Chapter 7

Everything Has a Price:  
Or Businessmen Know Best

The dominance of neo-liberal thinking and the economic power of business leaders has had a profound, even if at times unacknowledged, impact on western society. Many of the values that were once thought to be its defining characteristics – conservative values, such as loyalty, honesty, duty and patriotism, as well as more progressive values such as tolerance, compassion, collective enterprise, social responsibility and generosity – have been increasingly abandoned in favour of a more aggressive sense that the only value by which actions and attitudes are to be judged is the pursuit of individual self-interest. It is increasingly accepted that, whatever claims might be made for what are now seen as the old-fashioned values, they can and should be trumped by the imperative of pursuing individual advancement and self-interest.

One of the leading and more obvious consequences of this shift in attitude is the high regard in which business leaders – who are seen to be the prime embodiment of the drive for self-interest – are now held, to the point where they are assumed to have a virtual monopoly of wisdom; and that in turn has allowed them, quite apart from the actual economic power they exercise, to develop a quite disproportionate influence over the way in which we run our affairs in general.

This is such a recent development that I recall a time as recently as the late 1980s (at which time I was Shadow Secretary of State for Trade and Industry in Britain and had a good deal to do with leading businesspeople) when this hugely increased standing had not yet come about. What was remarkable about the business leaders I had the pleasure of meeting and talking to was how little they knew of public affairs. However knowledgeable they were about their own enterprises (and many were very skilled and well-informed in that regard), they were surprisingly unconfident about their understanding of the way the country or the economy as a whole was...
run, or how society as a whole operated, and, even more significantly, made no claim to knowing much about it.

For many, the world of public administration was completely foreign territory. So lacking in confidence on this score were some of them that they made some young friends of mine very rich by paying them large sums of money for the privilege of being introduced to supposedly important people in government and in parliament who would have been happy to meet them anyway.

All this is, of course, in marked contrast to today’s conventional wisdom that businessmen (and it usually is men) are the only people who are competent to decide almost anything. It is assumed not only that they know about business but that their business skills are essential for the resolution of otherwise difficult issues in every sphere of activity. It is not that they are assumed to know everything; it is just that they are believed to know all – little though it may be – that is necessary.

The dominant influence of business leaders is not just a matter of providing role models on the one hand and of aspiration and emulation on the other. The rich and powerful are able to manipulate public opinion to support their world view, as we shall see later, but they are also able to use their wealth and power to have a direct influence on the political process. Governments – even governments whose political stance might suggest otherwise – are unduly susceptible, as we shall see later, to the blandishments of the wealthy.

The message constantly conveyed by the expensive lobbyists employed by the powerful is that wealth equals virtue. Despite the repeated and incontrovertible instances of dishonesty and double-dealing across a wide range of business activities, business success is equated with the notion of reward for virtue. Sometimes this is portrayed in terms suited to the glossy unrealities of the popular magazines or the tabloids, but it is also a hard economic message.

Investors are said to deserve ever greater rewards because of the economic benefits they confer (usually in terms of jobs or output) on individuals and communities. Little attempt is made to quantify in comparative terms what the value of capital investment might be in relation to other inputs such as labour, or even to recognise that other inputs matter at all. It is capital that provides the opportunities for wealth creation and which is duly eulogised; labour is just another cost to be kept as low as possible.

It is not as though the record of our business leaders provides persuasive grounds for confidence in their abilities. We shall examine