



Learning to love the psychopath

For anyone interested in understanding the incoherence of the left in Canada these days, you can learn pretty much everything you need to know by watching the (now award-winning) Canadian documentary *The Corporation*, by Mark Achbar, Jennifer Abbott and Joel Bakan. One can see the roots of the problem with exemplary clarity. The film reveals a left that is wholeheartedly committed to a particular argument about the nature of capitalism, but is not willing to accept the immediate conclusion of this argument or to rethink any of the premises. The result is complete paralysis.

Allow me to explain.

At first glance, *The Corporation* appears to be little more than a laundry list of familiar complaints against big business: destroying the environment, exploiting sweatshop labour, advertising to children, supporting unsavory regimes, recklessly introducing biotechnology, and so on. Most of these grievances, it should be noted, are perfectly legitimate. Yet the film goes further. Rather than simply detailing these problems, it also seeks to provide a unifying explanation.

So what is the source of these nefarious practices? According to *The Corporation*, it is the profit motive. Corporations do bad things because they are motivated by private interests, and not the public good. (This is what makes them, in the eyes of the filmmakers, “psychopaths.”) Thus the film dismisses “corporate social responsibility” and business ethics on the grounds that they do not address the root of the problem, which is the profit orientation of firms.

Of course, the idea that greed is to blame for the sins of the world does have some plausibility. It certainly has not escaped anyone’s attention that corporations save themselves a lot of money

by dumping toxic chemicals in the river, evading taxes, and paying children pennies by the hour to sew clothing. Is it unreasonable to suggest that if they weren’t so interested in making money they wouldn’t do all these bad things?

The Corporation spends the better part of two hours building support for this claim. And yet if it is correct, then it leads inexorably to a single conclusion. If the profit motive is the source of so much mischief, then the best way to correct these problems is to abolish private ownership. And how do we do that? The answer is clear: nationalization.

Yet the word “nationalization” is not spoken once throughout the film. What we get instead is a lot of talk about resisting privatization, or keeping resources in the “commons.” We hear about the virtues of grassroots democracy and the public sector. Nobody comes out and draws the obvious conclusion. If private ownership is the root of the problem, then public ownership must be the solution.

Why is no one in the film willing to say this? Presumably it is because they understand that the more aggressive version of the socialist project (such as Britain and France pursued in the 1960s), which called for widespread state ownership of industry, is discredited. And it is discredited not because of the neo-conservative backlash that it provoked, but because the proposed remedy failed to resolve the very issues that it was intended to address.

In many cases, it was precisely the decreased emphasis on profitability that led to the most irresponsible behavior in the public sector. The lack of clear performance indicators reduced accountability, and so created greater opportunities for managerial malfeasance.

As a result, there is now a widespread consensus that state-owned enterprises are desirable in sectors that are subject to market failure, but not in areas where there is a reasonably competitive market. The makers of *The Corporation* presumably share in this consensus, which is why they are unwilling to call for outright nationalization.

Thus what the film winds up advancing, by way of concrete remedies, is a grab-bag of micro proposals, all of which fall far short of addressing the basic structural problem that the film itself has diagnosed. We are told how certain citizens of California lobbied to have the corporate charter of Union Oil revoked, to punish it for bad behaviour. What did they plan to do with the assets? The activists offered only the weak hope that “someone more responsible” would buy them. Similarly, the film celebrates “grassroots democracy” in the town of Arcata, California (pop. 16,651), where citizens got together to — brace yourself — limit the number of franchise-operated fast food restaurants in the town to nine.

One can see here why contemporary left-wing politics is so incoherent. In effect, the left no longer trusts the state to run the economy in the public interest. The grassroots movements that are celebrated today are simply the penumbral region that is left over, once the state is taken out of the picture. Rather than grasping at these straws, it would be better for the left simply to face up to the lessons of history. If public ownership is not the solution, then private ownership cannot be the problem.

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