

THE POST-DEMOCRATIC WORLD OF CORPORATIONS

Colin Crouch



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■ *When you speak about 'post-democracy' do you mean the collapse of democracy as we know it or just the fact that the nature of democracy is changing and that we are going to see new forms of democracy?*

I certainly am not implying there will be a collapse of democracy. I use 'post' in the way that people talk of 'post-industrial' or 'post-modern' - something that comes after the concept being referred to, using its results but not necessarily renovating it, but rather moving on to something else. What else? That is not clear - otherwise we would not need to use the 'post' term. **We are moving to a period where corporate interests dominate politics** - partly as a consequence of globalisation, partly because of a decline in the class structure that made it necessary for corporate power to settle for a compromise. In those countries where there is a strong past legacy of democracy, major liberties and

rights can continue under such a regime - that is post-democracy. Where democracy is only weakly established, liberties and rights may not develop at all.

■ *In one of your previous interviews (in Russian with Artem Smirnov), you claimed that there are no alternatives to corporations and that their influence on politics will only increase. You call for 'responsible corporations' as an ideal. Do you see many 'responsible corporations' in the modern world at this time?*

When I say 'no alternative to corporations', I mean that I cannot envisage a prosperous economy that is not dominated by them. Neither an economy of small enterprises only nor one that is dominated by the state seem to be able to produce the prosperity that we all demand. In this situation, it is important that corporations be tackled directly about their conduct; we cannot expect the political system to do everything for us. This primarily means that **we need critical campaigns by citizens' initiatives in order to call corporations to account**. The fact that some of them do claim to be socially responsible is useful, as it means that there is at least a chance of engaging them in dialogue and public debate. This is not an ideal, but entails making the best of the situation we have. Fortunately, in some parts of the world, these critical initiatives are flourishing. They are always weaker than the corporations themselves, but at least they do exist and act. How many 'responsible corporations' are there? It is difficult to say. An increasing number seem to feel a need, at least, to claim that they are responsible and boast about their social achievements. They do not always speak the truth, but it is certainly a start.

■ *Will corporations destroy democracy (in the way that you described in*

your book - the erosion of parties, electoral procedures and participation) or will we see the appearance of new forms of democratic life with new types of political parties, representation and electoral procedures? How is it possible to control corporations?

'Destroy' is too strong a word: weaken is a much better choice. And yes, we are seeing new forms of political life in the very forms of the citizens' initiatives that I described. These will not replace parties or formal democracy, but they are an important source of new popular energy in a system that is otherwise being 'fixed' by political and business elites. Also, several of them are cross-national in a way that parties find very challenging. This is a very important contribution at a time when politics needs to become post-national if it is to deal with transnational corporations and a global economy.

'Control' is also not the best word. We do not want either corporations or governments to somehow control each other. But there is **inadequate regulation to prevent corporations from imposing specific harms on the rest of society**. Some examples of this are damaging the national environment; employing people in developing countries for starvation wages and sometimes under conditions somewhat like slavery; sometimes gaining super-profits from unchecked monopolistic power; becoming 'too big to fail', so that governments are pushed to use public resources in order to save them, as happened in the recent banking crisis. The central problem is that national regulation is insufficient for global firms. However, governments would often prefer to compete in offering softer terms to firms rather than to establish an appropriate degree of global regulation. ■

Colin Crouch was speaking with Dmitry Uzlaner