

## Profit Pathology

Written by Michael Parenti

This PDF is auto-generated for reference only. As such, it may contain some conversion errors and/or missing information. For all formal use please refer to the official version on the website, as linked below.

# Profit Pathology

<https://www.e-ir.info/2011/01/27/profit-pathology/>

MICHAEL PARENTI, JAN 27 2011

### Free Market Über Alles

Some years ago in New England, a group of environmentalists asked a corporate executive how his company (a paper mill) could justify dumping its raw industrial effluent into a nearby river. The river—which had taken Mother Nature centuries to create—was used for drinking water, fishing, boating, and swimming. In just a few years, the paper mill had turned it into a highly toxic open sewer.

The executive shrugged and said that river dumping was the most cost-effective way of removing the mill's wastes. If the company had to absorb the additional expense of having to clean up after itself, it might not be able to maintain its competitive edge and would then have to go out of business or move to a cheaper labor market, resulting in a loss of jobs for the local economy.

It was a familiar argument: the company had no choice. It was compelled to act that way in a competitive market. The mill was not in the business of protecting the environment but in the business of making a profit, the highest possible profit at the highest possible rate of return. Profit is the name of the game, as business leaders make clear when pressed on the point. The overriding purpose of business is capital accumulation.

To justify its single-minded profiteering, Corporate America promotes the classic laissez-faire theory which claims that the free market—a congestion of unregulated and unbridled enterprises all selfishly pursuing their own ends—is governed by a benign “invisible hand” that miraculously produces optimal outputs for everybody.

The free marketeers have a deep all-abiding faith in laissez-faire for it is a faith that serves them well. It means no government oversight, no being held accountable for the environmental disasters they perpetrate. Like greedy spoiled brats, they repeatedly get bailed out by the government (some free market!) so that they can continue to take irresponsible risks, plunder the land, poison the seas, sicken whole communities, lay waste to entire regions, and pocket obscene profits.

### Disposable Planet

This corporate system of capital accumulation treats the Earth's life-sustaining resources (arable land, groundwater, wetlands, foliage, forests, fisheries, ocean beds, bays, rivers, air quality) as disposable ingredients presumed to be of limitless supply, to be consumed or toxified at will. As BP has demonstrated so well in the Gulf-of-Mexico catastrophe, considerations of cost weigh so much more heavily than considerations of safety. As one Congressional inquiry concluded: “Time after time, it appears that BP made decisions that increased the risk of a blowout to save the company time or expense.”

Indeed, the function of the transnational corporation is not to promote a healthy ecology but to extract as much marketable value out of the natural world as possible even if it means treating the environment like a septic tank. An ever-expanding corporate capitalism and a fragile finite ecology are on a calamitous collision course, so much so that the support systems of the entire ecosphere—the Earth's thin skin of fresh air, water, and topsoil—are at risk.

## **Profit Pathology**

Written by Michael Parenti

It is not true that the ruling politico-economic interests are in a state of denial about all this. Far worse than denial, they have shown outright antagonism toward those who think our planet is more important than their profits. So they defame environmentalists as “eco-terrorists,” “EPA gestapo,” “Earth day alarmists,” “tree huggers,” and purveyors of “Green hysteria.”

In an enormous departure from free-market ideology, most of the diseconomies of big business are foisted upon the general populace, including the costs of cleaning up toxic wastes, the cost of monitoring production, the cost of disposing of industrial effluent (which composes 40 to 60 percent of the loads treated by taxpayer-supported municipal sewer plants), the cost of developing new water sources (while industry and agribusiness consume 80 percent of the nation’s daily water supply), and the costs of attending to the sickness and disease caused by all the toxicity created. With many of these diseconomies regularly passed on to the government, the private sector then boasts of its superior cost-efficiency over the public sector.

### **The Superrich Are Different from Us**

Isn’t ecological disaster a threat to the health and survival of corporate plutocrats just as it is to us ordinary citizens? We can understand why the corporate rich might want to destroy public housing, public education, Social Security, Medicare, and Medicaid. Such cutbacks would bring us closer to a free market society devoid of the publicly-funded “socialistic” human services that the ideological reactionaries detest. And such cuts would not deprive the superrich and their families of anything. The superrich have more than sufficient private wealth to procure whatever services and protections they need for themselves.

But the environment is a different story, is it not? Don’t wealthy reactionaries and their corporate lobbyists inhabit the same polluted planet as everyone else, eat the same chemicalized food, and breathe the same toxified air? In fact, they do not live exactly as everyone else. They experience a different class reality, often residing in places where the air is markedly better than in low and middle income areas. They have access to food that is organically raised and specially transported and prepared.

The nation’s toxic dumps and freeways usually are not situated in or near their swanky neighborhoods. In fact, the superrich do not live in neighborhoods as such. They usually reside on landed estates with plenty of wooded areas, streams, meadows, and only a few well-monitored access roads. Pesticide sprays are not poured over their trees and gardens. Clear cutting does not desolate their ranches, estates, family forests, lakes, and prime vacation spots.

Still, should they not fear the threat of an ecological apocalypse brought on by global warming? Do they want to see life on Earth, including their own lives, destroyed? In the long run they indeed will be sealing their own doom along with everyone else’s. However, like us all, they live not in the long run but in the here and now. What is now at stake for them is something more proximate and more urgent than global ecology; it is global profits. The fate of the biosphere seems like a remote abstraction compared to the fate of one’s immediate—and enormous—investments.

With their eye on the bottom line, big business leaders know that every dollar a company spends on oddball things like environmental protection is one less dollar in earnings. Moving away from fossil fuels and toward solar, wind, and tidal energy could help avert ecological disaster, but six of the world’s ten top industrial corporations are involved primarily in the production of oil, gasoline, and motor vehicles. Fossil fuel pollution brings billions of dollars in returns. Ecologically sustainable forms of production threaten to compromise such profits, the big producers are convinced.

Immediate gain for oneself is a far more compelling consideration than a future loss shared by the general public. Every time you drive your car, you are putting your immediate need to get somewhere ahead of the collective need to avoid poisoning the air we all breath. So with the big players: the social cost of turning a forest into a wasteland weighs little against the immense and immediate profit that comes from harvesting the timber and walking away with a neat bundle of cash. And it can always be rationalized away: there are lots of other forests for people to visit, they don’t need this one; society needs the timber; lumberjacks need the jobs, and so on.

### **The Future Is Now**

## **Profit Pathology**

Written by Michael Parenti

Some of the very same scientists and environmentalists who see the ecology crisis as urgent rather annoyingly warn us of a catastrophic climate crisis by “the end of this century.” But that’s some ninety years away when all of us and most of our kids will be dead—which makes global warming a much less urgent issue.

There are other scientists who manage to be even more irritating by warning us of an impending ecological crisis then putting it even further into the future: “We’ll have to stop thinking in terms of eons and start thinking in terms of centuries,” one scientific sage was quoted in the *New York Times* in 2006. This is supposed to put us on alert? If a global catastrophe is a century or several centuries away, who is going to make the terribly difficult and costly decisions that are needed now?

Often we are told to think of our dear grandchildren who will be fully victimized by it all (an appeal usually made in a beseeching tone). But most of the young people I address on college campuses have a hard time imagining the world that their nonexistent grandchildren will be experiencing two generations hence.

Such appeals should be put to rest. We do not have centuries or generations or even many decades before disaster is upon us. Ecological crisis is not some distant urgency. Most of us alive today probably will not have the luxury of saying “Après moi, le déluge” because we will still be around to experience the catastrophe ourselves. We know this to be true because the ecological crisis is already acting upon us with an accelerated and compounded effect that may soon prove irreversible.

### **The Profiteering Madness**

Sad to say, the environment cannot defend itself. It is up to us to protect it—or what’s left of it. All the superrich want is to keep transforming living nature into commodities and commodities into dead capital. Impending ecological disasters are of no great moment to the corporate plunderers. Of living nature they have no measure.

Wealth becomes addictive. Fortune whets the appetite for still more fortune. There is no end to the amount of money one might wish to accumulate, driven onward by the auri sacra fames, the cursed hunger for gold. So the money addicts grab more and more for themselves, more than can be spent in a thousand lifetimes of limitless indulgence, driven by what begins to resemble an obsessional pathology, a monomania that blots out every other human consideration.

They are more wedded to their wealth than to the Earth upon which they live, more concerned about the fate of their fortunes than the fate of humanity, so possessed by their pursuit of profit as to not see the disaster looming ahead. There was a *New Yorker* cartoon showing a corporate executive standing at a lectern addressing a business meeting with these words: “And so, while the end-of-the-world scenario will be rife with unimaginable horrors, we believe that the pre-end period will be filled with unprecedented opportunities for profit.”

Not such a joke. Years ago I remarked that those who denied the existence of global warming would not change their opinion until the North Pole itself started melting. (I never expected it to actually start dissolving in my lifetime.) Today we are facing an Arctic meltdown that carries horrendous implications for the oceanic gulf streams, coastal water levels, the planet’s entire temperate zone, and world agricultural output.

So how are the captains of industry and finance responding? As we might expect: like monomaniacal profiteers. They hear the music: ca-ching, ca-ching. First, the Arctic melting will open a direct northwest passage between the two great oceans, a dream older than Lewis and Clark. This will make for shorter and more accessible and inexpensive global trade routes. Lower transportation costs means more trade and higher profits.

Second, and more important, they joyfully note that the melting is opening up vast new oil reserves to drilling. They will be able to drill-baby-drill for more of the same fossil fuel that is causing the very calamity descending upon us. More meltdown means more oil and more profits; such is the mantra of the free marketeers who think the world belongs only to them.

## **Profit Pathology**

Written by Michael Parenti

Imagine now that we are all inside one big bus hurtling down a road that is headed for a fatal plunge into a deep ravine. What are our profit addicts doing? They are hustling up and down the aisle, selling us crash cushions and seat belts at exorbitant prices. They planned ahead for this sales opportunity.

We have to get up from our seats, quickly place them under adult supervision, rush the front of the bus, yank the driver away, grab hold of the wheel, slow the bus down, and turn it around. Not easy but maybe still possible. With me it's a recurrent dream.

—

**Michael Parenti's** most recent books are *God and His Demons* and *Contrary Notions*. For more information, visit [his website](#)