
BOOK REVIEWS

BIZ-WAR AND THE OUT-OF-POWER ELITE: THE PROGRESSIVE-LEFT ATTACK ON THE CORPORATION

BY JAROL B. MANHEIM

REVIEWED BY JOHN D. PICKERING*

Quick: Who is Joseph Mailman? Ever hear of the Tides Foundation? How about Shaman Pharmaceuticals? If you're concerned about the Left and its prospects, you need to know who these folks are.

Professor Manheim's book applies network-based models of organizational and social dynamics (you ought to see the charts!) to describe the Left's "social net" built over the last few decades as it relates to wealth, business and the corporation in the United States. Most conservatives are familiar with the Left's long march through the large charitable foundations (think Ford and Pew), but Manheim also emphasizes the growing presence of Leftist philanthropy and other efforts to make mammon serve the "public interest." For example, there is the "anti-corporate campaign," a tool developed by labor unions to pressure employers for more pay and benefits, but put to use for more noble purposes by groups with words like "justice," "peace" and "equity" in their names. Think Nike and overseas sweatshops, one of Manheim's best examples. (Did you know that the AFL-CIO sent Jeff Ballinger to Indonesia for *four years* to interview workers and produce reports before the campaign went public?)

Where a campaign can't convince directly, the environment in which corporate decisions are made can be changed over time through the adoption (usually under pressure from self-proclaimed guardians of the public interest) of "codes of conduct" and the institutionalization of "correct" proxy voting by pension funds and other large institutional investors. Manheim notes the double bind implicit in the code of conduct – if you don't adopt it, you're an evil corporation; if you do adopt, you will inevitably fail to live up to it, setting you up for another anti-corporate campaign. He also details the eyebrow-raising consulting/police role played by Institutional Shareholder Services in the proxy voting context.

Then there's Joseph Mailman, the king of Biz-War, as Manheim demonstrates in his chart showing

Mailman's links to five activist foundations (especially the Tides Foundation, a pioneer of "fiscal sponsorship" whereby tax-free dollars are used to fund politically oriented activity that would otherwise be taxable), five activist business organizations (e.g., Social Venture Network), eight environmental advocates and foundations (e.g., Rainforest Foundation), fourteen other policy and advocacy groups (e.g., Human Rights Watch, Chiapas Media Project), three educational projects, and a staggering twenty-five business ventures and relationships (e.g., Stoneyfield Farms [organic yogurt and ice cream], Calvert Social Venture Partners [socially responsible investing], Utne Reader, Pepi Co-Generation Company [biomass], Vegetarian Travel Guide, and Shaman Pharmaceuticals [which "specializes in developing new therapeutic drugs from the tropical rainforest" and, as if that weren't enough, doing so by "*using indigenous knowledge*"]).

Still skeptical? Try Manheim's picture of these networks in action in his revealing look at the Zapatista insurrection in Chiapas, Mexico in 1994. Then you'll understand why Subcomandante Marcos got such good press.

*John D. Pickering is a Partner at Balch & Bingham LLP in Birmingham, AL. The views expressed in this review are solely those of the author and do not represent the views of Balch & Bingham LLP.