

Political Theories and Corporate Governance Impact upon Political Efficacy and Energy:
KAM VII

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Depth Abstract

The essay examines how corporations are part of Mills and Domhoff's concept of power elites and how corporations affect political institutions, globalization, labor and national identity. Given that Bowman (1989) argued that corporations are political and social institutions inseparably from their economic purpose, Pena (2005) and Ramasamy (2006) discuss the affect of growing or expansion of supra-national firms as well as a potential impact upon traditional concepts of government and labor.

Globalization is changing the nature of how democratic institutions as well as socialist institutions work in their respective countries. The discussion reviews Glezos (2008) critique of "speed capitalism". With information and communications advancing rapidly and on-demand production moving at seemingly split second actions, there is an impact upon the political institutions and the viability of those institutions. As well, given the climate towards globalization and the affects upon middle class, corporate expansion without the middle class expansion has to factor into the discussion. These provide critical elements to the discussion about the future of capitalism and socialism as compared to corporate power and political institutions. The next section reviews a proposal that builds a case for another political structure called "cooperativism" by Ratner (2009).

The question is begged of whether the direction of more advanced capitalism is towards government or public owned companies of a socialist market as Schumpeter asserts or are we headed towards corporation owned or controlled government. The case for the latter is argued in terms of globalization affects upon governments and nation state legitimacy.

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Depth: Contemporary Discourse about Affect of Corporation Expansion and
Globalization upon Political Institutions

The breadth demonstration reviewed capitalism as presented by Schumpeter (2008) and Weber (2008) and then discussed how corporations as power elites affect society and governance. A couple questions were raised that this section will attempt to provide further understanding to apply to a proposed study as the application section.

This section will review more critical interpretations of capitalism, corporations, globalization, political theories and how they affect the actual environment or events. As well, the proposed studies for the application of this knowledge will focus upon corporate power and political efficacy. Thus, we must review the literature that discusses corporate power theory as the interpretation differs or aligns with modern capitalism and socialist concepts. With that, current economics and society have to understand how globalization and corporate growth are impacting those political institutions as well as power, and we can review some observations and proposals for how they address the social and economic issues.

The first section will examine how corporations are part of Mills and Domhoff's concept of power elites and how corporations affect political institutions, globalization, labor and national identity. Given that Bowman (1989) argued that corporations are political and social institutions inseparably from their economic purpose, Pena (2005) and Ramasamy (2006) discuss the affect of growing or expansion of supra-national firms as well as a potential impact upon traditional concepts of government and labor.

The review will attempt to determine how expansion of the power elite into a global power elite may or may not affect public efficacy or voter participation. Then, the review will examine different methods of how to measure political efficacy for use in the application demonstration of this examination. Thus, the relationship between corporate expansion and efficacy will be linked together in this discussion. A discussion of why this potential correlation and research has been relatively minor will help to establish why this is actually important to public policy.

These sections will discuss aspects of capitalism that impact current society and political institutions. Globalization is changing the nature of how democratic institutions as well as socialist institutions work in their respective countries. From the American perspective, we have seen significant affects to the middle class as more corporations search for cheaper labor production and search for more “hospitable” corporate environments.

The discussion will then review Glezos (2008) critique that examines the affect of the “speed capitalism”. With journalism, Internet, information and communications advancing rapidly and on-demand production moving at seemingly split second actions, there is an impact upon the political institutions and the viability of those institutions. As well, given the climate towards globalization and given the affects upon middle class, corporate expansion without the middle class expansion has to factor into the discussion. These provide critical elements to the discussion about the future of capitalism and socialism as compared to corporate power and political institutions.

The next section will review a proposal that builds a case for another political structure called “cooperativism” by Ratner (2009). This proposal is similar to other

socialist theories, but he presents a slightly different mechanism that is rooted within examples of rural or organic food cooperative companies. This proposal aligns somewhat with Schumpeter but goes further by suggesting that ethnic diversity is another mechanism for dividing the society. As globalization occurs, more and more cultures are going to interact and become interdependent (Clinton, 2003). Thus, the importance of how the society uses diversity will become more critical to the development and encouragement of innovations as well as more critical to social changes.

With these aspects defined, a framework is built for a proposed dissertation study as an application of this essay and how that study can be relevant to political theory and political institutions in terms of political efficacy. This discussion will bring these ideas and traditions together into a cohesive understanding of what corporations are, how they implement capitalism, how they affect political institutions, and how supra-national corporations use globalization to affect social or political institutions as well as the potential future of capitalism.

The depth section will investigate current works and dissertations that discuss the traditions of political theory aforementioned in addition to the potential strategies for using political theory to encourage sustainable energy in the public policy. This discussion will hope to examine how classical theories have been implemented within the contexts of modern and post-modern writing. Using the information, we can begin to build a question about how corporations may have altered political dynamics (especially with respect to energy policy and individual political efficacy) in the United States.

Corporations as Power Elites

As noted in the KAM VI, there is heavy discussion about potential power elites in the United States (Hansen, Aug 2009). If there is a so-called power elite, what affect if any do they actually have upon public policy. The discussion revealed that Domhoff (2008) and Mills (1999) have two varying definitions of what that power elite is, but they both agree that power elites have money and resources that are not available to average individuals. Further, globalization is changing the way capitalism works and changing the dynamics of labor (Pena, 2006; Ramasamy, 2005). Understanding the roles of power elites, globalization, and corporations are important to social change in the capitalist society as well as the future of that society.

Each considers large corporations to be a significant part of that “power elite”, and each considers those corporations are a direct result of the capitalist principles championed by Schumpeter and Weber. While these capitalist presentations expose slightly different methods of how that culture and corporations affect power, human nature, social class, and social development, they consider a paramount understanding that economic potential is built within the society that encourages growth and opportunity. As well, globalization is a result of corporations seeking new markets, seeking hospitable government, and seeking cheaper labor resources by moving production to newly industrialized countries and socialist-market economies (Pena, 2006). The globalization shifts power dynamics around the globe as more people become aware of middle-class interests and supersedes national barriers (Ramasamy, 2005).

There have been, as noted, descriptive and empirical ideas presented about what power elites are that center upon those with money to affect public policy (Mills, 1999;

Domhoff, 2008). We can consider expansion of capitalism (as corporations) through globalization and corporate power for a potential outcome to determine if the prophecies of socialism by Schumpeter may be correct. What these authors tell us about social change, direction of capitalism, and attitudes can be quantified in way against measurable elements of the corporation expansion as the power elite to decide if Schumpeter's vision of socialism as capitalists' future is viable (or if Weber's fear of secular utilitarian capitalism will result in "convulsive self-importance" that undermines the Protestant ethic of capitalism). As well, this globalization and capital expansion impacts democratic institutions as national barriers are superseded by the supra-national corporations.

Thus, there are social and political consequences of power elites that can be measured in terms of corporate expansion against actual citizen participation in democratic institutions (e.g. voting or activism) is a required discourse about the direction of global capitalism and global corporation expansion to American public policy as well as to other countries' public policy mechanisms. Thus, if power is derived from accumulation of money (corporations or individual wealth) and resources (specifically labor), we might consider the expansion of corporations in terms of value and organization growth as related to overall political participation.

Such a direction may be influenced by the public perception of issues rather than invisible capitalist evolution towards a socialist state suggested by Schumpeter. As discussed about public perceptions in KAM VI (Hansen, Aug 2009), Erikson, R., Mackuen, M. & Stimson, J. (2002) have observed and analyzed apparent shifts in political moods as parts of a general cyclical process, and they also suggest a tendency against extreme political leanings. Yet, their observation and analysis do not necessarily

address or understand the potential impact that corporate expansion may have upon those leanings. Their work may suggest that elections are driven solely by the public's particular political leanings rather than suggesting that an invisible path building is occurring like Schumpeter suggests.

Whether corporations, as power elites, are actively involved with social change in public policy or if they can actively challenge particular public political opinion is left open for discussion except in terms of Domhoff's corporations as coordinated power elites. As well, if corporations affect political efficacy negatively, they may threaten the legitimacy of the nation-state as well as the government guaranteed individual rights especially since globalization appears to reduce national barriers in addition to challenging labor (Pena, 2006). Therefore, less political opposition, political hopelessness or political ignorance provides an implicit approval for implementing those policy decisions or social change that corporate short-term interests recommend or develop regardless of their long term public consequences.

One only has to look at how energy legislation in 2005 and 1979 (as well as Sarbanes Oxley accountability measures) were written by the exact corporations that were to be governed by the same legislation (Hansen, 2009). If corporations are directly influencing public policy or even writing the policy, we cannot be assured they are writing legislation in the best public interests any more than a crooked politician shirks public opinion by perpetuating their own agenda in response to short term corporate interest over long term public interest (Manza & Lomax Cook, 2002; Jacobs and Shapiro, 2002). There have been several initiatives that have been restricted due to impacts by apparent short term interests that focus upon maintaining current profit formulas in the

energy industry rather than investing in research and future solutions aside from the ones already mentioned (Hansen, May 2009).

This problem impacts the future structure of economics and public policy issues because ignorance of fundamental issues also means that core issues are not being addressed in favor of the idea that markets and corporations are efficient entities that are equipped to address these. The core issues may be diluted in order to bring focus upon unrelated issues to occupy the public attention (e.g. gay marriage, legal abortions, or deficit spending) where these scapegoat issues do not address or even bring the core issues into the peripheral vision of the public.

Affect of Globalization upon Capitalism: Global Over-Accumulation?

Pena (2006) suggests that globalization helps to bring various cultures, nations, and people together into the marketplace under peaceful conditions. This aligns with a prophetic assertion by Lenin and Schumpeter that capitalism breeds socialism and that socialism helps to breakdown national barriers due to intrinsic international unity of capital, politics, and policies. Globalization brings Marx's so-called class struggle to more parts of the world where the newly industrialized economies being to enjoy capitalist growth.

Pena (2006) argues there is complacency in American society that suggests that the promised land of market growth and wealth has been attained in America where nothing else better has been proposed. This narrow mindset, according to Pena (2006), goes even further to suggest that to achieve growth that there is simply no possible alternative to the current Western capitalism that is in Europe and North America. There is a pathway from inefficient state capitalism to more efficient socialist market economies, however, that have been risen from the affects of globalization. We can see evidence of this in the state-oriented markets of China and Vietnam where they have had considerable success in reducing poverty in their respective countries. Yet, Ramasamy will argue that globalization is still primarily an advanced stage of capitalism (rather than an evolution towards a Marxist system).

Despite this, the socialist market is consistent with socialist ideals, and as evidenced by the poverty reduction in Asian socialist countries, those markets are, as well, outpacing capitalist growth despite that prevailing narrow view of a superior system in the industrialized world (Pena, 2006). Ramasamy (2001) may be correct in saying that

globalization is a result of advanced capitalism since capitalism is about growth and finding new markets for product as well as finding ways to make the production cost less, but the result appears to be giving way to a different form of market economy and new challenges to labor. This aspect of globalization, as advanced capitalism, helps to explain why Pena (2006) points out that the socialist democracy is a democracy for the vast majority where bourgeois democracy is a system that allows for the abuse of democratic rights (regardless of government guarantees). Yet, the problem with accepting this idea is that American capitalism has reared a sense of utilitarian individualism that will reject socialist ideals of community or common goals (Glezos, 2008).

According to Marx, the class struggle could be represented as a global working class with interests and needs in contrast to a global bourgeois that appears to be united to exploit the worker class. Pena argues, however, that the global expansion leads to communication across borders that make total censorship of issues under strict authoritarian governments more difficult to maintain. One might see this in the 2009 protests against the presidential race results in Iran, or 2009 ethnic unrest in China, where the government could not completely quash information leaking to foreign countries. Yet, the liberty of individuals and workers are still challenged by these authoritarian regimes despite moves towards market economies or more open trade policies (favorable to capitalist development).

The biggest challenge of globalization and corporation growth is upon labor and workers' rights as more and more countries attempt to encourage capitalist investment and industrialization (Ramasamy, 2005; Pena, 2006). Ramasamy considers the idea that globalization has presented a crisis for protection of workers' rights and equality of

wages. He agrees with Marx that labor is a fictitious commodity because labor can complain when they feel exploited, and thus, the labor wages are not true market representations but a product of Ford-ism agreements between capital and labor. Further, the economy is supposedly subordinate to politics, religion or social relations (Polanyi, as cited by Ramasamy, 2005) rather than interdependent to the circumstances engaging them as suggested by Schumpeter (2008) and Clinton (2003).

This means, according to Polanyi and Ramasamy, that total laissez-faire style markets are not possible given the government and workers' interest in the market activity. Yet, globalization means a weakening of the nation-state especially as part of any social contract with labor or local workers' interests (Ramasamy, 2005; Pena, 2006; Bowman, 1989). Ramasamy suggests that constant transformation and too much market penetration will yield more socialist-type resistance instead of a passive victimization of labor.

Ramasamy (2005) criticizes the concept of Ford-ism and how that implies a separation of organization from a set of "prescribed tasks" is a concept about mass production that in globalization does not fit the model anymore due in part to wider variety of cultural aspects in the process as well as expanded communications. This Ford-ism brand of capitalism required specific aspects that have changed with globalization (e.g. labor is no longer directly involved and not necessary). Ford-ism also implies a macroeconomic structure where production gains are found in increase of financial investments and purchase of labor power. The firm has a long-term wage relationship with controls over redundancy, monitoring of wage price and links to productivity measures by the state. The relationship of the firm to the state then is found

in the state revenue growth infers a “permanent income” for wage labor (Ramasamy, 2005: 5). The Ford-ism principle favors mass standards that make production of a product easier, but wage is a pivotal element of determining profits and level of production. To gain workers’ support, the rising consumption and increased social benefits creates “social cement” (Ramasamy, 2005: 6), and stability is achieved via assertion of expected normal behaviors.

Thus, the advanced capitalism, beyond the Ford-ism concepts, allows for relocation of plants to avoid unions and to seek out government interventions in order to make a production environment more profitable. This pushes the production away from industrialized countries into newly industrialized states, and thus, the working class of the newly industrialized state increases dramatically but labor union membership does not. The state then tilts towards capital and away from labor interests while labor turns to “trade-unions” (Ramasamy, 2005: 8). There is active competition between states to secure new production facilities and renunciation of any previous workers’ protections in order to encourage more plant relocation to their localities.

In the industrialized states, there is a noticeable shift towards service sector employment over manufacturing. Ramasamy (2005) suggests that globalization caused 1) a policy consensus towards market driven instead of state driven economics; 2) industrialized countries centralized management of global markets; 3) rules development and implementation by multi-lateral organizations (e.g. IMF and WTO); 4) finances are concentrated in supra-national banks and firms from the developed states; and 5) there is noticeable subordination of 2nd and 3rd world states to the developed states. Further,

production methods (e.g. just-in-time or subcontracting) changed the role of the state and of labor unions towards capital growth.

The state, regardless of socialist methods or capitalist methods, has become directly involved in the wealth accumulation process by helping to tame labor movements. As well, globalization has effectively put restraints upon public sector functions and operations. Thus, trade unions realized they have to organize on global efforts rather than focus upon one state market and simple business unionism (Ramasamy, 2005). In addition, there are significant negative ecological effects of the rampant capital growth and globalization (Kovel, 2008).

Speed Capitalism Affect upon Morality and Labor

Glezos (2008) describes the evolution and innovation of capitalism in terms of growth rates (velocity, speed, inertia and acceleration). He argues that democratic institutions have been by-passed by a perceived need for speed to make economy and political institutions responsive to issues. With this idea, he provides the initial example of the ticking time bomb scenario that pits the decision maker (executive) to decide the potential destruction of millions of people to the rights of a singular man (the so-called criminal). Democratic legislatures and legislative debate do not provide for an efficient authority and perceived quick responses to potential threats that have been increasingly carried out by and transferred to executives (Glezos, 2008). Thus, new technologies may present opportunities for the legislatures to act more quickly.

There is a distinct presentation of speed and acceleration that advance a capitalistic “social integration” (Glezos, 2008: 144) that also encourages the type of creative destruction understood by Schumpeter (2008) where innovations continuously show the progress of capitalism. According to Glezos, the pace of this innovation accelerates transportation, communication and production where that acceleration breeds more quick and efficient circulation of capital as well as a realization of value. Speed becomes a necessary component instead of opportunistic. This acceleration of capital, in turn, affects the social and political elements to move with that speed.

"Capitalism accelerates society through technological innovations which make the future uncertain and unpredictable, while at the same time moving to overcome established spatial boundaries and limits." (Glezos, 2008: 148)

The speed capitalism encourages intensity of exploitation and inequality but the overall growth supposedly benefits all as the whole increases as each slice of the pie

increases. There is corresponding rising tension, resentment and anger towards those because of the capital accumulation as well as between workers (especially against some immigrants who are willing to work without union representation that subsequently fall prey to exploitation). Glezos suggests that workers' in developed and newly developing nations are realizing their position with respect to capitalism as globalization brings these issues to more people across the globe. Glezos (2008) admires, however, a sense of friendship and connection across cultures that this has been encouraged as well (despite the fear mongering from cable channel or talk radio personalities).

He presents a totalitarian actuality theme of capitalism in contrast to the touted freedoms where "the idea that accelerative technologies advanced the totalizing grip of capitalist domination, in terms of time (in the foreclosure of the future through capitalist production) and of space (in the complete integration of the world into the global capitalist axiomatic)" (Glezos, 2008: 294). He agrees with Thomas Friedman's (2005) idea that the acceleration of technology and communication have effectively flattened the world which marginalizes differences and diversity as opposed to using the diversity as a tool of busy tension and discord for the workers (Ratner, 2001).

The speed capitalism marginalizes those differences in an attempt to achieve a "cosmopolitan" mindset that enjoys ones place and homogeneity of the society (Glezos, 2008). Interestingly, he cites Immanuel Kant's assertion that man's capacity is triggered by antagonism (via war) that requires some sort of law-governing society to manage the antagonism between people (as cited by Glezos, 2008). Part of war is also an acceleration of technologies (parallel to capitalism) as exhibited by the great expansion of technologies that resulted from the military buildup for the world wars and cold war. Yet,

the danger of war to destroy existence requires states to move towards trade that encourages mutual interdependence of shared global interests (Glezos, 2008).

That mutual interdependence increases through increased communication that initiates more transcendence of national barriers and cultures. This point aligns with the ideas expressed by Ramasamy (2005) and Lenin (as cited by Ramasmy, 2005). Glezos highlights Kant's argument that state system is eventually replaced by a global interdependence network governed by a "cosmopolitan moral responsibility" (Glezos, 2008: 300). Schumpeter, Marx, Hegel as well as Kant echo this idea, but the supposed global network does not necessarily de-legitimize nation-states or locality governments.

What entity can de-legitimize that communication or the local government is the imposition of capitalist supra-national corporation interests over those of the state. Corporate influences can dominate that communication and production (especially where a corporation owns the means of that communication and production) if left unchecked where an intellectual conversation may be inhibited due to specific capital interests of the corporation towards the state and policy. As well, the potential failure of the supranational firms can force a subsequent collapse in the interdependence network and several local economies. As well, one has to ask if the corporation (or power elite) will help to define that moral responsibility or the cosmopolitan nature of the responsibility. The idea that such morality becomes the foundation for law means that supra-national corporations may have an influence over policy in the industrialized world as well as developing nations where they can legitimize their control interests through the so-called morality foundation.

The difference between groups in their definition of morality will heavily impact this responsibility, rejection of war and interdependence through trade. There is an innate interest in promoting local interests over those of externalities where the cosmopolitan idea has to meld the global interest with those of the local interests by subordinating those interests (Nussbaum, as cited by Glezos, 2008). Again, we return to the idea of state interests and national barriers receding as a production of capital expansion (globalization). Using this philosophy, we are compelled to promote a social allegiance based upon a universal understanding of morality that is not concentrated in the local sphere or parochial nations-states.

Here, the labor and trade union interests in promoting workers' rights and benefits around the globe ascend and align with this universal morality which also rejects a particular nation's protective desire to censor human rights. This idealistic higher social conscious will favor adherence to protection of the rights as well as to resist the extinction of them or the exploitation of people for capital or state interests (Glezos, 2008). Glezos (2008) also realizes the fallacy of a universal morality because of the local cultural perspective of a so-called universal morality will intrinsically reduce that universality to a local interpretation. Yet, by emphasizing a common thread among cultures and legal codes, we can realize a universal mindset about human rights across religions and nations. This means the regression of differences and diversity in search of a preferred context of rights and living and endangers people to a redesign of classes via cultural uniqueness eradication and appeasement especially across large global structures.

Glezos (2008) is not, however, advocating a bland society, but one that understands the fundamental interests of people. Direction-less speed capitalism could

have reverse consequences than a positive assumption of growth and interdependence. There does appear to be minor cosmos developing in and outside of Western societies that framed Kant's design of morality where habits and thoughts are finding similar routes. In this sense, we can review how Barack Obama has characterized some relationships between the Muslim world and the Western world or between Israel and its Arab neighbors in his 2009 speech to the Turkish parliament where there are commonalities of habits that have been long ignored in favor of antagonistic hostility (Obama, 2009).

Cooperatives as socialism?

Schumpeter (2008) criticizes capitalism as building the foundation for its own discontent that will encourage the acceleration of an eventual evolution towards a social market economy or state capitalism. Ratner (2001) envisions a similar state of society in the future as Schumpeter and Marx where there is an egalitarian society that is less focused upon profit and markets but more focused upon working for the common good. Ratner and Schumpeter argue that a true socialist society could never permit an authoritarian regime as we see in China and Cuba.

Ratner (2001) argues that diversity is a tool of the bourgeois to keep the masses skirmishing over so-called trivial issues while the capitalists work to sustain their class power. This was somewhat hinted in the earlier discussion about corporations affecting public policy and writing legislation. As noted by Glezos (2008), the desire for moral universality is envisioned by many thinkers but has fallacy of local cultural interpretations as well as temptation for manipulation by an unmet “social formation” that may revert to an Orwellian authoritarian preference and privileging over commonality. One only has to consider the fascist idea of a superior race and intellect as an evolution of a so-called universal morality.

Ratner (2001) would disagree with Schumpeter in part by insisting that this change would require a change of power rather than maintaining current bureaucracies of government that would not necessarily change the power base. Schumpeter’s confidence in Platonic roles or levels of society suggests that insistence of power replacement would be a disservice to the society since these newly powerful people would not be able to understand the mechanisms and workings of governing masses. Ratner argues that Marx

is correct in the idea that the bourgeois will not simply give up power to the workers and thus the power will have to be a forced change rather than an eventual shift or evolution towards a socialist state.

Ratner (2001) might agree with Glezos (2008) and Ramasamy (2005) that transnational organizations like trade unions will need to be centralized and hierarchical to build effective communication networks in order to counter the efficiency of transnational capitalism. Ramasamy (2005) realized that unions had to alter their methods to be effective in protecting the workers' rights in newly developing nations which requires a cooperative effort among NGOs, workers and unions. Ramasamy (2006) and Pena (2005) explicitly suggests that labor unions will reach out to other unions in other countries instead of using the international governance agencies. This may help to promote the cooperative design asserted by Ratner since each party is required to cooperate in order to achieve a greater good if they do not use an international agency role.

Ratner seems to envision a society that would work similar to early colonists where they worked towards the common survival of the colony rather than for strict profit. In such a society, people would give up separateness and privacy in order to contribute to a democratically run collective that would manage resources. He does not give an effective reason why in the modern society someone would be compelled not to defect (or shirk responsibilities to the common) or not to manipulate the social ownership other than a pervasive supposed social relation. Yet if the moral imperative is evolving towards a utilitarian ascetic for economic growth (Weber, 2008), the defectors will be the more logical result than a mold of social relations.

Depth Discussion

“Because we all share this small planet earth, we have to learn to live in harmony and peace with each other and with nature. That is not just a dream, but a necessity. We are dependent on each other in so many ways, that we can no longer live in isolated communities and ignore what is happening outside those communities, and we must share the good fortune that we enjoy.” (The Dalai Lama, as quoted by BigBuddha.com, 2009)

If capitalism is based upon the short-term cycle and short-term interests or profits as indicated by Schumpeter (2008), there appears to be a missing direction that will be mutually beneficial to the public and the private enterprise since the focus is primarily upon that which directly in front of them rather than long-term planning. That missing direction is discussed by Glezos as the potential of speed capitalism towards limitless exploitation may produce a society in favor of socialist principles as suggested by Schumpeter. If the governance, however, is anchored in the same capitalist system, we can be assured that the government follows a relatively short-term interest as well, and there remains a question of what guarantees long term stability and growth over a less strategic outcome.

Essentially, capitalism is blind to the long term needs of the society in favor of focusing upon today's perceived needs or wants. Without a vital ethic of restraint (religious or secular), as professed by Weber or Schumpeter, this becomes a tremendously gluttonous and imperialistic system with a blatant disregard for any opposing cultures via globalization as well as a disregard for the effects of "creative destruction" that is the apparent core to capitalistic growth and global corporations. As well, this leaves fewer resources and poor ecology for the future decisions.

The question then falls onto where capitalism is headed and there are main ideas aside from those presented by Weber, Marx and Schumpeter. The development of the corporate power theory is one of them, and recognition of corporations as political and social organizations as well as economic institutions will help researchers understand the multiplicity aspects of the corporation in post-modern life (Bowman, 1989). In addition, the expansion of globalization presents challenges to the future of capitalism unless one subscribes to the idea that globalization is part of advanced capitalism (Glezos, 2008) rather than a pathway towards the socialist workers' society of Marx or advanced corporation power theory.

One can not deny the impact of corporations upon society since they directly affect the lives that help to operate the organization as well as those around the organization. One also can not deny there is an impact of globalization in both positive and negative terms. If there is oppression by the corporations as a power elite, Ratner (2004) requires that there is a psychological compliance that engenders the oppression. Where these authors seem to agree is that as corporations expand and globalization reaches more cultures, nation-states become less important and a so-called common good becomes less important in comparison to short term capitalist interests, especially as the speed of communication increase with this growth.

The speed of technology and production have changed the way labor functions in the organization as the capitalists look for more hospitable governments and cultures to build production facilities. The speed capitalism, the increase communication, the increasing numbers of the worker class, and the power of supra-national corporations will challenge the fragile nature of capitalism as a cohesive process for innovation, efficiency

and growth especially as other cultures use social-market structures to achieve better results.

As well, the resentment and hostility that advanced and modern capitalism breeds will also increase if the Marxist class struggle continues to diminish the power of working classes because people who were familiar with having power will want to retain that power. If there is a bottom-up power that demands workers rights and is recognized by the bourgeois classes, as suggested by Glezos, then there may be a less violent method of transitioning towards the shared power socialist system envisioned by Schumpeter.

One cannot simply envision a simple transfer of power to those working class people as a “dictatorship of the proletariat” where people of the bourgeois class just renounce their power and interests (just as the middle class will not). As well, we can not expect a successful revolution of the power structure to simply replace the bourgeois with people who have no actual experience governing or managing production and who have their own specific interest at heart instead of the actual common good. As noted by Weber, Marx, Kant and Schumpeter, the motives have to change in order for a society to develop beyond the point of where antagonism and hostility rule decision making, and the society must restrain complete utilitarian ascetics.

Ratner’s (2009) “cooperativism” is similar to other socialist theories, but he considers building a society that is roughly equivalent to rural agriculture cooperatives or organic food cooperative examples. While this proposal aligns partially with Schumpeter’s vision of a socialist evolution of capitalism, he does not address the motivations necessary to sustain the cooperative society nor does he realize the challenge of changing power structures upon a society. Further, Ratner considers a universal

ethnic that disposes of individual ethnic diversity since he considers that to be another mechanism for dividing the society and avoiding the real issues. This may be correct, but as Glezos points out, a universal morality is patently impossible due to the different local perspectives that cultures have upon morality. We can still find fundamental aspects of humanity that all cultures revere rather than arguing over the divisions.

Depth Conclusion

Modern or advanced capitalism can be defined in terms of globalization and corporate theory. Each of these has natural extensions of the traditional essays behind Weber, Marx, and Kant. We can see clearly the development of corporations as fictitious entities that directly or indirectly involve masses of people. We see also that globalization and supra national corporations appear to be a natural extension of capitalism and search for efficient (in terms of less costing) production as well as favorable active government support. This search for active government support defies the supposed capitalist and neo-liberal interest in laissez-faire markets where government becomes the cheerleader and catalyst for corporation growth rather than an arbiter for individual rights.

Globalization has allowed once state capitalist markets to evolve into socialist market economies, and those economies are now seeing dramatic successes in growth and poverty reduction that rival the more developed nations. This expansion of capitalist ideas into these nations has realized some of the prophecies of Marx, Schumpeter and Lenin with regard to disappearing national barriers (Ramasamy, 2005; Pena, 2006; Schumpeter, 2008). As well, the global working class expands and faces challenges that were once confined within specific nation-states but now the challenges are crossing cultures into a commonality of truths beyond the simple “love your neighbor” theme. The reduction of barriers carries new concerns for labor and workers as more corporations seek deals with once close systems to gain bargain production systems.

Glezos (2008) examined the affect of the “speed capitalism” as defined by an accelerating presumed need to produce faster, communicate faster, and encouragement of

the cosmopolitan mystique of globalization. This speed capitalism in addition to globalization challenges the viability of the state to protect workers and local interests. As well, given the political climate towards globalization and given the affects upon the middle class, corporate expansions that use the state to totally subordinate working class may eventually diminish the ability and capacity of the middle class expansion and the future of capitalism. Since capitalism needs to use the savings of others, (Schumpeter, 2008; Weber, 2008) the eventual corresponding shrinking middle class assets has to factor into the discussion. These provide critical elements to the discussion about the possible hostility towards corporate power and changes in political institutions as power dynamics and living standards change.

As globalization occurs, more cultures and nations are going to interact and become interdependent especially with the supra-national corporations attempting to unify mass production (Ford-ism) processes across governments and various economies (Clinton, 2003). The actions of the working class to organize and the state interest along with capitalist interest may become another source of hostility and tension. With these aspects examined, the proposed study will examine how corporations affect political efficacy and political decision making. Understanding of what corporations are, how they affect people, how they affect social change, and how they affect institutions is important for public policy considerations since public opinion may be heavily affected in direct or indirect manners in addition to the corporations themselves. Further, knowing how the public views corporate power impact upon efficacy will yield avenues for social change in the future.

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