

WHEN CORPORATIONS RULE THE WORLD

David C. Korten, *When Corporations Rule the World* (Bloomfield/San Francisco: Copublished by Kumarian Press and Berrett-Koehler Publishers, Inc. Second Ed. 2001).

Korten earned MBA and Ph.D degrees from Stanford University's Graduate School of Business, served as a faculty member of the Harvard University Graduate School of Business and conducted research at the Harvard Institute of International Development. He served as an academic director and Harvard advisor to the Nicaragua-based Central American Management Institute. He served as a Ford Foundation project specialist in Manila and as Asia Regional Advisor on Development and Management to the U.S. Agency for International Development. He is the author of nine previous books, including the best selling *When Corporations Rule the World*. He came to realize that the crisis of deepening poverty, growing inequality, environmental devastation, and social integration he observed in Asia was also being experienced in nearly every country in the world – including the United States and other “developed” countries. Furthermore, he concluded that the United States was actively promoting – both at home and abroad – the very policies that were deepening the resulting global crisis. For the world to survive, the United States must change. Korten returned to the United States in 1992 and has since devoted his life to advancing the change.

In the Introduction and Prologue (Corporation, p. 1-24)

I am very inspired to read about his **conversion experience**: I admire his courage to leave his job when he saw injustice in it and developed something (alternative) he believed in. Because of his conversion experience resulted in writing this book it was more meaningful for me. Because then I know he is telling the truth.

Capitalism is an extremist ideology that advances the concentration and rights of ownership without limit, to the exclusion of the needs and rights of the many who own virtually nothing. Socialism centralizes the ownership and management of productive assets in distant governmental bureaucracies. Capitalism, centralizes the ownership and management of productive assets in distant corporations with internal economies even larger than those of most nation-states. Socialism and capitalists are both destructive of life, democracy, and ethical values, which are essential foundations of civil or civilized society.¹ 8-9.

It is also encouraging to hear that his alternative was proven to work in other countries. It makes me motivated to join his Network. When I go back home I will look into this possibility.

Part 1 (Corporation.p.28-56)

Korten describes Achievement and Crisis and Hope so well.

He also describes vividly the **reality of two worlds** –the rich and poor and **impact of corporations**. Although I have known this all along, it is **re-awakening** experience to the suffering of other people, too many people in this world. It brings me home to view **the root cause** of homelessness in the United States from socio-economic, political and cultural perspective. **The root causes of poverty and homelessness in all the world seem to come from the same root – the exploitation of the corporations (the rich) of the poor. We don't want to demonize corporations but destructive impact on human beings in the**

world including U.S.A. is undeniable reality.

However, as the movie showed the CEO's major concern is his stock holders who want more and more MONEY (profits). I have read that several top level **giant CEOs in Korea** at the time of IMF crisis and as recent as this year jumped out of the 15 stories window or into the Han River and committed suicide when they could not make it for their stock holders. It is life and death business for them. They were loving husbands for their wives and fathers for their children. Their lives are as important as mine. They were loved and will be missed terribly by them. It is sad!!!!!!!!!!!! So those of us who read such material cannot help but experience mixed emotions.

No matter what the negative impact the corporations brings to our life, I feel that we should never forget to **appreciate** the **horrendous achievement** that made our life so convenient. But then we must not sleep in our complacency not seeing the pain of others because the **suffering of others** is as horrendous as the achievements.

Important point he is getting at is the fact that economic growth is good thing but it itself doesn't solve poverty problem unless it allocates resources to meet human needs (Corporation, p. 45-47).

In Part II Corporation, (Corporation, p. 57-106)

It was quite a learning experience to read the history of corporations that started in England and how it grew into such large body by having laws written to protect the corporations, paying low wages, using child labors, allowing many workers die in poor working conditions and using private securities, etc to grow where they are today; they became so powerful that government can't control them. It became belief system, extremist ideology and god and betraying original intention of the nation.

As the movie, "Corporations", pointed out, corporation is like a person with legal rights but "moral conscience" and no such thing as "enough."

Korten emphasizes government intervention to put some limit on the corporations to keep some balance (Corporation, p. 98). In P. 111, he describes Champaign glass style of distribution of income in which the richest 5th receives **82.7%** of total world income; **that is an absurd figure**. He calls this self-destructive system. I wonder how much the United States consume the world resource; is it 40% or 50%?

IN PART III, CORPORATE COLONIALISM

ALLIANCE OF POLITICAL POWER AND LEGAL POWER WITH CORPORATIONS

For corporate interest it requires constant sacrifice by cheap labor, low tax, repress union activity, exploitation all of which was born out of greed for America's hegemony, which is same expansionism and domination described in the American Empire of Beavich.

In Corporation, p.142 he describes the **alliance of political power with corporation**

which I have read and heard as the root of corruptions in many societies. “*The corporate globalization is neither in the human interest nor inevitable...political power aligns with economic power; the larger the economic unit, the larger its dominant players, and the more political power becomes concentrated in the largest corporations. The greater political power of corporations the less political power of the people and the less meaningful democracy.” **I think this is how people lose principle of justice and become slaves of the corporation – worshippers of the wealth and powers regardless we like it or not. It is pretty depressing.** However, Korten suggests **alternative that is localized economies, disperse economic power, and bring democracy closer to the people.***

In Corporation, Corporation, p. 144 and 167, he talks about alliance of the corporations with laws. So we are talking about corporation’s **alliance** with political power and legal power and corporation becomes the world’s highest judicial and legislative body: Monopoly and colonialism. It seems that everything including people and principle of democracy is sold. EVERYTHING IS SOLD TO COPORATIONS. I am reading this was the situation in Korea but the previous president Kim, Dae Jung and current president have been breaking some of these ties (alliance) and going through some revolution but it pushed some CEOs into suicide.

The most scary thing is the fact that corporations invaded the naïve and innocent realm of children; their schools became the platform advertisement and their homes became video shops that train children to be numb with killing activity. It numbs the conscience of people.

Consumerism seems to put everyone on the debt row. We never can become self-sufficient because we have to make payment as long as we breath.

PART IV.A ROGUE FINANCIAL SYSTEM

Corporation, P. 123, dream of global empire is well expressed in the statement of Richard J. Barnet and Ronald E. Muller: *the men who run the global corporations are the first in history with the organization, technology, money, and ideology to make a credible try at managing the world as an integrated unit ... what they are demanding in essence is the right to transcend the nation-state, and in process, transform it.* So we became the slaves of consumerism without realizing it.

Korten calls it **predatory system** (Corporation,p. 202). People run the corporation only asks what is immediate profitable thing to do. This reminds me of one CEO who said something like this in the movie we saw; “*we are perpetrators. Person like me might go to jail some day when there is justice practiced on this.*”

Corporation,P. 227, Korten writes: “like the spread of a **malignant cancer, the dysfunctional value and dynamics** had characterized U.S. corporations and financial market are spreading throughout the world. *Corporations choose money over human beings.* We need to keep find alternatives and transform this predatory system.

PART V. RECLAIMING OUR POWER

I feel good and hopeful in this chapter. Yes, I believe in people's power. I have seen many times the people's power won at the end in Korea, Philippines, South Africa, and India. There is no larger power than people's power. Someone said, peasants (minjung in Korean term) are like grass; no matter how much you step on them they never die. A Methodist minister in Seattle named me "dandelion" which never dies no matter how often you try to cut them or repress them; I think it is an appropriate name for peasants and minjung. Compare to other countries, people in the United States do not form a big solidarity to stand up together perhaps because too many are comfortable and complacent. But people seem to need to experience enough pain to stand up collectively and exercise their power. When people lose all of their values and treated like slaves, then they know that is the time to exercise people's power. I hope it wouldn't take that long. I joined many action groups as often as I can.

In Corporation, p. 244, Korten lays out three principles of environmental sustainability saying we have to sustain nature and environment to survive. I have noticed that environmental issue seems to be the last one people recognize perhaps because the environment doesn't scream like human beings when they are trampled on, exploited, dug, poisoned and bulldozed. We have to hear their silent cry and scream for the earth. Some people relate such exploited earth to a rape.

I like Korten's principle economic justice.

Healthy societies provide all their members, present and future, with the essentials for a health, secure, productive, and fulfilling life. There is nothing wrong with additional rewards for those who contribute more, but only if everyone's basic needs are met, the options of future generations are not impaired, and there are strict limits on the concentration of economic power.

In healthy societies, sovereignty resides in people. The purpose of the human economy is to meet human needs – not the needs of money, nor of corporations, nor of governments.

In Corporation, p. 244-246 he adds the principles of biological and cultural diversity and principles of people's sovereignty, the principle of intrinsic responsibility.

The principle of common heritage: no monopoly but share toward local reliance.

In Corporation, p. 249, Eknath Easwaran said: *the real foundation of prosperity was the deep and enduring sense of community that enabled us to make the best use of these resources ...*

I felt wealthiest when I had emptied out myself leaving only \$50.00 in my savings account; I owed to the Ewha Girls High School in Korea which educated me in 50 years ago. Someday I wanted to pay it back but couldn't do it even a half a century has passed. But few years ago I was invited to be awarded for my little community service in the U.S. as Ewha graduate. That was the time I needed to do it. It wasn't the time I had money. There won't be such a time for me that I will have enough money to spare with the school for scholarship funds. Someone said the right time is when you see the needs. After I emptied out my savings account my preaching about emptying ourselves came to reality. I left my security and emergency in the hands of God and let go all of my materials resources. I shed lots of tears of thanksgiving because it was the grace of God who enabled me to do it, not human Jean kim was able to do it. Then I deeply realized what was real value of human beings – it was not money – it was love and care. I am trying to say that I was most worth as a person was the time when I was most empty materially. Then I was able to hear Jesus' message what it means to following him (sell all you have, give it to the poor and follow me).

Korten suggest in Corporation, p. 252 -253 we need to move from over-consumption to sustainable community. It starts from me, an individual. I have been trying but could do better in reducing all my consumption to half and reduce possessions by sharing them with the needy in our community. Eat less and have no left-overs or throw away food. This is my ongoing project at home. It is a way of freeing us from slavery of consumerism. I know many of my friends do the same.

Corporation,P. 266 - Korten suggest we must reclaim our political space, economic space and localize the global system. Community development will be the next agenda the Homeless Network is going to move with as many already have been.

PART VI. FROM CORPORATE RULE TO CIVIL SOCIETY

Corporation, p. 285. Korten moves us from Corporate Rule to Civil Society.

Making lots of wealth and destroy the capacity of every living system on earth doesn't make sense at all. He describes we are reaching the end of robe as if *humanity has decided to hold a final going out of business sale* (p. 288). It is about time we all are called to change. It is a very interested expression.

I want to see some revolution comes.

Korten comes to the living democracy movement which was the whole title of his book tries to demonstrate. *Martin Luther King Jr. said; We are determined here in Montgomery – to work and fight until justice runs down like water, and righteousness like a mighty stream!* (Corporation, P. 307).

Korten takes us to WTO meeting in Seattle, Nov. 30, 1999 which meant the global movement for a living democracy announced itself! We are called to resist as the John of Revelation called his *ekkleisiai* to resist. He uplift highly the resistance to WTO meeting in Seattle as a sign of hope.

Corporation, p. 323, Korten ends this book by pointing out that – communism emphasized community to the exclusion of the individual. Capitalism emphasized individual to the exclusion of community. Both crucially embraced the materialistic values and measured their performance by the material output. Capitalism easily triumphed and communism died. Capitalism stepped up its assault on life, equity, and democracy. The living democracy movement, capitalism's new challenger, measures progress not by increases in the aggregate consumption of the few, but by the quality of life of everyone. It seeks not to capture state power, but rather to reduce and democratize it. It seeks not to eliminate the market, but to restore it (Wink's transformation of power). It is driven not by the love of money, but by a love of life. Its defining goal is a civil society.

I like his clarification on this because people usually blame people who think like Korten either "communist or socialist." It is detrimental term for Koreans in Korean context.

EPILOGUE

Corporation, p. 342, in the end, as he talked to on the phone, he was raised in spiritual community, has deep spirituality he comes to conclusion "*our future now depends on graduating to a co-evolutionary perspective that recognizes the integral relationship between the spiritual and material aspects of our being thereby allows us to recreate ourselves as whole persons, communities, and societies. He calls it profound and exciting course of change in human history and challenges us to be awoken to the full creative potential.* I would say, we must all say YES, we will participate in the new history making.