Those Who Despise America – Part 7: Corporate Influence

by

Phil Rasmussen

Caveat: Socialists and extreme far-left exponents have publicly stated that their goal is to virtually redefine America and its democracy by abolishing capitalism, eliminating class divisions, and dismantling government, social and family structures. Achieving this goal will totally rewrite the basis on which our nation was founded and the elimination of freedoms given to us by God and established by our Constitution.

As discussed in the past six commentaries, the overarching goal of the socialist movement in the US is to shift economic and political power away from concentrated private ownership and toward the working class. Achieving this goal involves a series of subgoals, each supported by specific objectives, strategies, and tactics.

A review of these subgoals reveals a common theme: reducing the influence and power of corporations across a range of political and economic sectors. The major subgoals include:

- Greater worker control over the economy
- Reduced economic inequality
- Universal access to basic necessities
- Greater democratic control over political and economic decision-making
- Reforming, transforming, or ultimately replacing capitalism

Socialists generally believe that corporations concentrate economic power in the hands of owners and investors, resulting in undue influence over politics and economic policy. Corporations undeniably seek to influence government through lobbying efforts, and to some extent influence decision making using pressure, persuasion, or enticements.

While calling out such efforts, socialists often fail to acknowledge that they use the same tactics that corporations and government influencers do. In other words, criticizing corporations for using influence to shape policy is hypocritical and creates a double standard.

Socialists use two pathways to change corporate culture – political policy changes and direct influence within corporations. Changing political policy is much harder to achieve because policy typically address entire industries and not specific corporations. That does not mean that policy changes do not occur because they do. For example, consumer influencer, Ralph Nader argued that that the federal government needed to regulate vehicle safety. Consequently, Congress passed the National Traffic and Motor Vehicle Safety Act of 1966, which created the federal framework for motor-vehicle safety, and which resulted in requiring seat belts in passenger cars. Although Nader was a progressive, left-wing activist, he supported policies associated with democratic socialism.

Since policy change takes time and affects whole industries, it is easier for socialist to directly attack corporate culture within specific corporations by influencing change indirectly through unions, employee organizing, and workplace policies.

There is a big difference between socialist influence and left-leaning influence. A company adopting paid parental leave or a higher minimum wage isn't necessarily evidence of socialist influence. Such policies can be supported by liberals, conservatives, unions, economists, or corporate HR departments for completely different reasons.

While some claim that socialist have taken over corporate America, there is little evidence supporting this belief. There is, however, substantial evidence of left/liberal cultural influence in corporate America. Examples include:

- DEI programs
- gender and racial equity initiatives
- climate commitments
- employee-resource groups
- support for LGBTQ-related causes
- expanded parental benefits
- statements on social and political issues
- corporate philanthropy directed toward progressive causes

Such policies/programs are not consistent with socialism as an economic system. Most don't involve worker ownership, abolition of private property, or collective ownership — the defining features of most socialist economic traditions.

Corporate management even argues that adopting these ideas are useful for branding, recruiting employees, managing reputational risk, or attracting investors. However, implementation of such issues has often proven disastrous to the bottom line for many corporations.

The most successful avenue for corporate cultural change has been through unionization. Socialists have long been involved in organized labor, and unions to give workers collective bargaining power. Unions can influence wages, benefits, working conditions, scheduling, layoffs, and corporate decisions. However, not all unions are a result of socialist involvement. Such unions are essentially mechanisms for collective bargaining and are voluntary.

Whether unions are non-socialist or socialist formed/directed there are both pro-union and anti-union arguments. Regardless, unions can:

- become monopolistic
- impose costs on people who aren't involved in the dispute;
- reduce flexibility and productivity via union rules;
- have self-interest leadership;
- have mandatory membership that conflicts with individual freedom; and
- push wages above the market-clearing level and reduce employment.

While socialist want to instill a number of changes between corporate management and ownership, and workers, there are many things that management and owners can do to help control the socialist goals. Some changes that can easily be made include:

- Reducing the salaries and benefits of corporate management. The same benefit and compensation packages allocated to management should be applicable to workers. These include:
    - Equity ownership
    - Bonuses
    - Severance packages
    - Retirement benefits
    - Deferred compensation
    - Perquisites ("perks)
    - Expense accounts
    - Insurance and disability benefits
    - Greater job autonomy
- Reconfiguring the Board of Directors to include non-management
- Including worker membership on all committees, especially those having decision-making authority

Today, socialists seek to change corporate culture by advocating for stronger unions, worker ownership, higher wages, and limits on corporate power and inequality. In response to these efforts to influence corporate policies and management, some corporations adopt reforms that address socialist concerns, while others resist them. While the conflict centers on whether workers should have greater control over corporate decisions and profits, the bottom line for all corporations is profit and shareholder satisfaction. This is capitalism and the socialists do not like it.