banks may as well just do press releases — which may in the end be just as effective because of the increasing tendency for the media to use them as unacknowledged sources of information (more on this later).

This is exactly the type of thing Sharon Beder discusses in depth and documents as a common occurrence. The bulk of her book is dedicated to investigating such PR and advertising strategies, ranging from front groups and think tanks, to the use of the teacher as an independent front, to exploiting scientific uncertainty and vested (economic) interest to their fullest.

### **(b) The Mass Media**

The diversity of opinion expressed in the public forum has basically been compromised by the action

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of vested (economic) interest upon the mass media and its culture — resulting in a form of self censorship that limits the scope of ‘public’ debate in the mass media. The constant threat of losing big advertising contracts means that stories that threaten corporate sponsors (advertisers), whether it be directly or indirectly, are less likely to get aired. However, because of the increasingly corporate/conservative/tabloid culture of most ‘successful’/profitable (ie mass) media outlets these stories are often deemed unimportant or uninteresting in the first place (thus the censorship is commonly not even conscious). After reading the book one realises that regarding the current day mass media, particularly television, as ‘the public forum’ is itself a threat to democracy:

- Much of its content is often nothing more than rewritten press releases — making it a very useful PR tool. Beder quotes studies finding that even a supposedly prestigious journal such as *The Wall Street Journal* often takes upwards of 50% of its content directly from press releases (often word for word), without acknowledging the inherent bias in the source. This provides PR strategists with exactly what they strive for — a way to publicise propaganda where the inherently self serving nature of the arguments is not self evident.
- It is unrepresentative and biased in favour of the status quo. This is backed by numerous studies — one found that of the guests on a highly regarded US current affairs show 80% were professional, government, or corporate representatives, 5% represented public interest groups, and less than 2% represented labour or ethnic organisations; 89% were male and 92% were white. Another study concluded that ‘while there were exceptions ... public television did little to highlight the voices of organised citizens, relegating activists along with members of the general public to the margins of political discourse’.
- It seems inherently unable to criticise the political/economic/corporate system of which it is part. For example, Beder notes that environmental disasters in the west are always depicted as exceptional

circumstance, occasional aberrations, and by treating adverse environmental impacts as isolated and atypical events, the media are implicitly affirming the legitimacy of the (western) system. She makes the insightful observation that this was not the case after the fall of the Soviet Union when the western media ‘exposed’ and portrayed the environmental disasters in the East as ‘an inevitable by-product of a centralised, totalitarian system’. Is the disaster at Long Island inherently different from that at Chernobal? Are the thousands of superfund sites in the US inherently different from the sites of toxic contamination in the eastern block? There is no rational justification for making such artificial distinctions — the western sociopolitical systems are as much the cause of environmental problems in the west as the sociopolitical systems of the eastern block were to blame for their environmental problems. Yet this fact is not discussed in the mass media.

- It is trivialising. Beder is one of a growing number of thinkers (eg Ralston Saul, Chomsky, etc) who show the trivialising nature of the mass media, particularly television. Increasingly concerned with entertaining rather than informing, the media are not only trivialising important information (eg presenting ‘sound bites’ rather than informed and in depth discussion of often complex social issues) but also giving undue importance to trivial information (eg the growing prominence of ‘infotainment’ and ‘advertorials’, not to mention ‘current affairs’ shows doing things like using ‘lie-detectors’ to ‘investigate’ whether or not certain couples have lied to each other regarding their fidelity — hardly ‘an expose’, except in a voyeuristic and hence disempowering sense).

## CONCLUSION

In conclusion it can only be said that there are so many reasons to read this book. It is about very and important and current issues. It is a scholarly work — both well written and well referenced (Beder cites over 600 references). It is simultaneously disillusioning and empowering. Read it.