

# SPEECH

## LEGISLATING CORPORATE ETHICS\*

*Ralph Nader\*\**

### I. INTRODUCTION

“Corporate ethics” is a term that many academics use in order to avoid using some of the more descriptive phrases such as crime, fraud and abuse. I want to replace the phrase “corporate ethics” with the phrase “corporate crime.” Law schools typically have a course called “White Collar Crime,” a vestige of the days when students learned of bank tellers engaging in larceny against banks instead of banks engaging in looting against customers. Yet, a lot of law schools do not have a “Corporate Crime” course in their curriculum.

### II. “GROWING UP CORPORATE”

I grew up corporate. Everyone grew up corporate. I would look at a car when I was a kid and notice stylistic features. If I saw a certain grill pattern, I knew the car was a Studebaker or a Buick. Distinctive grills were followed by stylized fins and hood ornaments. People would look at them as a way of saying, “Oh, that’s a Chevrolet” or “that’s a Plymouth” or “that’s a Dodge.” It never occurred to people that the principal function of these fins and hood ornaments in any physical sense was to protect vehicles from pedestrians in collisions. They stabbed pedestrians. Of course, that was not their intention, but it was the result. Auto companies knew it. There was something right in front of us, something protruding, something like a little spear. A person never said, “Gee that might hurt a pedestrian in a low speed impact crash.” They only said “that’s a Chevrolet” or “that’s a Plymouth” or “that’s a Dodge.”

There once was a little fin that tore apart the entrails of a little girl in Kensington, Maryland. It was a three-pronged tail fin on a 1959 Cadillac. The little girl was riding a tricycle on a residential street, lost control, careened into the rear bumper and was impaled. The idea of questioning our growing up corporate thus challenges people to free their minds and to look at things empirically, rather than as a psychological reaction to

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the kind of massive, incessant messages from television ads and all kinds of other corporate imprints.

### III. "A WAY OF DOING BUSINESS" AND THE "DEATH OF CONTRACTS"

If I used the words crime, violence, welfare, and regulation, I dare say most people would have images of street crime, street violence, the poor getting welfare and the government making regulations. This is a by-product of having grown up corporate. After all, corporations are responsible for far more deaths, injuries, and diseases than street criminals. In the context of financial crimes, there is no comparison. In the last three years alone, the corporate crime wave has looted trillions of dollars from millions of investors and workers, often including their pension funds. Bank robbers took no more than approximately \$100 million from banks in the last year.

Similarly, in the area of welfare, disbursements to the poor pale in significance to bailouts, handouts, giveaways and free technology transfers paid for by the taxpayers to benefit corporations. There are many more complicated ways by which taxpayers' money goes to Washington or state capitals and is funneled out, directly or indirectly, to corporations. In fact, there is hardly an industry in this country that is not on welfare in one way or another. Marriott Corporation, for instance, will bargain with cities for tax abatements depending on the location. Daimler-Chrysler did the same thing in Toledo, Ohio. They were going to build a new plant, and they dangled that claim in front of a number of states and cities and said "bid," meaning "tell us how much your city or state will give us in legal bribes, such as dollar contributions, tax abatements, or tax expenditures." All told, nobody knows the total sum of corporate welfare. But at the federal level, you can make a strong case for at least \$300 billion a year in tax expenditures, as well as more direct, albeit more complicated, transfers.

Of course, when it comes to regulation, most citizens do not think they are regulated by corporations. However, day-to-day, the ordinary citizen is regulated more by corporations than by the government. The government is generally unable to touch the citizen, unless he or she is committing crimes in front of the police, but the binding and detailed regulation of ordinary commercial transactions permeates the citizen's daily life. For example, think of the number of people who have signed standard form contracts—e.g., landlord leases, bank deposit cards to open a bank account, auto insurance policies, credit applications – with all of the fine print. Most do not know exactly what that fine print is.

The fine print is a way corporations regulate citizens. What is more, fighting corporate regulation is a battle not easily won, and merely refusing to sign a single entity's single contract neglects the larger picture. The contract at a Ford dealership or with Bank One is the same contract one will find at the next bank, credit company or dealership. What that means is that a consumer who needs those goods and services does not really have a choice; he or she must simply sign on the dotted line. Anyone who does not sign on the dotted line becomes a rebel. One can imagine what would happen if, with good business contract know-how, the potential buyer starts fixing up the car dealer's agreement—crossing out a paragraph here, doubling a warranty there—and gives it back to the salesperson. In one case when a buyer did this, the police were called!

Some day, beside “Corporate Crime” in the course catalogue, law schools will list “Death of Contracts” in lieu of what formerly was called “Contracts.” Ninety-nine percent of the contracts signed in this country are not negotiated contracts, and that is a tremendous loss of economic freedom. It increasingly tilts the advantage enormously to the seller over the buyer, completely removes all room for bargaining, and forces requirements on the buyers. One can consider the shrink-wrapped user’s license included in seemingly every bit of software purchased today to better understand this imbalance in power. A consumer must adhere to an agreement before even seeing the software, let alone using it. As if this is not enough, the small print is becoming more audacious; through “binding arbitration,” the companies are now requiring people to give up their right to go to court. Of course, eliminating the possibility of taking a company to court only compounds the problem of the imbalance of power.

Without the checks of genuine alternatives, authentic bargaining, or judicial remedies, fraud does not only occur, but in fact becomes institutionalized. And when corporate wrongdoing or fraud becomes this institutionalized, it ceases to be viewed as an egregious violation. It is not a matter of corporate ethics. It is just a way of doing business.

#### *A. Recognizing Corporate Violence*

When it comes to corporate violence, we are talking about preventable death and injury. Every year over 300,000 Americans die from just five of the following preventable conditions. Imagine: 58,000 lose their lives in work-connected diseases and trauma; 65,000 lose their lives due to air pollution; 80,000 lose their lives in hospitals, (not even counting deaths attributable to emergency rooms, due to gross hospital and medical malpractice, incompetence or neglect) 75,000 people die from preventable hospital-caused infections; and about 42,000 lose lives on the highway—each year.

Of course, there are many other sources of violence that the law does not recognize in the same way it recognizes a violent burglary, for example, or any other violent act called a “street crime.” As a result, society does not have an understanding of the magnitude of corporate-induced violence. It is silent and cumulative, and its victims die alone in hospices rather than in violent crashes of skyscrapers.

#### IV. THE CHORE OF REDEFINING

The environmental movement has attempted to redefine “violence.” Instead of pollution being viewed as a sign that the factory was working and open, it became viewed as a source of damage to respiratory functions, heart functions, and so on, as well as a danger to worker safety. It was only when the environmental movement began to redefine pollution as a silent, cumulative form of violence that the public really woke up and began demanding legislative precautions and legislative standards and enforcement.

“Corporate ethics” can similarly be redefined into many convenient categories. Perhaps the most obvious category under the general topic involves obeying the laws—the security laws, environmental laws, occupational laws, health and safety laws, consumer laws, etc.—that apply to corporations. For instance, there is a provision in the auto safety law that says automobile manufacturers have to recall cars if they discover subsequent to sale, or if they knew prior to sale, that there were defects. Corporate eth-

ics certainly requires the corporate managers to observe and comply with that legal standard. There are other aspects of corporate ethics that are derivative, like honest internal auditing—a kind of corporate governance that provides independent alert functions about ethical breaches which can then be caught before they fester and expand. This includes the humane treatment of employees one should expect on a daily basis and does not involve keeping employees from looking at their company medical records, disallowing breaks and bathroom visits, or impeding union organizing. “Derivative ethics” involves things like respecting assembly line workers who detect defects in products that are rolling off the assembly line; it does not matter whether it is automobiles, household equipment, or any other kind of product that might lead to serious injury or worse. It involves government inspectors in meat and poultry plants being left alone and not harassed and not reassigned simply because they assiduously performed their duties trying to spot contaminated or diseased carcasses and condemned them before they wound up on dinner tables across the nation.

“Derivative ethics” includes broad principles of integrity and fairness. “Corporate ethics” also includes “corporate responsibility.” This is an even more ambitious sphere of proper performance that more and more citizens are expecting from public corporations. For instance, there is no law right now that prevents Nike from importing from Indonesia shoes produced in sweatshops or by child labor. Under the World Trade Organization standards, the United States cannot restrict the importation of products made by brutalized child labor abroad because there is a provision in the revised GATT treaty, to which we are a signatory, that says a signatory cannot restrict trade based on process standards.

It has been illegal for decades to purchase any product made by children laboring in the United States. However, our government cannot pass legislation that would be sustained under the WTO Tribunal in Geneva if it prohibited the importation of products made by child labor anywhere else in the world, whether in Indonesia, Bangladesh, Nigeria or whatever country that de facto permits this cruel practice.

The above example illustrates one penumbra of corporate responsibility. The question then becomes: Should a corporation, even though it is not required to do so, refuse to sign a contract with any company in these countries unless these companies assure and certify that workers are adults, treated humanely, paid a decent wage, and given the right to form independent unions? Children should not be working in these factories. They should be going to school. However, it is easier and cheaper to hire children. Although there is no legal requirement in the United States to refrain from doing business with international companies that hire children or run sweatshops, university students began a movement to remind corporations of the nature of “corporate responsibility.” United Students Against Sweatshops tried to set up an organization that would provide inspections to ensure that subcontractors in foreign countries adhere to basic sets of labor standards. Most of these countries have the right laws, including laws against child labor, but they are not enforced at all. They are just wildly ignored.

The corporate responsibility movement is something that stretches corporate ethics to its extremist position. I don't mean extremist in terms of something that is not appropriate, but in terms of having to obey internal corporate standards of behavior in areas such as labor, management, audit committees, etc., and in terms of complying with existing law in this country.

## V. LEADING BY EXAMPLE

To give you an example of an “outer limit” standard of corporate responsibility, I refer you to a company in Atlanta, Georgia, called Interface Corporation. The company website is: <http://www.interfaceinc.com>. It is now the largest commercial carpet and commercial tile manufacturer in the United States. It is not a tiny firm. In 1994, Ray Anderson, the CEO, heard a lecture by Paul Hawken, who, together with Amory and Hunter Lovins, had written a book on industrial ecology titled *Natural Capitalism: Creating the Next Industrial Revolution*. Anderson was so impressed that he went back to his company and said that his purpose from then on would be to turn that company into a company employing maximal recycling and pollution control technologies and processes. His goal was almost unreachable: not to take anything out of the environment that he could not replace. So, every year he would give a report to his employees showing where he cut costs while also managing to cut pollution and increase recycling.

There is a perfect consonance between reduction of corporate costs and making peace with the planet, as Barry Commoner once said in the title of his fine book, *Making Peace With the Planet*.<sup>1</sup> Now, this isn't what corporations tell us. They tell us if they have to meet greenhouse gas quotas, it has to cost more. Everything always costs more.

Well, Anderson has turned that baseless proposition right on its head; he's basically said it costs less. It is more efficient. Pollution is inefficient. Pollution undermines productivity, once you define productivity in its proper environmental sphere.

There is an organization of progressive corporations called the Social Venture Network, most of them still entrepreneurially-based. The most well-known of them would be Ben and Jerry's Ice Cream, but there are other commonly-known companies in the network, including Esprit, Body Shop, Patagonia, and various firms of that size. Most of them are still run by their founders, which is an interesting point in terms of the character of a corporation before it is taken over by the technocrats. The result is that they are trying to establish broad standards of corporate ethics. For instance, some of them require certifications from their suppliers, before they will buy from them, stating that the suppliers are observing energy conservation and water conservation objectives.

Corporate reform that took place after the most recent corporate crime wave must be viewed in light of the extent of the crime wave. One must admit that the corporations involved reached these levels of greed, levels of corruption, levels of theft from shareholders, and levels of depletion of pension funds in which employees were supposed to trust—that no one in their wildest nightmares would have predicted ten years ago. I have not found a single corporate cynic who came close to predicting the extent of the grand theft and the self-enrichment of those at the top at the expense of those at the bottom and throughout their entire corporation, which drove the companies into bankruptcy and/or put the workers out on the unemployment rolls.

## VI. “CORPORATIONS, LIKE FISH, ROT FROM THE HEAD DOWN”

This crime wave illustrates an unpopular issue that most academics a few years ago would have pooh-pooed. And that is this: corporations, like fish, rot from the head down. It starts with uncontrolled executive compensation. Lifting the compensation

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1. BARRY COMMONER, *MAKING PEACE WITH THE PLANET* (2d ed. 1992).

ceiling encourages the CEOs, presidents, and vice-presidents to inflate corporate profits. To inflate corporate profits, one has to corrupt the outside accounting firms, as in Arthur Andersen and Enron. One has to corrupt or conflict with the internal auditing. One has to engage in secrecy and cover-up and the bribery of officials who begin sniffing too close. One has to suppress conscience in the corporation by letting it be known that anyone daring to blow the whistle will suffer severe reprisals. Once that elbow room is established, the lawyers who are retained by these CEOs and other executives draft these compensation agreements and begin to develop the penumbra of enablement.

For instance, stock options: If stock options were expensed as fundamental accounting dictates, there would be a restraint on the way they are drafted, and on the sheer magnitude of these giveaways. But if they are not expensed, the sky is the limit. As a result, some of these stock options were almost guarantees. Even if they expired, they would just be reissued in accordance with where the company stock was at the time when the executive wanted to exercise the option, and there were other curlicues as well. What resulted were provisions in these compensation agreements that were so outrageous that they approach the realm of the unbelievable. One provision between a CEO and a board of directors, which can only be described as more than idiosyncratic, held that if the CEO happened to be convicted of a felony, he would earn severance pay of \$10 million. Other provisions said that if corporate executives were accused and prosecuted, that the company would pay all legal expenses.

The level of immunity in these crimes was truly extraordinary. The more entrenched corporate executives become and the more absolute power they have, the more they can shield themselves from powerless shareholders and rubber-stamp board of directors, from compliant audit committees and regulators who find all varieties of ways to look the other way.

Power tends to be more accountable when it is insecure. That is the difference between a democracy and a dictatorship. When an elected official thinks she is going to lose power, she will be more alert, more watchful, and will curb her excesses. But year after year, corporate lawyers and their clients, the corporate executives and the members of the board entrenched their power, and that power was extraordinarily abused.

Now, the level of theft in a company like Enron destroyed the company. Companies would go to Bermuda with off-the-books partnerships that in effect reduced the level of observable debt the company had on its books. This action made the company look better and inflated the profits.

## VII. "WATCHDOGS?" NO, "PAPIER-MÂCHÉ POODLES"

Now, just consider all the sentinels that society invested in years ago to control corporate abuses. The board of directors is supposed to be vigilant—they looked the other way for dozens and dozens of large corporate criminal institutions. The outside accounting firm was supposed to be a sentinel. It looked the other way. The outside law firm was supposed to be a watchdog to keep its clients compliant and out of trouble. It looked the other way. The credit rating agencies, such as Standard & Poor's, are supposed to be a sort of watchdog for investors. Even they looked the other way. The investment bankers who were supposed to know what was going on in these companies looked the other way. The brokerage firms like Merrill Lynch were supposed to be alert about what was going on in these companies—they even have research divisions to

answer investor questions from all over the country who call their brokerage firms and ask, "Is this or that a sound company? The brokerage firms not only looked the other way, but they played the double game of affirmatively advising investors to put their money in companies that the brokers knew were unstable and were consequently not worthy investments.

Who else were the sentinels? The state regulatory agencies looked the other way. The state attorneys general, with the exception of New York State's Attorney General Elliot Spitzer, did not seem to be that interested. The state legislative committees with supervision over these agencies paid little attention. The story holds true for the federal counterparts. The congressional committees, the Securities Exchange Commission, the Justice Department—they all averted their gaze.

Why? The ones in the private sector, like the accounting and law firms that looked the other way, were paid to do so. Indeed, it is difficult to have a sentinel fulfilling a public trust, whether through professional duty to clients or professional duty to investors, when that sentinel is being paid by the corporation about which it is supposed to be inquiring, cautioning and advising, or publicly turning investors away. Among the private sector, there is a clear conflict of interest.

The government sentinels also failed in their duties, but why they did so is a bit more complicated. Their excuses were that they were never supported by the legislature with adequate budgets, that the legislatures were "on the take" by way of campaign contributions. These comments snowballed into a whole series of rationalizations about their own ineffectiveness or their agency's lethargy.

These excuses are far from new, and raise a number of confounding questions: How many watchdogs can the nation unleash? How long must the nation watch the same syndromes of conflicts of interest, political interferences, and campaign financing turn these watchdogs into papier-mâché poodles?

It is because the regulators of yesteryear missed the key point. To make sure these companies behave, two classes of people must be empowered: the owners (the shareholders) and the victims—whether they're workers, whether they're investors, whether they're savers, or whether they have a stake in a pension fund.

The lack of empowerment of the people who pay the final price when something in a corporation goes terribly wrong in the criminal or fraudulent sense is what enabled this rapaciousness to occur. Not only is this the case in financial fraud and crime, but also in health and safety violations, in the corruption of the government, the corruption of elections where politicians are put on an auction block to be bought, sold, or rented.

#### VIII. "WE'RE STILL THE WEALTHIEST COUNTRY IN THE WORLD"

Some critics argue, "Well, with all of this mess we're still the wealthiest country in the world. We've come off a decade of enormous growth; I mean it can't be all bad." This dissenter fails to notice the quality versus the quantity of economic growth and the distribution of this growth to those who work hard for a living. Yes, it is true that the economy, adjusted for inflation, has doubled in real terms and production per capita has doubled since the 1960s. Yet, it would be a brave economist who concluded that the standard of living has doubled as well. In 1900, the economy was 4% of what it is today, with those usual inflation adjustments, in terms of production per capita. There were poor people, there were housing problems, people could not get health care, and

people slept in the streets right alongside the gilded rich who slept in fine comfort. Since then, the economy has increased twenty-five fold in production per capita. And there are still many poor people. Twenty percent of the children in this country grow up in serious poverty. That poverty level is the highest in the western world. It takes more than two members of a family to have a modest middle-class standard of living. People have to go into \$7.3 trillion in consumer debt—including two-income families—to pay their bills. Millions of families do not have adequate housing. Our public services are crumbling before our eyes. Public transit, public health, public renovation of drinking water systems, public libraries, and public schools are in disrepair. Six percent of people are “officially” unemployed, but the reality runs closer to 11%. Forty-seven million full-time workers, one-third of the entire workforce, are making less in inflation-adjusted wages than they or their predecessors made in 1968 and in 1973. After ten years of booming economic growth in the ‘90s, the majority of American workers make less in inflation-adjusted wages than they did in 1973.

However, America could still be called “the wealthiest nation in the world.” Indeed, the top 1% of the population has done staggeringly well. The top 5% has done very well. The top 10% has done well. The next 10% has stayed about even. Sure, then one runs into trouble, but oh, yes, there is twenty-five times greater production per capita than in 1900.

One must be careful, of course, to use labor and quality of living statistics to evaluate the worth of the nation. One must admit that the creation of jobs and the furtherance of production have not solved many of our nation’s most pressing problems. For example, the more trouble there is in this country, the more jobs that are created. The more complex and inane our tax system is – the more jobs for bookkeepers, accountants and lawyers. Even waves of corporate crime produce additional jobs. The more pollution or the more medical malpractice, the more jobs there are for emergency services, ambulance services, insurance company employees, and so on. Like a sure-handed magician, the American economy makes jobs out of misfortune. That capability tends to mask, or at least draw attention from, the unnecessary daily price that people pay for those need-less tradeoffs. “Look, you have respiratory infections, but you have a job!”

This is all a much-needed reminder that when talking about the most powerful institution in our society, the modern giant corporation, it is useful to ask questions never asked, because, of course, Americans have grown up corporate. The fact that when thinking about crime, violence, or welfare regulation, no image of the corporation comes to mind, illustrates how we all grew up corporate.

The idea of ownership as a result of “signing on the dotted line” is one by-product of growing up corporate. People start saying, “Well, I own a used car, and I own clothes, and I own a stereo, and I own books, and shoes and motorcycles and whatever.” One can keep going and get down to paper clips and someone says, “Keep listing, keep listing,” and finally one says, “I’m out!”

Well, she is not “out.” Americans are part owners of the American commonwealth. One-third of America is public lands with enormous resources for present and future generations. Americans are the legal owners of the public airwaves over which radio and TV transmit their signals. Americans are their landlords; the broadcasters are the tenants. They pay us nothing for their license to the FCC. They decide who receives the power to speak twenty-four hours a day on our own property. There are workers who are part owners of five trillion dollars in pension funds, which if they were invested



by the workers through intermediate institutions accountable to workers, would control most major corporations through the shareholder-ownership function. One-third of the stock in New York Stock Exchange corporations is owned by these pension funds.

Americans may own these components of our commonwealth, but ordinary Americans do not control them. Corporations do. The mining, timber, oil, gas, coal, molybdenum and other companies control the disposition of the federal lands through their minions in Washington.

America is the only country in the world that gives away its natural raw materials essentially free, to any foreign or domestic corporation that finds them on federal land in Nevada, Colorado, Wyoming, Alaska, or any other state. Under the 1872 Mining Act, a company can discover \$9 billion worth of gold, as a Canadian firm did on our land in Nevada, and then decide how many acres above the mine to buy for five bucks an acre from the Department of the Interior. The Barrick Corporation got \$9 billion of American gold for \$30,000, no royalties back to the government from the profits, and America cleans up the cyanide-laced waste. Whoever does not know these facts has grown up corporate.

Growing up corporate is the most powerful controlling process over the American people. And society cannot get to the bottom of the kind of power in corporations that breeds unethical, illegal, destructive, awesomely impairing behavior of the future. The prospects for America and the world are bleak if people do not stop growing up corporate. Universities are more than trade schools. One need not go to school to learn a trade—to be an accountant, an engineer, a business manager, a computer software specialist. One goes to a university for the liberal arts, for the great enlightenment of the humanities and the social sciences, to develop critical, not corporate, minds. This is the kind of “corporate reform” this society requires.

One can argue that the justice department has a trivial budget for corporate criminal prosecutions—it does. Yet it should not, given the wreckage of health, safety, and economic devastation. It should have a far bigger budget than it has for street crime. The key criterion for social policy is preventability. One can say, for example, we have to prosecute these corporate crooks and put them away in jail and make them pay back their ill-gotten gains. That would get about a 90% approval rating in the polls today. Not one CEO of these major companies has been tried, convicted, and sent to jail yet. A few have been indicted. It took a long time to arrive at that early stage in the proceedings. There can be the issue of strengthening pension protections for workers, or giving shareholders the power not just to own their company but to control their company, including approval of executive compensation packages that are at the root of these commercial, accounting and profit distortions. There can be a ban on escaping to Bermuda and other tax havens to evade federal taxes coupled with the right to achieve all the benefits of operating in this country. There can be a regulation of derivatives trading. A tiny tax on derivatives and currency trading could replace much of the individual federal income tax because of the velocity and volume of derivatives trades every day. The government should heavily tax pollution, gambling, speculation, and limit the taxes on worker's income, for instance. Taxation in our country is not just a revenue-producing device, it is also a policy-shaping device. America can prevent corporations from involving themselves in politics. America can redefine the citizen-stakeholder impact on corporations, which includes the workers, the communities, the consumers, and creditors. America can help the people in the ghettos who are mercilessly ripped-

off by payday loans, predatory lending and rent-to-own rackets without law enforcement on their side.

The fundamental question is: Can there be equal justice under law when corporations have equal rights with human beings?

Corporations are not like humans. They are artificial legal entities with perpetual life, chartered by the government for their existence. There is not a single corporation in this country that was not created by corporate charter. Investors do not create corporations, they fund them. Over time in the courts, corporations have achieved a status where they have all the constitutional rights that people have, except the right against self-incrimination found in the Fifth Amendment. That, to me, is untenable in a society directed to equal justice under law. A person cannot be "equal under justice of the law" with General Motors. Corporations not only have all the rights people have, they have an ability to aggregate power, wealth, technology, to control labor, and transcend jurisdictions around the world, all powers that people will never have by virtue of being human. Would one give equal rights to a gigantic robot that happened to engage in economic activity? Hardly. Not only do corporations have all the rights except one that people have, they have the privileges and immunities people can never have. A corporation is an artificial entity. Can a person be in a thousand places at once around the world? Can a person create their own parents in the way companies create holding companies for evasive purposes? Can people have subsidiaries all over that shield them from accountability? Can people go into voluntary bankruptcy and still pay themselves a nice sum of money, as well as get rid of tort claims and labor union contracts, not to mention creditors? Such activities have been shielded by the bankruptcy courts.

#### IX. POSTSCRIPT: RECOMMENDATIONS FOR THE UNIVERSITY STUDENT READER

If you are twenty-years-old, you have about 16,425 days until you hit sixty-five (a little over 2,300 weeks). Did last week go by quickly? Don't waste time. You are at the peak of creativity as citizens and leaders in this world; you need to confront the tormented billions on earth and the brutalization that goes on every day in all facets and formats, from personal brutalization within families to environmental, occupational, and governmental harms of staggering proportions. Think of the millions of children who die every year because of totally preventable causes, because of contaminated water or a lack of simple medical treatment and vaccinations. Pennies could save lives.

Being a leader in the advancement of justice will produce the greatest job gratification you will ever have. You can do it part time if you are in the mainstream economy, and you can do it full time if you build the institutions of democracy the way the people who built the National Association for the Advancement of Colored People (NAACP), the American Civil Liberties Union (ACLU), and the environmental and consumer groups have done at the national, state, and local level before you. If you are going to be a leader in the advancement of justice, you need to develop a public philosophy. You will never have more leisure time or less opportunity costs than when you are at university. Take full advantage of it. You are near the peak of your idealism. You have a university where you have gathering halls. You have your own laboratories: learn how to test drinking water and perform other experiments that you can apply later in life when you meet these problems. You can tap skilled faculty. You can take courses and learn citizen skills as part of these courses. You can investigate social injustices in the

way I had a chance to examine and understand auto defects while at law school. You have enormous advantages. You have your own media. When again are you ever again going to have all these facilities? When again are you going to ever have your own newspaper, radio station, gathering halls, laboratories, and faculty skilled to respond to your inquiries or needs? Take advantage of these opportunities.

Think to the time when you will be 65, 75, or 85 years old, and your grandchild is sitting on your lap. Picture that child at the inquiring age of nine or ten, having learned a little bit about what is going on in the world and what the problems were and are, looking you in the eye and saying, "Why didn't do you something, Grandma or Grandpa?" What are you going to be able to tell that child? That you were too busy? That you were otherwise predisposed? That you spent endless amounts of time watching reruns of *Cheers*?

What can be done, and how can one find out about these issues? First, the most important skill, other than parenting, you are going to need when you graduate is how to be an effective and skilled citizen so you can pursue the elaboration of a fundamentally functioning and just democracy here and abroad.

Form a committee to get a citizen skills course. Meet with the faculty. The faculty finds strong student interest an irresistible temptation. You can get a citizen skill course underway in about a year. It might become the single most important course you will ever take. When you leave university, you are going to be in responsible positions, and people who do not have your education or the wealth that you will accumulate will look up to you when injustice comes raining in on your community. There is a certain moral imperative for students like you, who are in the top 2% of your age group in the world in terms of health, in education, and in living in a country where you can make a difference. A lot of people your age are wondering what they are going to do with twenty inches of worm in their gut and wondering where they will get their next meal.

You don't want to go through your life saying, "Whatever will be, will be. You don't want to crawl through life saying you cannot fight city hall and you don't want to embrace all the rationalization of inactivity we have created over the years. You want to be leaders. You don't have lot of time to waste. Do not waste your 20's binge drinking your way through your insecurities, grappling with personal problems you should have resolved during your adolescent years.

Second, attend alternative career fairs, such as an annual public interest career fair. If you don't want to work for corporations and you want to work for environmental, citizen, labor, urban renewal, all kinds of citizens group, then you invite the people who run these groups to a fair. Visit the <http://www.Goodworksfirst.org> web page to learn how to establish your own alternative career fair.

Finally, here are some reading recommendations. *Multinational Monitor* is one of the best magazines critical of multinational corporations.<sup>2</sup> *Democracy at Risk: Rescuing Main Street from Wall Street*<sup>3</sup> is a very provocative book about getting people to have capital ownership, not just salary and wages, in their economy. Another book worth reading is *The Cheating of America: How Tax Avoidance and Evasion by the Super Rich Are Costing the Country Billions, and What You Can Do About It*.<sup>4</sup> This

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2. <http://multinationalmonitor.org>

3. JEFF GATES, *DEMOCRACY AT RISK: RESCUING MAIN STREET FROM WALL STREET* (2001).

4. CHARLES LEWIS ET AL., *THE CHEATING OF AMERICA: HOW TAX AVOIDANCE AND EVASION BY THE*

book is put out by the Center for Public Integrity, a very respected group in Washington. Jim Hightower's book *If the Gods Had Meant Us to Vote They Would Have Given Us Candidates* is also a worthwhile read.<sup>5</sup> *People Before Profit: The New Globalization in an Age of Terror, Big Money, and Economic Crisis* was published just recently.<sup>6</sup> On the healthcare rackets, there is *Bleeding the Patient: The Consequences of Corporate Healthcare*.<sup>7</sup> Corporations have taken over the medical profession essentially through the HMOs.

Also, *Silent Theft: The Private Plunder of Our Commonwealth*<sup>8</sup> discusses the commonwealth such as the public lands and all the public research and development done at NIAH, NASA, DOD that are given free to corporations. For example, a drug- Taxol- that treats ovarian cancer for which people have to pay \$14,000 for six to eight treatments was not developed by Bristol-Myers. Taxol was developed by the National Cancer Institute with \$31 million of your tax money. Government research like this is given away, essentially free, to drug companies who then put full page ads in newspapers boasting about all the research and development they do. They don't mention that you are paying for a lot of it directly.

The last book for today is *Children First: A Parents Guide to Fighting Corporate Predators*.<sup>9</sup> Corporate ethics involve leaving children alone, letting them have their own childhood, not bypassing their parents and radiating, through thousands of radio, TV, video, and other advertisements, violence as a solution to life's problems. Corporations need to stop promoting low-grade sensuality and junk foods that increase obesity and the already soaring levels of diabetes. And they need to stop advocating pornography and addiction as a way of life. That is what is going on with a lot of corporate interaction with kids between twelve and two years old. We call these predators electronic corporate child molesters. The corporate assault on our children is a very serious corporate ethics issue, and one that is using expanding technologies in relentless direct marketing schemes to youngsters.

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SUPER RICH ARE COSTING THE COUNTRY BILLIONS, AND WHAT YOU CAN DO ABOUT IT (2002).

5. JIM HIGHTOWER, *IF THE GODS HAD MEANT US TO VOTE THEY WOULD HAVE GIVEN US CANDIDATES* (2000).

6. CHARLES DERBER, *PEOPLE BEFORE PROFIT: THE NEW GLOBALIZATION IN AN AGE OF TERROR, BIG MONEY, AND ECONOMIC CRISIS* (2002).

7. DAVID HIMMELSTEIN ET AL., *BLEEDING THE PATIENT: THE CONSEQUENCES OF CORPORATE HEALTHCARE* (2001).

8. DAVID BOLLIER, *SILENT THEFT: THE PRIVATE PLUNDER OF OUR COMMONWEALTH* (2002).

9. RALPH NADER & LINDA COCO, *CHILDREN FIRST: A PARENTS' GUIDE TO FIGHTING CORPORATE PREDATORS* (1996).