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Counterblast: Challenging the Corporation/Challenging the State

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The dominant role that corporations play in our lives makes them appear to us as a fact of life. Corporations now take credit for, and profit from, providing most of the food that we eat, the clothes we wear, the communications systems we use, the films we watch, the music we listen to and so on. What corporations do well or badly fundamentally affects our chances of a healthy life. Corporations produce the chemicals that end up in the air we breathe and the food we eat, just as they produce the drugs that seek to keep us healthy and to prolong our lives. Corporations are central to virtually all systems of childcare, social care or health care, criminal justice, education, energy and transport. The presence of corporations in every aspect of our lives is so overbearing that it makes it seem as if this presence is both normal and natural. There exists – popularly, politically and academically – a resignation to the ubiquitousness and power of the corporation as the dominant form through which the provision of goods and services is, should, even must, be organised across the globe.

In this context, we should not be surprised that corporations also have a major cultural impact, an aspect of corporate power which is, perhaps, most obvious to us as citizens but which has, in fact, received relatively little academic attention. Following Mathiesen (1997), we would argue that the appearance of corporations in every aspect of our lives is a key element of the ‘synoptic’ or ‘viewer’ society. The corporate public relations and advertising industries, which impose upon us a constant diet of positive images of various corporations and brands, are a central part of the corporation’s ability to assert its socially necessary and socially beneficial role (Stauber and Rampton 1995). Yet the pervasiveness of the corporation is also upheld by what we can call the synoptic effect of corporate power. That is to say, the corporation projects itself in a way that is a reversal of the famous principle that Bentham used in prison design: the panopticon. Bentham’s panopticon was based on the idea that if prisoners are aware that they are being observed, or at least potentially being observed, at all times from a central observation tower, then they would eventually
regulate their own behaviour. The principle of the synopticon is based on the assumption that we are disciplined into a particular way of thinking about power when we watch the powerful, as opposed to when we are being watched by the powerful. We are constantly being watched by corporations who track our shopping habits, our online activities and even our compliance with the law. Yet at the same time, the corporation, its brands, and its self-images are, in contemporary societies, ever present as a focus of our attention and our desires (Klein 2000; Cederstrom and Fleming 2012). We watch, for example, the promotion from their own ranks of entrepreneurial role models, the colonisation of public space for marketing branded goods that we are expected to desire, and the creation and maintenance of the celebrities whose fame, fashion ‘sense’ and fit body shapes we are expected to crave. We do not now think anything of preferring particular brands of everything from condoms to denims. And at the same time, to think of a world without our favourite brands seems like imagining a world in which there is something missing. It is this, synoptic, aspect of the corporate presence in our lives that significantly shapes how we think about corporations and makes the corporation appear to us as a ‘natural’ and permanent social institution.

Similarly, at the political level, it has become received wisdom for most governments around the world – whatever their formal political leaning – that, whatever its failings, the corporation is the single best way of organising the production and distribution of goods and services in the contemporary world, and, relatedly, that its efficiency is also a motor of innovation, economic progress, and ultimately, social good. Alongside this recognition or resignation are many claims, half-truths, or irresistible falsehoods made to support the dominant status of the corporation. Amongst these are the claims that corporations are essentially benevolent institutions. It is often implied in policy and academic disclose that the harmful and destructive side effects of business are marginal and peripheral rather than the inherent consequences of corporate activity; even if corporations appear to act illegally and irresponsibly, it is argued widely in political circles, it is corporations themselves that must lead the way or retain autonomy in reforming themselves along more socially responsible lines; only where ‘corporate social responsibility’ fails should governments step in to regulate (or enforce the law) in order to bring recalcitrant corporations into compliance. The dominant, unifying, principle in contemporary mainstream politics is that it is possible for corporations themselves to balance effectively economic progress with social welfare.

None of these claims withstand scrutiny. The problematic consequences of corporate activity are not merely side effects, they are not marginal aberrations, or deviations that are easily dealt with by either varieties of self- or private-regulation nor state regulation. The problems caused by corporations – which seriously threaten the stability of our lives – are enduring and necessary functions of the corporation. Indeed, if the corporation appears as a ‘natural’ and ever-present entity, it is, in fact, a relatively short-lived historical construction, one entirely dependent upon state activity, continuously created and recreated through law,
politics and ongoing efforts to construct and maintain a hegemonic common sense. In this context, it is crucial that we continue to strive to imagine a world without the corporation, so that we retain and further the conviction that, not only must this organisational form be challenged, but that it can be challenged. In order to improve our lives – indeed, in order to save our lives and the long-term future of human life – a challenge to the corporation is now more necessary than ever. In short, challenging corporate power in real and transformative ways is both possible and necessary. In this argument, we do not dismiss more piecemeal reform strategies per se – law, regulation, enforcement, political challenge – but we do argue that such efforts need to be placed within, and judged against, the wider, demanding, yet compelling political goal of meaningfully challenging corporate power through dismantling the corporate form itself.

Most fundamentally, corporate crime and harm is nothing more or less than a power relationship that is guaranteed, underwritten and also enjoined by states. Thus the intensification and concentration of corporate power is a manifestation of the infrastructural power of states; and a major aspect of this form of state-corporate power-mongering is the production of corporate crime. Corporate crime and harm are contexts where we can see in a very real sense, to invoke Michael Mann’s (1984) phraseology, the ‘condensation, the crystallisation and the summation of social relations’ (p.208). Through a variety of political, legal and ideological processes – processes which are always ongoing, requiring a great deal of state work – corporations have been, and are, more or less empowered within states in ways that allow them to cause large-sale social harms with relative impunity. It is this empowerment which remains the key source of corporate power. And it is for this reason that capitalist states can never provide a lasting solution to corporate power, crime and harm, but will always in the long term enable corporate profit-seeking to prevail over human needs and social protection.

But this state-corporate symbiosis, despite all of its historical, legal, ideological and political foundations, is never settled, and it is far from secure. For example, the bank bailouts – and the increasingly obvious imbrication of states and corporations in the still-unfolding post-crisis settlement – certainly remain a moment of exposure for states and corporations and the tales of their independence, indeed antagonism, tales so skilfully and feverishly spun over decades as part of the wider construction of a neoliberal reason (Peck 2010). The reassembling of the international capitalist economy has seen widespread state rhetoric regarding the essential role of private capital in ‘recovery’, calls for a reduced state, handing over ‘public’ functions to ‘private actors’ as a consequence of a claimed fiscal crisis. But this game is far from over.

States have repackaged private debt into national debt, reframed private corporate recklessness into public profligacy and lassitude, and recast the corporation from a potential problem to the only hope of economic recovery. Thus, on the back of a fairy-tale construction of a fiscal crisis of the state, governments, not least the UK government, now claim
to further ‘free’ markets, opening up ever greater terrain for private
capital. Yet those arrangements are devised, implemented and overseen by
national and local states – albeit through a complex myriad of contractual
and inter-organisational relationships – so that if scratched, the surface
appearance of private delivery reveals only too clearly the state structures
that act as guarantors of profit.

The essential role of the state in responding to the crisis of private
capital brings to the surface an inherent contradiction within neoliberal-
ism. For all the discursive depth to, and power of, the idea (and ideas) of
neoliberalism, it remains fundamentally cursed, in Peck’s terms: both
discursively and in practice, neoliberalism can neither live with, nor
without, the state (Peck 2010, p.65).

More generally, ‘the market’ – and private capital as the dominant force
within this – has found itself, again, in need of its ideologues to construct
narratives which insist upon the promise that it ‘can always be perfected
even if a particular example may not have functioned perfectly’. In this
way, the claim that ‘the market’ always has the potential to create ‘more
wealth, more goods, more results, more possibilities’ – at some future,
usually unspecified, point (Clarke 2010, p.377) – is sustained. Yet in the
real, lived, experiences of most people in most nation states, this future is
never quite attained – and indeed is unattainable (Peck 2010, p.7). If
cynicism, mistrust and resignation may, at times, act as bulwarks against
popularised discontent, these are hardly reliable defences for power.

Thus it may be the case that challenging a nexus of state-corporate
relations appears to make the ‘job’ of resistance much more difficult than
‘merely’ taking on corporate wrongdoing. But at the same time, it also
makes that task both unavoidable and in some ways easier to mount. This
observation is clearly illustrated in UK Uncut’s action against multina-
ternational efforts to avoid and evade taxation in the UK, which at the same
time must necessarily be an opposition to the priorities of HM Revenue
and Customs, to the Exchequer, to the government, and, indeed, the
whole foundation of assumptions and claims upon which systems of per-
sonal and corporate taxation are based.

Of course, the state-corporate nexus will not simply unravel spontane-
ously. The relationships to which we have pointed need consistently to be
exposed, the vulnerabilities which become manifest need to be exploited,
the cracks forced open, the mask slowly drawn down. It is an understate-
ment to note, of course, that these are hardly easy tasks. But the emerging,
post-financial crisis, state-corporate configuration provides greater points
of potential resistance. In many ways, challenging the corporation increas-
ingly means challenging the state, and vice versa. And this makes the job of
resistance simultaneously more daunting and more possible.

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