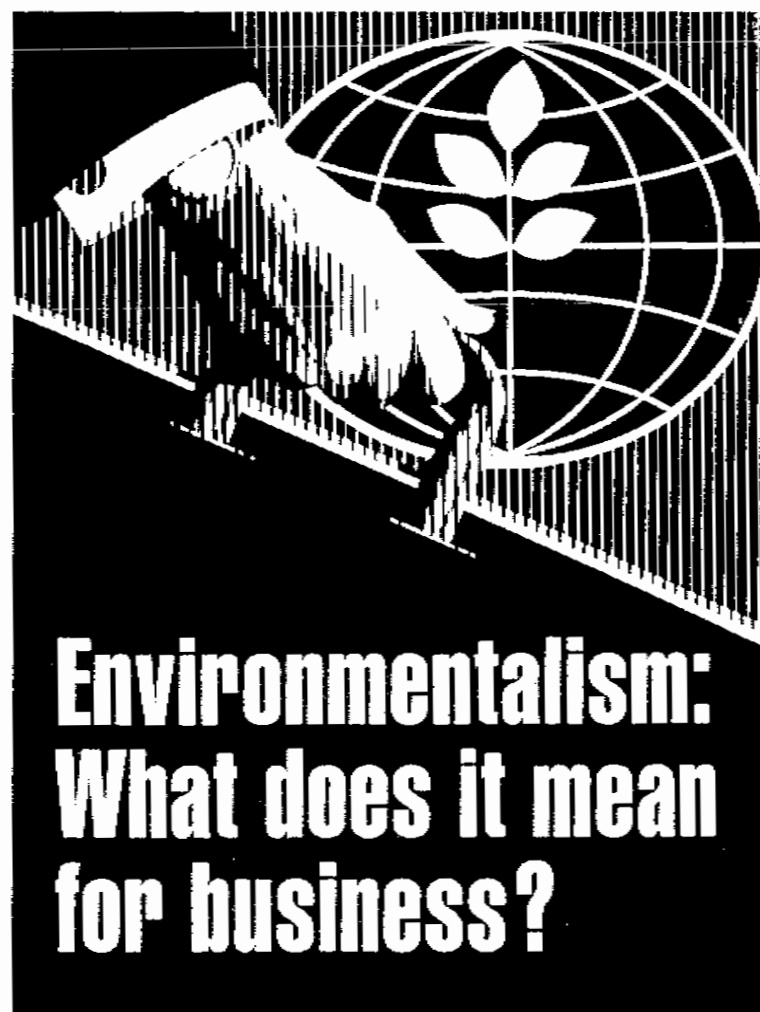




Editor: Jaana Woiceshyn



FACULTY OF MANAGEMENT
Guest Lecture Series 1992-93

PREFACE

Environmentalism is one of today's major concerns for business. Environmental advocacy groups and the media are putting pressure on business to bridle growth and profits. Public demands for cleaner environment and sustainable development are increasing. Governments are responding by tightening their environmental regulations. These trends have several implications for business: they pose both threats and opportunities. The Faculty of Management's ninth Guest Lecture Series focused on the threats and opportunities of environmentalism from the perspective of business firms.

The Series featured six speakers, all experts on environmentalism and business. They spoke of the pressures put on businesses by environmental regulations and activist groups, and about the coping strategies of their firms. They told us how to turn environmental threats into economic opportunities, but also warned about the hazards of appeasing the environmental movement and thus jeopardizing business's right to exist and make profits.

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Introduction to the Lectures

The final lecturer was **Richard Salsman**, Vice President and economist at H.C. Wainwright Economics Inc., and investment consulting firm based in Boston. Salsman took a different stand from the previous speakers in that he condemns business appeasement of environmentalism as disastrous to both business and the environment.

Salsman argues that environmentalism promotes "pure and clean" nature at the cost of human well-being and survival, whereas the goal of business is to promote human values. No compromise can be made between such conflicting goals, says Salsman. He proposes capitalism, a system based on individual rights and private property, as the solution that would ensure human well-being, and accordingly, a clean environment.

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"CORPORATE ENVIRONMENTALISM" AND OTHER SUICIDAL TENDENCIES

Richard M. Salsman
Vice President, H. C. Wainright & Co.
Economics Inc.
Boston, Massachusetts
29 March 1993



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Our environment is being destroyed by a small group of exploiters that abuses the environment and in turn, brings great harm to each and everyone of us. But the environment I refer to, the environment being destroyed, is not the environment of an allegedly calm and pristine nature, untouched by mankind. Rather, it is the environment of capitalist civilization, an environment of science, technology, and mass production of the human comforts that make our lives worth living. And the small group of exploiters I refer to is not rapacious, capitalist businessmen, but hysterical, man-hating environmentalists.

The Inhumanity of Environmentalism

My assessment of environmentalism is not an exaggerated one. In fact, you may be surprised to know how blatant the environmentalists are in admitting

their destructive, anti-human premises. One environmental activist, Stewart Brand, wrote about the movement in *The Whole Earth Catalogue* as follows. "We have wished, we ecofreaks, for a disaster - or for a social change - that will bomb us into the Stone Age, where we might live like Indians in our valley, with our localism, our appropriate technology, our gardens, our homemade religion - guilt-free at last."¹³ A prominent environmentalist, Paul Ehrlich, a Stanford biologist, has said "We've already had too much economic growth in the U.S. Economic growth in rich countries like ours is the disease, not the cure."¹⁴ Environmentalist, Thomas Lovejoy at the Smithsonian Institute, sneers that "the planet is about to break out with fever, and we human beings are the disease."¹⁵ Jeremy Burgess, a journalist sympathetic to environmentalists, wonders "Is it just me, or does everyone else feel guilty for being alive too? Eventually, and probably soon, we shall all be reduced to creeping about in disgrace, nervous of our simplest pleasures."¹⁶

There is something terribly wrong when men openly yearn for a primitive age, an age that predates even their own species; or when they consider economic growth, which is the pre-condition for man's preservation, a disease; or worse, when they consider man himself a disease, a blight on the planet; or, perhaps most revealing, when they cringe in guilty self-loathing, and loathe comfortable living in the process. Environmentalists, who are allegedly opposed to the extinction of six hundred obscure animals, do not seem opposed to the extinction of mankind. On the contrary, they seem to wish it devoutly.

The so-called "environmentalists" of today are not primarily advocates of clean air, clean water, or human comfort. They are advocates of tearing down capitalist civilization - and they are bent on human misery. They want to take us back to the Dark Ages, in ways the most Neanderthal of conservatives could never imagine. For at heart, environmentalists are conservatives of a most barbaric kind. They want to conserve nature in its so-called "original" form, before mankind arrived on the scene. But man is here now, with his vast industrial accomplishments, his gleaming cities, his space-age technology. In the mind of the environmentalists and conservationists, these accomplishments, and mankind itself, are a blight on the planet that must be extinguished. As such, human achievement must be shackled, if not obliterated. Human comforts must be surrendered.

¹³Quoted in Dixie Lee Ray and Lou Guzzo, *Trashing the Planet: How Science Can Help Us Deal With Acid Rain, Depletion of the Ozone, and Nuclear Waste* (Washington, D.C.: Regnery Gateway, 1990), p. 166.

¹⁴ Ray and Guzzo, p. 168.

¹⁵ Ray and Guzzo, p. 167.

¹⁶ Quoted in "Green Guilt and Ecological Overload," *The New York Times*, June 9, 1992.

Business Appeasement of Environmentalism

Businessmen from America to Canada to Europe are guilty of perhaps a worse set of premises: that they must appease environmentalists, that they must concede the moral position of their sworn enemies, that they must engage in self-sacrifice to purchase their innocence, that they must surrender their profits to subsidize extortionists, that they must halt their production to mollify terrorists, that they're being "practical" to negotiate with their killers.

With rare exceptions, the world business community has tried to purchase peace with environmentalists. A recent movement, known as "corporate environmentalism," instructs corporations, small business, and land developers, not to oppose environmentalism as a direct threat but to recognize it pragmatically as a cost of doing business. Many businessmen are embracing it as a unique opportunity. While trying to purchase peace, they are ignorant of the fact that the only peace environmentalists find acceptable is the peace that comes from the virtual absence of business and industrial activity.

This self-defeating embrace of sworn enemies is nothing less than corporate suicide. If one were to observe companies knowingly hire saboteurs and embezzlers, one would know such companies were suicidal. But when companies embrace environmentalists, it is interpreted as enlightened self-interest. Corporate environmentalism and other suicidal tendencies have dire consequences for business and deserve attention. But first, we must understand the essential nature of environmentalism. We must know what it is that corporations are so willing to embrace.

The Pre-Capitalist Age

Environmentalists are fighting to return to an earlier, pre-industrial age. What was it like? In the centuries before the industrial revolution, before the 18th and 19th centuries, before systems of limited government, private property and capitalism were established, man's living conditions were atrocious. In those feudal times, man's work consisted of day-long, back-breaking, agricultural toil. There was no technology or scientific land management or industry. Men were subjected to a harsh, "natural" environment that could wipe them out in a flash. The result was a harsh and bare subsistence level of survival. Sickness was rampant. There was no biochemistry. The average life span was less than thirty years. There were diseases and plagues that today's civilized, capitalist world has long since forgotten. The days of pre-capitalist man were best summed up by the words of Thomas Hobbes, who in his book, *Leviathan*, called him "natural man". He wrote in 1650: "The life of natural man is solitary, poor, nasty, brutish, and short."¹⁷

¹⁷Thomas Hobbes, *Leviathan* (1650), p. 65.

The Capitalist Renaissance

Capitalism was the system that wiped away this human misery and degradation.¹⁸ But capitalism is not a system of government controlled by capitalists to the detriment of others, as Marx interpreted it. Capitalism is a system of limited government, whose sole function is the protection of the individual rights - rights to life, to liberty, and to private property. Under capitalism there is complete separation of the state from economics, with the state granting no special privileges to any group, including business. Capitalism was most closely approximated in 19th century Britain and the United States. But this system has been maligned and undermined for most of this century and is barely surviving today under the onslaught of statism. Statism is the political philosophy which makes the individual subordinate to the state in all matters, economic or otherwise. Today the Western world suffers from a mixed economy, a mixture of controls and freedom, with controls steadily poisoning the freer elements of the system.

Despite all we know of the degradation in the pre-industrial era, it is capitalism and industry that the environmentalists attack most vehemently, and pure nature that they profess to love. The group Ecotage says, "We must make this an insecure and uninhabitable place for capitalists and their projects. This is the best contribution we can make toward protecting the Earth."¹⁹ While environmentalists agitate for obscure animals being placed on the government's endangered species list, they place capitalists on a hit list.

The Anti-Technologists

Environmentalists claim they are merely opposing pollution. But who can say they *favour* breathing and drinking bad air and water? Environmentalists oppose something much deeper. Consider that technology itself is the best remedy for pollution; for example, catalytic converters and water treatment plants. But the environmentalists will hear nothing of the virtues of technology. They want to arrest its advance. One survey of environmentalists revealed that their biggest fear was not global warming but that technology would prove to be an antidote to pollution. They are not against pollution - they are against technology. As one analyst at the Institute for Policy Studies has put the point, "Let's face it. We don't want safe nuclear power plants. We want NO nuclear power plants."²⁰

¹⁸See Carl Snyder, *Capitalism and the Creator: The Economic Foundations of Modern Industrial Society* (New York: The Macmillan Company, 1940) and T.S. Ashton, *The Industrial Revolution, 1760-1830* (London: Oxford University Press, 1948).

¹⁹Quoted in Ray and Guzzo, p. 166.

²⁰Quoted in Ray and Guzzo, p. 167.

Environmentalists will turn on each other in the event respect is shown for technology. One American biologist with environmentalist sympathies, John Todd, discovered a way to mix the toxic sludge from sewage treatment plants with microbes that metabolize the sludge and produce clean water. Instead of applauding his efforts, environmentalists ostracized him, claiming he had "sold out" the cause. Journalist Greg Easterbrook said about Todd: "By discovering a solution to a man-made offense, Todd takes away an argument against economic growth, science, and the industrialism that makes them possible. The fact is, technology is the answer to pollution. But such answers are rejected, because it is technology, not pollution, that environmentalists despise."

Some environmentalists profess to be concerned that we are running out of natural resources. The fact is, the physical make-up of the Earth is so vast as to make the exhaustion of natural resources impossible. Productive activity does not decrease but actually increases the resources available to man.²¹ All that matters for man's life is the extent of his freedom and ability to exploit those resources. If the lack of resources were the true concern of environmentalists, and the product track record of industrialists were any indication of what is available to us, we should see environmentalists applauding the efforts of industrialists. Yet they oppose them at every turn.

Free Market Resource Development

Free market economics, not interventionism and controls, provide the proper criteria for natural resource development. When private property, prices and the profit motive are permitted to operate, an exploitation of natural resources favourable to mankind is assured.²²

Private property means the resources will be treated respectfully, with a long-range view toward their cultivation. Private property also ensures that producers will be the beneficiaries of their own activity, an absolute precondition for their survival. Prices ensure that we do not run out of existing resources, since falling supplies lead to rising prices and a greater motive for consumers to spend less on the resource. Higher prices also encourage greater production of resources which would diminish otherwise. Finally, the profit motive ensures that the development of resources benefits the producer as well as the consumer. Without it, no resources would be

produced. The profit motive also ensures long-range cultivation - if an entire resource were exploited at once, its supply would be enormous and its price would be next to nothing, hardly a prescription for profits. Profits also encourage the development of newer, alternative resources. Alternatives that are not yet profitable should not be pursued.

These economic principles apply to all natural resources, from food, to water, to land, to energy. In the history of U.S. energy exploitation, we first relied on whale oil, then firewood, then coal, then oil, then natural gas, then nuclear energy. At every step of the way there were doomsday warnings of impending "shortages" that never came true.²³ Only when price controls were imposed or property rights were breached, as during the oil crises of the 1970s, did we have problems. But these were political, not economic or metaphysical problems.

Environmentalists on the whole tend to oppose private property, profits, and the price system. They recognize that doing so threatens human liberty. As Eric Freyfogle, professor of law at the University of Illinois has written, "America's founders believed that private land offered protection against the threat of an overreaching state; property was a source of strength against intrusions of liberty." He goes on, "Environmentalism's essential message is that private ownership rights go too far and that we must redraw the line between owner and community."²⁴ What is their view of prices? In his book, *Small is Beautiful*, environmentalist E.F. Schumaker wrote, "Capitalism takes the sacredness out of life, because there can be nothing sacred that has a price."

Environmentalists are fighting to convert private property to government property even though the two main areas where man's environment is truly at risk are government-owned property within generally capitalist countries and in socialist countries. Even in predominantly capitalist countries, to the extent there's been pollution, such as in streams or oceans or the skies, it exists precisely where property rights have not been established or protected by law, or where government owns the property. Harmful pollution is primarily a result of the failure to extend private property rights in areas such as streams, oceans and skies. In a pure, capitalist system, unpolluted by socialist vestiges of government-owned property, pollution is governed by the rule of law, not by the controls and obstructionism on the part of environmentalists. The laws protect men and property rights, for the betterment of life - not the environment for its own sake, regardless of man.

²¹See Julian Simon, *The Ultimate Resource* (Princeton: Princeton University Press, 1981).

²²Terry L. Anderson and Donald R. Leal, *Free Market Environmentalism* (San Francisco: Pacific Institute for Public Policy, 1991). The authors use the word "environmentalism" in the title to refer to natural resource development, not to the anti-human philosophy critiqued in my paper.

²³Charles Maurice and Charles Smithson, *The Doomsday Myth* (Palo Alto: Hoover Institution Press, 1984). See also, J. Peter Vajk, *Doomsday Has Been Cancelled* (New York: Peace Press, 1978).

²⁴Eric Freyfogle, "Problems With Ploughshares," *The New York Times*, January 3, 1992.

One common complaint about forest and mining companies illustrates the importance of property rights. There is often short-term abuse of government lands, in the form of strip mining or rapid cutting, that is blamed on capitalist development. But these lands are not privately owned and offer no incentive for long-range care or cultivation. They are leased by government to companies for a limited time and purpose, positively inviting mismanagement. The mixed economy, not capitalism, is responsible for the short-range methods that are employed on leased lands.

Pollution is another case in point. Of course, city smog and filthy rivers are not benefit to man. Yet when it comes to assessing damages for pollution, objectively demonstrable harm must be shown by one man against another. This is the basis for establishing laws respecting oil rights and air-space rights. Government should enforce such laws, just as it must enforce all laws respecting private property. So long as property rights are protected, pollution is primarily a scientific, not a political problem. More important, only the well-being of mankind, not of nature in isolation, is a legitimate basis for judging pollution risks.

But environmentalists want to abrogate property rights because they have greater concern if it is nature, not man, that is "harmed". They do not propose objective laws for the protection of man; instead they impose arbitrary controls for the alleged protection of nature. They make development impossible, or call for controls that require the impossible, or issue directives that are aimed at a few scapegoats, such as industrial firms and land developers.

It is not capitalism but the socialist countries, countries with no private property or human rights, that have left the worst scars on the environment to the detriment of man. As the Iron Curtain has been peeled back in recent years, it has become obvious that the environments of socialist countries are absolutely despicable.²⁵ Yet despite all this degradation, it is socialism that most environmentalists say we should emulate and it is capitalism they despise.

The Push for "Sustainable Development"

In the 1970s, advocates of "Limits to Growth" maintained that we were doomed to suffer shortages of basic materials.²⁶ They pushed for conservation measures, saying mankind could not survive without them. In the 1990s, environmentalists are now pushing an agenda known as "sustainable devel-

opment". They complain that capitalism is too productive, that as a result it will exhaust all natural resources, not to the detriment of man, but to the detriment of the resources.

As one article puts it, "sustainable development" is an emotionally charged idea which holds that future prosperity depends on preserving 'natural capital' - such as air, water, and other ecological treasures - and that doing so will require balancing human activity with nature's ability to renew itself." The article notes that "humans now consume 40% of earth's production on land...leaving only 60% for land-based plant and animal species and ecosystems which need enough to support their own functions."²⁷ Mark Shaffer of the Wilderness Society says "We keep destroying our natural habitat. The ultimate question is, 'what is nature's share of the landscape?'"²⁸ Herman Daly, an economist at the World Bank, says "economies can flourish at steady state, without growth" and complains of "the economic cost of depleting natural resources, degrading soils, and otherwise insulting nature."²⁹

There are no grounds for believing that capitalist development is "unsustainable". For two centuries, the quality and length of life have grown enormously under capitalism. New and greater quantities of resources have been developed. Only in socialist and third world countries is life truly unsustainable and reliance on the products of the West a matter of life and death. So advocates of sustainable development should be embracing capitalism. Indeed, "sustainable development" sounds as if it supports economic growth. But it promotes neither the sustenance nor the growth of human beings at all. In fact it requires no net depletion of resources in the process of development - an unsustainable proposition if man is to survive and flourish. What really stands behind the concept of "sustainable development"? Environmentalists know that most people do not share their animosity toward economic development. People are not interested in sacrificing their jobs, economic development, and prosperity for plants, animals, rocks, and the ozone. Environmentalists have pushed the propaganda of "sustainable development" to mask an anti-industrial agenda that few support.

Man's Need to Exploit the Earth

Many environmentalists express a chronic guilt or anxiety about living on Earth under capitalism and insist that we return to a state of nature in which we would exist like animals. But if we are to live on this Earth as humans, not

²⁵See "The Polluted Lands of Eastern Europe," *New York Times Magazine*, April 29, 1990 and "The Legacy of Soviet Communism: Poisoning Russia," *U.S. News and World Report*, April 13, 1992.

²⁶Dennis Meadows et al, *Limits to Growth* (New York: Universe Books, 1972).

²⁷"Growth vs. the Environment: The Push for Sustainable Development," *Business Week*, May 5, 1992.

²⁸"What's Nature's Share? EcoSystem vs. Economy," *USA Today*, March 4, 1993.

²⁹"Economists Strive to Find Environment's Bottom Line," *The New York Times*, September 8, 1992.

as animals, we must begin by learning the difference between the two. American philosopher Ayn Rand stressed this difference, and helps us see what it means for our relation to the environment.

Rand argued that reason is man's unique means of survival. One a purely physical level, man is unfit for survival. He has no "instinct for self-preservation" and no automatic mechanisms to sustain his life. To survive, man must use his conceptual faculty, his reason, to make his environment liveable. Man is the only animal that must change his environment in order to live. To survive and flourish, he requires the free use of his mind, his one unique attribute not shared by other animals. As such, man also requires the protection of his individual rights, to his life as well as to the property needed to sustain it. Technology and industry are physical extensions of man that make it possible for him to survive. There is nothing "unnatural" about these.³⁰

On the other hand, animals survive only by instinct, not by reason. Whatever physical features they have, whatever instincts they possess at birth, are all they'll ever have to survive their environment. If the environment is harsher than these features can withstand, the animal perishes. According to Ayn Rand, "it is this basic, metaphysical fact of man's nature - the connection between his survival and his use of reason - that capitalism recognizes and protects."³¹ To survive and flourish, man must change the status quo of nature. Man's life requires productive work, which, as Ayn Rand described it, is a process of "shaping matter to fit one's purpose, of translating an idea into physical form, of remaking the earth in the image of one's values"³² This is what it really means to "improve man's environment."

More than any other social system, capitalism exploits the resources of the earth and brings them in a more favourable relation to man, a relation that does not exist and is not possible in an untouched, natural setting. Without rearranging the elements of the earth to suit his own purposes, man would perish. This is why one of man's greatest virtues is his ability to produce. If man is to survive and flourish, he must transform nature, and he must live under capitalism, the system best suited to man.

The environmentalists have a different vision. The more successful people become at shaping their environment, as they do under capitalism, the more

they are hated by environmentalists. This is why science and industry, the conquerors of nature, are despised and attacked by environmentalists, while socialist and primitive cultures, which suffer passively under nature, are admired and defended. Ayn Rand has said that "the producers conquer nature; the parasites conquer men." Despite their aversion to capitalism, environmentalists themselves cannot survive without it. They attach business and industry in the hopes of inducing guilt and appeasement.

The Belief in Nature's "Intrinsic Value"

At root environmentalists oppose economic development because they see nature as having intrinsic value, apart from all contribution to human life and well-being. Everything in nature has value, they say, except man. More consistent environmentalists consider man to be "unnatural", a blight on the planet. Believing nature has intrinsic value, they are prepared to stop the beneficial advance of science, technology and capitalism. They're indifferent to the human suffering that would ensue.

Consider, for example, the view of David Graber, a research biologist with the National Park Service. In a *Los Angeles Times* review of Bill McKibben's book, *The End of Nature*, Graber writes: "Human happiness, and certainly human fecundity, are not as important as a wild and healthy planet. I know social scientists who remind me that people are part of nature, but it isn't true. Somewhere along the line - at about a billion years ago, maybe half that - we quit the contract and became a cancer. We have become a plague upon ourselves and upon the Earth. Until such time as Homo sapiens should decide to rejoin nature, some of can only hope for the right virus to come along."³³ What could be a more blatant display of hatred for man than Mr. Graber's open wish for a virus to wipe out all of humanity? By implication, he is condemning the introduction of the rational faculty - of mankind - on the planet. He wants to wipe it out entirely - in the name of preserving "nature".

In his book, *Respect for Nature: A Theory of Environmental Ethics*, Paul Taylor writes: "Given the total, absolute, and final disappearance of Homo Sapiens, not only would the Earth's community of life continue to exist, but in all probability, its well-being would be enhanced. Our presence, in short, is not needed. And if we were to take the stand of that Life community and give voice to its true interests, the ending of the human epoch on Earth would most likely be greeted with a hearty 'Good Riddance'."³⁴

³⁰See Ayn Rand's *Atlas Shrugged* (New York: Random House, 1957), *Capitalism: The Unknown Ideal* (New York: The New American Library, 1967), and "Environmentalism: The Anti-Industrial Revolution" (Marina del Rey: The Ayn Rand Institute).

³¹"What is Capitalism?," in *Capitalism: the Unknown Ideal*, p. 11.

³²*Atlas Shrugged*, p. 1020.

³³Quoted in "The Toxicity of Environmentalism," by Dr. George Reisman (Laguna Hills, California; The Jefferson School, 1990).

³⁴Paul Taylor, *Respect for Nature: A Theory of Environmental Ethics*, p. 115.

As Ayn Rand has described it, "The intrinsic theory holds that the good is inherent in certain things or actions as such, regardless of their context and consequences, regardless of any benefit or injury they may cause to the actors or subjects involved. It is a theory that divorces the concept of "good" from beneficiaries, and the concept of "value" from valuer and purpose - claiming that the good is good in, by, and of itself...The intrinsic theory holds that the good resides in some sort of reality, independent of man's consciousness."³⁵

Alternatively, Rand argues that any system of values depends on answering the question: Of value to whom and for what? In this context, it is senseless to speak of the value of air or water in isolation. It is only legitimate to speak of the value of air or water to a valuing being. Rand upholds an objective theory of value, which holds that things are of value only in their relation to a living being, in this case man - to the extent something advanced man's life, it was the good; if it harmed man's life it was the bad. As a foundation for ethics, this objective theory of value tells man to live his life without sacrificing himself to others, nor others to himself. Man should practice neither masochism nor sadism, but rather, rational self-interest. But how will men act if they follow an intrinsic theory of value? As Rand explains: "If a man believes that the good is intrinsic in certain actions, he will not hesitate to force others to perform them. If he believes the human benefit or injury caused by such actions is of no significance, he will regard a sea of blood as of no significance."³⁶

The environmentalists hold an intrinsic theory of value - and their destructive actions follow accordingly. Believing nature has intrinsic value, apart from any benefit or harm it holds for man, they are prepared to stop the beneficial advance of science, technology and capitalism. They're indifferent to the human suffering that would ensue. Consider, for example, the following from David Graber: "Man has been remaking the earth by degrees, and this is no less tragic for those of us who value wilderness for its own sake, not for the value it confers on mankind. ...We are not interested in the utility of a particular species or free-flowing river, or ecosystem, to mankind. They have intrinsic value, more value - to me - than another human body, or a billion of them."³⁷

The intrinsic theory of nature's value has even been relied upon by environmentalists to deny humans a cancer treatment. Consider the case of that wondrous new cancer treatment drug, Taxol, which treats ovarian and breast

cancers. Taxol is made by Bristol-Meyers from extracts of the rare Pacific Yew tree. One study found that until its drug properties were discovered, the Pacific Yew tree had little commercial value at all and was considered by forestry experts as nothing more than a shrub or weed - a dispensable by-product of other timber production. In short, the Pacific Yew was not valuable to man, and drew no attention from environmentalists. Only when the tree was shown to benefit human life and its supply was actively investigated did the environmentalists spring into action - not surprisingly, they acted against humans and for the tree. "The basic issue in our minds is that the Yew is a finite resource," says Wendell Wood of the Oregon Natural Resources Council.³⁸ Bristol-Meyers responded to government restrictions to harvesting the trees as follows: "There are people prepared to let women die to save the trees".³⁹ The company is correct. Apparently women do not fit the category of "finite resource" that seems so precious to environmentalists.

Environmentalism's Pseudo-Science

Given their basic nihilism, there is every reason to doubt the veracity of every single claim you hear from environmentalists, including the claim that their goal is to help man. But don't take my word for it. Environmentalists admit openly to rejecting scientific objectivity and flouting the need for any proof or evidence of their bizarre claims. Jonathan Schell, author of *Our Fragile Earth*, says: "We need to act on theory alone, which is to say on prediction alone...Scientists must disavow the certainty and precision they normally insist on...we need to act decisively to forestall our predicted perils, even while knowing they may never materialize. We must take action, in a manner of speaking, to preserve our ignorance."⁴⁰ Stephen Schneider, well known for his predictions of global catastrophe, has said: "We have to offer up scary scenarios, make simplified, dramatic statements, and make little mention of any doubts we have. Each of us has to decide what the right balance is between being effective and being honest."⁴¹

In other words, many environmentalists believe they can just "make it up" to advance the cause. The ends justify the means. Even government policy and global treaties can be based on pseudo-science. Richard Schneider of the U.S. State Department, has said: "A global climate treaty must be implemented even if there is no scientific evidence to back the greenhouse effect."⁴² Many

³⁵*Capitalism: The Unknown Ideal*, pp. 21-22.

³⁶*Capitalism: The Unknown Ideal*, pp. 14-15.

³⁷Quoted in "The Toxicity of Environmentalism," by Dr. George Reisman (Laguna Hills, California: The Jefferson School, 1990).

³⁸"Tree Yields a Cancer Treatment, But Ecological Cost May be High," *The New York Times*, May 13, 1991.

³⁹"A New Cancer Drug May Extend Lives - At Cost of Rare Trees: That Angers Conservationists," *The Wall Street Journal*, April 9, 1991.

⁴⁰Quoted in Ray and Guzzo, p. 167.

⁴¹*Discover*, October 1989.

⁴²Quoted in Ray and Guzzo, p. 167.

environmentalists are blatant about their subjectivity, their dishonesty, and their nihilism. Environmentalism has become a sort of religion and its proponents have by now abandoned any pretence to science. They are engaged in almost purely propagandist tactics. This is why virtually every claim made by the environmentalists turned out to be false or simply absurd. They proved false, because they were made without any regard for the truth in the first place.

In recent years, reputable scientists have examined closely the array of so-called environmental controversies, including DDT, cyclamates, saccharin, global warming, irradiated food, the ozone layer, acid rain, nuclear energy, asbestos, BHT, electro-magnetic fields, Three Mile Island, Love Canal, Agent Orange, Alar, and much, much more.⁴³ One conclusion is clear. Environmentalists have employed pseudo-science. They have turned correlations into unwarranted causations. They have forecasted meaningless extrapolations. They have equated rat physiology with that of humans. They have exaggerated risks or lied about them. They have falsified data. They warned of global cooling in the 1970s and global warming in the 1980s.

Many environmentalists have lived off government research subsidies, further undermining the credibility of their claims. What is worse, they have used political power and coercion to ban pesticides, chemicals, preservatives, nuclear energy, and other beneficial technologies. They pose as interested in human well-being - while undermining human living standards.

The Environmental-Socialist Alliance

To add to their failing credibility, many environmentalists have made common cause with socialists and other anti-capitalists. Consider the environmental utopia of Rudolf Bahro, founding member of Germany's "Green Movement." Bahro says, "People should live in socialist communities of no more than 3,000, consuming only what they produce and not trading outside the community. There should be no mechanized transportation, no computers or modern technology."⁴⁴ At the 1992 "Earth Summit" in Brazil, Gro Harlem Brundtland, Norway's former Prime Minister and vice president of the

International Socialist Organization (ISO), spoke of "the burden industrial nations impose on the carrying capacity of the Earth's eco-systems by their unsustainable consumption and production patterns."⁴⁵ In a later interview she freely admitted that the Earth Summit agenda was based upon the ISO's platform. The conclusion of the Summit was that the West should transfer massive amounts of wealth to the poor and socialist regions of the world. Judi Bari of the terrorist-ecology group, Earth First!, says, "I think if we don't overthrow capitalism, we don't have a chance of saving the world ecologically. I think it is possible to have an ecologically sound society under socialism. I don't think it's possible under capitalism."⁴⁶

So what must be done? One Earth Summit leader, former Prime Minister of France, Michael Rocard, has said: "Let's not deceive ourselves. It is necessary that the community of nations exert pressure, even using coercion, against countries that have installations that threaten the environment. International instruments must be transformed into instruments of coercion, of sanctions, of boycott, even, perhaps in 15 years time, outright confiscation of any dangerous installation."⁴⁷ Please note: the "installations" he refers to and wants destroyed are not military installations which threaten human life - they are the industrial factories, power plants, and infrastructure that make human life possible.

Why have socialists joined up with the environmentalists? Socialism has been thoroughly discredited as a wholesale assault on human well-being. But clean air and water still have a constituency. Consider the views of socialist Paul Berman, who complains that socialism has a bad reputation, not because it's a vicious theory, but because of "failed applications" in the Soviet Union and Eastern Europe. Berman thinks "misapplications" of socialism result from vague definitions of this ideal. He calls on socialists to refurbish socialism's tattered image. How? Berman says socialists "should not bother with a socialist vocabulary that has been so badly compromised..." To promote what he calls a "popular understanding of socialism," Berman says, "people may prefer, simply on the grounds of clarity, to speak in a language of...ecology or religion."⁴⁸

This is why socialists have made common cause with environmentalists. If socialism has a bad name and the world has rejected you outright, call

⁴³See especially, Melvin J. Grayson and Thomas R. Shepard, Jr., *The Disaster Lobby: Prophets of Ecological Doom and Other Absurdities* (Chicago: Follett Publishing, 1973); Edith Efron, *The Apocalypitics: Cancer and the Big Lie* (New York: Simon and Schuster, 1984); Dixie Lee Ray and Louis Guzzo, *Trashing the Planet* (1990); *Environmental Overkill* (Washington: Regnery Gateway, 1993), also by Ray and Guzzo; *Rational Readings on Environmental Concerns*, edited by Jay H. Lehr (New York: Van Nostrand Reinhold, 1992); and Michael Fumento, *Science Under Siege* (New York: William Morrow & Company, 1993).

⁴⁴Quoted in *Imprimis* (Hillsdale College, Michigan, January 1992).

⁴⁵Dixie Lee Ray and Louis Guzzo, *Environmental Overkill* (Washington: Regnery Gateway, 1993), p. 5.

⁴⁶Ray and Guzzo, *Environmental Overkill*, p. 203.

⁴⁷Ray and Guzzo, *Environmental Overkill*, p. 10.

⁴⁸"There Remains a Place for the Ideals of Socialism," *The New York Times Magazine*, October 27, 1991.

yourself an environmentalist, people like Berman advise. Notice the shift in tactics of the left. At first capitalism was said to exploit the worker. Proved false, it was then said to exploit the "third world". Proved false, it was then said to exploit the spotted owl and the snail darter. Now it is said to exploit the ozone and biosphere. When you see a spectacle like this, you can be sure you are seeing the last gasp and dead end of socialism and irrationality.

The Business Embrace of Environmentalism

In America, in Canada, and especially in Europe, the business community has been appeasing environmentalism. In a movement known as "corporate environmentalism," companies have set up special departments of environmental affairs to comply with laws, prepare for environmental "audits," "negotiate" with environmentalists, plot "green" public relations campaigns, and issue "environmental annual reports." Meanwhile, the demands of environmentalists have grown more brazen with every new business concession. In the 1970s companies were asked to clean up rivers they polluted. Today they are told to tear down existing dams because they impede the upstream spawning of salmon.

Of course, business appeasement of critics is nothing new. Environmentalists are merely the latest critics. For decades, business has appeased government officials, labour unions, so-called "consumer advocates," and sundry community activists - those who attack them and those that threaten attack. Why does business appease instead of defend and fight back?

Some in business will say they cannot afford the legal costs of fighting. Others will blame the arbitrary nature of the laws that entangle them, such as anti-trust laws, product safety laws, securities laws. These laws are purposely obscure and give government maximum discretion. Others blame courts that now assume business to be guilty until proven innocent, an unjust shift of the burden of proof. Environmentalist lawyers are even trying to establish the concept of "environmental crime" - a crime against nature. One example might be cutting down a tree. Shall this be prosecuted as an assault and battery, or murder? According to Jonathan Turley, director of the Environmental Crime Project at George Washington University in Washington, "Without such changes, using nature as a vehicle for crime is still a sound business judgment." "Unfortunately," he says, "most environmental criminals escape investigation, let alone prosecution."⁵⁰ In Massachusetts, a proposed law titled "The Environmental Trust Fund and Forfeiture Act,"

would empower courts to make convicted environmental criminals to forfeit their profits.⁵⁰ It is modeled on a law that prosecutes drug dealers.

This ominous trend of criminalizing business is real - and reprehensible. There has been a veritable explosion of environmental law, mandates, taxes, and lawsuits passed worldwide in the last few years. But many of these measures were passed with the support of business. Examples of business appeasement of environmentalist demands are innumerable. After the Exxon Valdez oil spill in 1989, environmental and religious groups established a "corporate conduct" code that hundreds of companies raced to endorse. The code included pledges to put environmental and religious leaders on corporate boards.⁵¹ Polly Strife is director of Environmental Health and Safety at Digital Equipment Corp. in Boston. She writes that "corporate environmentalism is a defining factor of successful business strategy." "The challenge for any corporation," she argues, "is to take environmentalism as a pre-eminent social value and apply it to business realities." But, she concedes, "it is not always easy to balance the obligation to maximize return on investment to shareholders with broader social obligations advocated by environmentalists."⁵²

In many cases, business is the main funding arm of the environmental movement. A 1991 article titled "Business is Backing the Environment," says "Business sponsorship of the environment, whereby companies put money toward environmental projects, has begun to escalate across Europe." In the UK, "some companies are spending as much as \$17 million a year on charity to environmental groups." One member of the environmental group World Wide Fund for Nature reports that "while we assess the environmental implications of their products, we also look at what they are offering us financially because we have to get a good return." In most dictionaries, such transactions would go down as extortion.⁵³

Many of the big environmental groups in the United States live off donations extracted from business. According to one report, "Companies have been eager to contribute because they gain a measure of goodwill before the public that they could not attract through traditional public relations efforts and advertising."⁵⁴ Yet some groups refuse to take corporate donations. As one

⁵⁰Jonathan Turley, "We Need to Unearth Environmental Felons," *The Wall Street Journal*, March 11, 1993.

⁵⁰"Firms Fear Environmental Crime Bill Gives Enforcers Too Much Power," *The Boston Herald*, March 4, 1993.

⁵¹"Group Sets Corporate Code on Environment Conduct," *The New York Times*, September 6, 1989.

⁵²Polly Strife, "Corporate Environmentalism," *The Boston Globe*, January 26, 1993.

⁵³"Business is Backing the Environment," *The Wall Street Journal*, June 14, 1991.

⁵⁴"Drop in Company Gifts Tests Environmentalists," *The New York Times*, December 23, 1991.

Greenpeace trustee puts it, "If you were trying to handle drug problems in your community, you wouldn't be saying, 'Let's try to work this out with the drug dealers.'"⁵⁵ His hatred for business is obvious. But at least this principled stand is admirable. Can anyone imagine a businessman refusing to deal with an environmentalist on the same grounds?

In the Pacific Northwest of the U.S., 25,000 logging jobs have been lost since 1990, when the spotted owl was added to the government's endangered species list. The Bush Administration estimated that the cost of saving 2,300 owl pairs will be 32,100 jobs over the next twenty years. But Don Barry of the World Wildlife Fund says the 1973 Endangered Species Act, now with 600 on the list, doesn't need changing. He concedes that between 1987 and 1991, 73,560 business projects were defined as conflicting with the Act. But, he says, "There is no absolute right to develop property." Mark Shaffer of the Wilderness Society says, "We keep destroying our natural habitat. The ultimate question is, 'what is nature's share of the landscape.'"⁵⁶ Despite the hostility, logging and paper companies sponsor full-page ads apologizing for their behaviour, insisting they are "eco-sensitive."

In the U.S. recently, the major auto companies met with officials of the Environmental Protection Agency. Even though stricter controls on the car companies are expected, executives claimed to be pleased that the new administration was willing to meet. There was no mention of the proposals appearing in Vice President Al Gore's book, *Earth in the Balance*, which would drive down car company profits. General Motors chairman John Smith declared, "It's time to forge a new cooperative relationship. The traditional adversarial approach to regulations has reduced our efforts to compete effectively."⁵⁷

Business Guilt and the Futility of Pragmatism

In truth, business appeasement goes much deeper than attempts to lower legal costs or join a popular cause. At root businesspeople feel guilty for their success. They have been told that selfishness is a vice - yet there is nothing more selfish than making a profit. They have been told that the planet is on loan from God and not theirs to play with - yet production is their life. They have been told to serve the public interest, a customer base they have never been able to define or locate. Of course, all of these ideas are suicidal to

business, but that has not stopped businesspeople from accepting them. They embrace a morality that is at odds with their business instincts. They feel hypocritical. They are ripe to apologize for their success and appease their enemies, hoping to be absolved of their "sins". What they do not know - and what environmentalists hope they will never learn - is that such appeasement is their only actual sin.

Instead of opposing environmentalists on principle, businessmen act in accordance with the philosophy of pragmatism. They believe they are being "practical" by dealing with the environmentalists. Unsure of their own moral legitimacy, they consider the desire of environmentalists to run them out of business on a par with their desire to go on producing. By dispensing with objectivity and principles and compromising their basic rights, as pragmatism demands, businesspeople are creating the rope with which to hang themselves. A more practical course could hardly be imagined.

Business support of environmentalism is often interpreted as meaning that environmentalism is innocuous. But this is based on a persistent Marxist myth that ideology is governed by one's economic class, that businesspeople must necessarily be pro-capitalist. Nothing could be further from the truth. Most businesspeople are trained in the universities and business schools, where anti-capitalist, anti-business ideas are widespread. They cannot help being affected by such ideas. The appeasing behaviour they show when they enter the business world is proof enough. In many ways, the relatively less-educated lower and middle class business owners are more pro-business than the wealthiest executives.

Radical Environmentalists vs. the "Moderates"

The essence of the environmentalist message is anti-human. But some claim that most environmentalists are not so radical or destructive. But the views I have discussed come from the leaders of the environmental movement - the ones who form the organizations, write the newsletters, and push for legislation - not from some fringe elements. Moreover, the more "moderate" nature groups such as the National Audubon Society, the Sierra Club, the Nature Conservancy, and zoological societies have not repudiated these leaders. On the contrary, they often help the radicals, with free public relations campaigns, mailing lists, coalition-building, and political action committees. These groups tend to work hand-in-hand because, implicitly, they share the same basic premises - the premises of environmentalism. "Radical" means pertaining to the root, to the essence of a thing. The radical environmentalists I have discussed are the most consistent advocates of this deadly poison. Moderate environmentalists are in basic agreement with the radicals, but unwilling to be quite so anti-human.

⁵⁵"Environmental Group Doesn't Always Lick 'Em; It Can Join 'Em and Succeed." *The Wall Street Journal*, August 20, 1992.

⁵⁶"What's Nature's Share? EcoSystem vs. Economy," *USA Today*, March 4, 1993.

⁵⁷"EPA Extends Olive Branch to Auto Makers," *The Wall Street Journal*, March 23, 1993.

One must also recognize the brute political force wielded by radical environmentalists at taxpayer expense - at the so-called Environmental Protection Agency, at the Department of the Interior, at the National Park services, and on the local zoning boards. These activists are not on the fringe. They wield power over millions of people. Even if the radicals represent only ten percent of the environmentalist population, they represent one hundred percent of the environmentalists committed to government action, which means, committed to forcing their views on others. If moderate environmentalists are troubled by the radical essence of the movement to which they have become associated, they should work to distinguish themselves from it. If all they desire is clean air and water, they can accomplish these ends best by defending technology and capitalism.

The same holds for business. Business appeases radical environmentalism today without recognizing its essence. To save themselves (and mankind) from environmentalism, businesspeople must truly understand it and reject it root and branch. They should start by rejecting its corrupt philosophic underpinnings. Environmentalism is not some innocent appeal for clean air and clean water. It is an anti-industrial, anti-business movement based on the philosophy that "nature" is an end in itself with intrinsic value apart from man. It considers man an unnatural blight who must sacrifice himself to the planet. On the contrary, man must actively shape his environment in order to survive and flourish. Environmentalism poses the gravest threat to business achievement since the descent of socialism, at home and abroad. The producers must take back the planet from the enemies of mankind.

Understanding these premises, companies should avoid any entangling or compromising alliances with environmentalists, in whatever form. They should stop meeting with them and paying them off. They should dismantle their environmental departments and their "green" public relations campaigns. They should issue public statements condemning the destructiveness of environmentalism. They should fund pro-capitalist, anti-environmental think tanks. They should demand the privatization of all land. They should defend their smokestacks and their profits and the freedom of their satisfied customers to buy their products. They should produce and prosper and consume guiltlessly. They should encourage the Third World to do the same, without handouts. They should resist even the slightest impression of tacit support for environmentalism. For example, they should stop using recycled paper in their annual reports.

A Philosophy for Living on Earth

Businesspeople should seek a genuine, fundamental alternative to the anti-capitalist mentality of environmentalism. They should learn about the only

philosophy that enhances man's environment on earth, enhances it for his own purpose and for his own sake, one that Ayn Rand called a philosophy for living on this earth. They should study and apply her philosophy of Objectivism.⁵⁸ When they do, they will know the moral virtue of the work they do each day.

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⁵⁸See Leonard Peikoff, *Objectivism: The Philosophy of Ayn Rand* (New York: Penguin Books, 1991).

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DISCUSSION

Q: Forestry technology is being used to increase the harvests to a maximum, and jobs are being destroyed in the process. Yet, the forestry industry is supposed to create jobs. Isn't there a contradiction? My other question is: Do you truly believe that we can maintain our current levels of growth and our current lifestyles without any limits, given the current rates of environmental destruction?

RS: My answer is: there should be no limits. To limit economic development is to limit human life — which no humanitarian should endorse. As for jobs, you say: "Forest product companies are supposed to create jobs." No, they're not. Business should not serve the social agendas of some activist group or some government job program. The goal is not to create jobs for the sake of creating jobs. If jobs were our main purpose, everybody could simply dig holes and fill them up. The whole history of capitalism has shown that by the introduction of capital we can save human labor. We can enhance our comfort. Our goal should not be to engage in the back-breaking agricultural toil of the pre-industrial age that is still the way of life in anti-capitalist, socialist countries. Our goal in life is not to toil away for the sake of toiling. So I would differ with your premise that the task of business is to create as many jobs as possible. If we can have the same standard of living as today

while sitting on a beach somewhere reading our favorite book, that is an increase in our standard of living. I would reject the idea that by introducing technology into harvesting techniques and reducing physical labor, we are somehow taking a step backward. On the contrary, we are taking a great step forward.

Q: Wouldn't a reduction of population be a solution to the dilemma between the economy and the environment?

RS: No, and there is no "dilemma" to speak of. For environmentalists, the dilemma is human production and consumption of natural resources. As such, they endorse a massive campaign to lower human population. If you look at the environmental literature, you find advocates of forced sterilization and other gruesome methods to reduce population. Population reduction is not necessary. It's certainly immoral to forcibly reduce population, or even to suggest that population has to be reduced, for the sake of the planet. The idea that you must reduce population is a vast step backward, not forward. Typically, populations have grown when human living standards increased. Environmentalists believe we either have a growing population and widespread poverty, or comfortable living with only a handful of us. The history of human advance shows that population grows with the growth of production; in fact that is the only way billions of us could have survived. We should be applauding population increases. The idea that human beings only consume but don't produce things leads many people to be very suspicious of population growth. But when a human comes on the planet, he isn't just a consuming entity. That's how environmentalists see humanity, as a huge consuming entity. In fact every human that comes on the planet is a potential producer. Of course, he could be a parasite, he could voluntarily decide not to produce, and try to live off the production of others. That we have the potential to live as parasites is no argument for doing so — but that's what environmentalists seem to believe.

Q: Your talk was very biased and used generalizations. More than a few times during the talk, I almost became ill. Notwithstanding that, you are actually doing a great service to the environmental movement, because one of the insidious things about the current movement is this co-option that you refer to. We would be much better off if all the business people in our capitalist society expressed openly and frankly the same kind of contempt that you have, not only for the public and the masses at large, but also for the environment. You would do a great service if all the other businessmen were as open and frank as you are.

RS: Well, the state of your stomach is not an argument against anything I've said. You reflect a tendency in the environmental movement to be irrational and emotionalist.

Q: You said taking out the trees with the best technology possible was a great benefit. I'm wondering to whose benefit is it?

RS: To buyers of lumber products who pay lower prices as a result. To buyers of homes and builders of homes, for example. Anyone who uses forest products benefits enormously by the introduction of labor-saving devices that lower production costs.

Q: Does not the greatest benefit go to the forest companies?

RS: I certainly hope so. They're the ones who did the work and produced the product — they should get the main benefit. In the end, the market, not environmentalists, should decide. Businessmen should not be appeasing critics by saying: "Please permit us to exist so we can provide jobs. Please permit us to exist so we can build homes for people who need homes. Please permit us to create paper so that professors and students can write papers attacking us as evil exploiters." Business people should be defending their profits first and foremost. Of course there are secondary benefits from profits for other people. That is the nature of capitalism: rational self-interest in the pursuit of the profit motive benefits many more people indirectly than those who profit directly.

Q: First I'd comment that you seem disparaging in suggesting that environmentalism is approaching a religion. It is also interesting that you quote widely from Ayn Rand's philosophy to support your attacks on the desire of a significant number of people to preserve the environment. It would appear to me from your quotations that Miss Rand may, in fact, not agree with your interpretations. For instance, you say man uses reasoning ability to make his environment livable. Would you deny that some actions of some humans actually contribute to making the environment unlivable? For instance, would you like to drink from Love Canal?

RS: I offered evidence to show that the environmentalists are embracing a religious approach. They tend to rely on emotion, on faulty methods, on the Biblical notion that this is God's land and we are only here to husband it for unknown future generations. Many environmentalists admit openly to being non-objective. They've advocated being non-objective by not going by reason but by emotions and by religion.

Q: My question still is: Would you deny that anything man does makes things unlivable or could contribute to making things unlivable?

RS: No one who values life wants polluted rivers per se, but if other water sources are available, polluting a river can be advantageous. The standard should be: "What is good for humanity", which is very different from saying:

"We don't want polluted rivers for the snaildarter". Let me add that I agree with Ayn Rand on environmentalism, which she called the anti-industrial revolution. If you know her writing, you know she detested the ecology movement as inhuman.

Q: You're arguing for private ownership to solve the problems. Would you not agree that unless you restrict complete private ownership, there are externalities from the actions that we take as agents in the economy? If we don't have complete private ownership today, is it reasonable to try and argue for it? Is it really feasible for somebody to own the air around the top of this building, or is it better to recognize that private ownership is not perfect and to strive for a role of government and other agents in the economy to manage an imperfect world?

RS: Private ownership has the beneficial function of solving competing claims. There should be 100% private ownership. But the primary reason for private property is that man has a right to his own life. If you have a right to your own life, you have a right to take actions necessary to sustain that life. That is the basic moral justification of private property. You cannot sustain your life properly without private property.

Private property is absolutely indispensable to the preservation of human life. Moreover, private property comes to those who earn it. Private property is not something transferred forcibly from one person to another. You say that even if you had 100% private property, there would be externalities. I agree. But there are externalities involved with everything anybody does at any level, not just in economics. For example, we all benefit from the externalities of Shakespeare's plays. He's not here anymore but there are third, fourth, fifth, sixth party effects of his work — hundreds of thousands of people beyond those that Shakespeare touched or affected directly. Now, that's a positive externality, but the idea that second, third or fourth party effects on other people must be captured in every single price is not legitimate. On the other hand, if a negative externality such as pollution, has demonstrably harmed some other human, that can warrant restitution. But it should be settled in a court of law with rules of evidence. That is not what current environmental laws accomplish, however. That's not what the environmental agencies are doing. These laws say some areas shall not be developed, or some species shall be protected from humans. These laws have nothing to do with protecting other humans.

You mentioned that there would be no reason for people to worry about air rights above this building. I agree, but they worry about them in Manhattan. In certain areas it pays to be concerned about air rights. Manhattan is so

densely packed that land is very valuable, and the air above its skyscrapers is valuable as property. In Texas, there is a private property in oil that moves around under the surface and doesn't necessarily follow property lines. In oceans there is electronic fencing where fisheries can fence off areas and establish property lines. The feasibility of setting out property rights in these areas is a legal and technical issue, not an environmental one.

Q: How do you feel as a taxpayer having billions and billions of dollars spent with the Super Fund in the U.S. to clean up after businesses that have only been concerned about a profit and haven't spent the extra money to properly dispose of their waste.

RS: It's a fraud and a theft. The so-called Super Fund is a \$25 billion program in the U.S. to clean up old dumps. In effect, it is a massive waste of money and a massive waste of human energy and effort. It's \$25 billion, taken from people who produce, spent on allegedly cleaning up former toxic waste dumps. I would argue that to the extent that there is any harm left over from old dumps that can properly be demonstrated to hurt people today, there may be some argument for cleaning that up but certainly not by government. There would be absolutely no reason why government should be in the business of waste management. Private companies do it better anyway. In the way government does it, there is generally massive waste when taxpayers are forced to fund the clean-up of dumps. Only a system of private property, capitalism and technology can deliver the kind of advanced waste management we enjoy today.

COMMENTARY

"Corporate Environmentalism" and Other Suicidal Tendencies by Glenn Woiceshyn and Jaana Woiceshyn

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Key Issues Raised by Salsman

It is important at the outset to clarify what is meant by an environmentalist. An environmentalist is someone who accepts in part or in whole the idea that nature possesses intrinsic value, regardless of value or purpose. As University of Calgary philosopher Thomas Hurka stated it, "Plants and animals and all of nature are valued for themselves and not just for their usefulness to humans." (MacArthur — 1993). Hence, this definition of an environmentalist excludes those who value clean air, clean water and certain species for human benefit and enjoyment.

Salsman makes the following observations of environmentalists, which are rarely addressed today but require serious consideration, discussion and debate:

- a) Environmentalists worship pristine nature, to be valued intrinsically for its own sake, with relatively little or no regard for human welfare.
- b) Environmentalists generally disregard the human benefits brought about by technology, the industrial revolution and capitalism, and they generally ignore how miserable human life

Introduction

Mr. Salsman delivered an unwavering, principled and comprehensive attack on environmentalism from a pro-capitalist perspective. His in-depth analysis raised many valid concerns about the real motives and ultimate consequences of environmentalism. His conclusion was that environmentalism at root is an anti-reason, anti-industrial, and therefore, anti-human movement with a dark and broad philosophical-political agenda. His basic advice to corporations is to stop appeasing environmentalists and start defending the rights to own property, produce wealth, make profits, and consequently improve man's environment.

was prior to the industrial revolution.

- c) Environmentalists strongly appeal to emotionalism and generally disregard scientific-objective facts, unless the evidence supports, or appears to support, their doomsday scenarios.
- d) Environmentalists share a common cause with socialists and religionists, and are generally ignorant of economics and unwilling to consider free market solutions, such as private property, to real environmental problems such as air and water pollution.

Salsman offers many quotations to substantiate these observations, and presents his case on how capitalism improves man's environment. In so doing, he stresses that an environment can only be said to have value for *humans*, not in isolation.

By capitalism, we mean the social system based on the recognition of individual rights, including property rights, in which all property is privately owned (see Rand, 1967). What we have in the West is not capitalism but a precarious and unstable mixture of capitalism and statism.

How to dissect a movement such as environmentalism

In order to understand the contempt Salsman directs at environmentalists, one has to understand the basic ideas underlying the environmental movement and be able to accu-

rately project or visualize such ideas in practice.

The way to dissect a movement such as environmentalism, or any movement, is not to poll its members and perform a statistical analysis, but to explore three fundamental questions about the movement:

- i) What are its basic philosophical principles?
- ii) How are those principles validated?
- iii) What do those principles mean in practice?

As Salsman demonstrates, the ethical principle at the heart of environmentalism is the idea that nature possesses intrinsic value, regardless of valuer or purpose. Man should worship pristine nature and work to keep it that way, even if it requires self-sacrifice. Man is considered to be outside of nature because of his power to command nature by means of his reason. Such views cannot be rationally validated, only accepted as religious articles of faith.

Environmentalists do appeal to science, but often abuse the scientific method by selecting so-called facts which allegedly support their thesis, disregarding the rest. Salsman could not cover all the scientific fallacies perpetrated by environmentalists regarding global warming, ozone depletion, acid rain, pesticides, species extinction and many more. However, these fallacies are well documented (Lehr, 1992; Fumento, 1993; Ray, 1993). Today, many laws are being passed which

are based on such fallacies, laws that will achieve nothing more than harm to human production and well-being.

The notion of intrinsic value means divorcing values from valuer and purpose, which is dogmatism or religion. If one tried to apply the intrinsic theory of value as stated above to practice, it would necessitate humans to commit mass suicide since even eating food or inoculating against deadly viruses would be a serious moral crime. Furthermore, since most species survive by exploiting other species, it means that only humans are to be selectively punished because only they have the faculty of reason required to comprehend the principle.

Since ethics is the basis of politics, accepting the intrinsic theory of value, even partly, demands a highly regulated economy run by powerful bureaucrats who can issue decrees extorting land or halting development projects in the name of protecting species or landscapes. It demands the government to coerce people into accepting and paying for values they may not hold. In other words, it demands statism, which is the opposite of capitalism. Capitalism requires the separation of business and government, just as it does the separation of religion and government.

A massive, unbridled government dedicated to protecting pristine nature from humans is a government dedicated to human degradation.

Right versus wrong solutions for the environment

It isn't enough to identify a problem. For every problem there are ways to solve it and many more ways to make it worse. Method is more important than intent. As Salsman points out, the statist approach of giving more powers to government at the expense of individual rights is the wrong approach to protecting the environment.

If one rejects the intrinsic theory of value in favour of an objective theory of value, then a pro-human perspective is assured. One then seeks to protect man's right to exploit the environment which is of value to *him*. One recognizes that capitalism and the industrial revolution have been beneficial to man and his environment, i.e., the environment of comfortable shelters, labour-saving devices, rapid transportation, medical technology, etc. (see Rand, 1970).

It can be argued that the rise in prosperity and comforts brought about by capitalism and the industrial revolution naturally results in people paying more aesthetic attention to their environment. Just as they tend to invest more on interior decoration, they tend to invest more on cleaning up pollution.

As Salsman points out, socialism, which many environmentalists favor, exacerbates instead of solving many existing environmental problems such as air and water pollution. He notes that the worst environmen-

tal disasters have occurred in socialist countries. In the West, the worst environmental disasters have occurred on government-owned lands. Protection of property rights, wealth creation and advanced technology are powerful cleansing agents for man's environment.

Why appeasement is the wrong approach for corporations

Salsman gives many examples of how corporations are appeasing environmentalists, just as they appeased many other anti-business movements in the past. His thesis is that, since environmentalists are enemies of industry, corporations are thereby committing suicide by this approach.

The modern approach to solving a dispute is to disregard the principles involved and try to get everyone to compromise in favour of a consensus or middle-of-the-road solution. This approach, which implies that everybody's viewpoint is equally valid, is what Salsman refers to as the "futility of pragmatism".

It is important to distinguish between agreement and appeasement in the present context. An agreement is formed when both parties share the principle involved and the goal desired, such as peace or mutual profit. Appeasement is reaching a middle ground between clashing principles or opposite goals. If party A wants to be free to produce

wealth and party B wants to extort the produced wealth, any middle ground harms party A at the expense of party B. Furthermore, it sanctions Party B's desire to extort wealth and encourages the spread of extortion. By appeasing environmentalists, corporations endorse the intrinsic theory of value and all of its anti-human consequences.

Appeasement works to undermine a good principle in favour of an evil or destructive principle. The classic historical example is the appeasement of Hitler by Prime Minister Neville Chamberlain, who offered Hitler Czechoslovakia in an attempt to satisfy his demands. We all know the consequences.

As Salsman notes, the idea of "Sustainable Development" is such an attempt to appease and to reach a middle ground between the two clashing principles of human welfare versus intrinsic value of nature. The claim is that mankind can live by not growing. The meaning of "Sustainable Development" is so vague that it can be stretched to suit anyone's purpose, and only serves as a smokescreen to restrain capitalist development. Properly understood, pure capitalism is fully sustainable and fully compatible with a clean environment for man.

Many will argue that the environmentalists Salsman attacks represent only a small minority on the extreme of the environmental movement, and that most environmentalists are moderates. Salsman points

out that the moderates have not separated themselves from the extremists and actually accept and help promote many of the extremist principles. Many destructive laws have already been passed by governments based on the principles of intrinsic value, and many more are in the wings (see for example W. Ranson's Lecture in this book.) Thus *everyone* is oppressed by the impositions of environmentalists.

This brings us to the point made earlier that numbers really don't matter in evaluating a movement. A vote of the Nazi party prior to Hitler becoming democratically elected would not have yielded a prediction of the holocaust. However, an analysis of the philosophical principles of Nazism would have (see Peikoff, 1982). As long as they remain alive and well within a movement, and appeased by its alleged opponents, the principles of the movement will determine the outcome.

What can corporations do?

Salsman argues that the attempts by business to appease environmentalists are self-defeating. He rejects the idea that it is at least a viable long term strategy for corporations. If business wants to ensure its own survival and freedom to produce and make profits, it needs to adopt a drastically different approach.

What are some of the actions that corporations could take to deal with the demands by environmentalists?

We outline the following four suggestions as a starting point and discuss them in turn: 1) Understand the principles behind the environmental movement, 2) break ranks with environmentalists and defend the rights of business, 3) help educate the public on the nature of environmentalism, and 4) understand and promote capitalism.

Understand the principles behind the environmental movement.

Salsman's Lecture is a good introduction to the nature of environmentalism and its underlying principles. The references at the end of this commentary expand on Salsman's material and provide facts and viewpoints not generally discussed in the media. An excellent additional reference is "Toxic Terror", by Elizabeth Whelan (1993), a public health specialist. Whelan provides a rigorous critique of widespread beliefs regarding health, food supply and use of technology and chemicals, juxtaposing the popular claims with facts.

Understanding the principles on which environmentalism is based is the critical first step in order to acquire the moral conviction to **break ranks with environmentalists and defend the rights of business**. This implies that all funding to environmental groups should be cut off and other means of appeasement should be ended. When environmentalists argue for another concession, it is time to say no and defend the right of business to engage in production and make and keep profits. Stand-

ing firmly behind one's principles wins recognition and respect, surprisingly often.

Educating the public on the nature of environmentalism is extremely important today when environmental advocacy is almost always the only view covered in the media and in the education system. Several means of doing this would include giving principled statements to the media, supporting pro-capitalist think tanks, and sponsoring courses and lectures, both in-house and at schools and universities that provide scientific-objective analysis of environmentalism.

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Finally, **understanding and promoting capitalism** would lead to better chances of survival and success of business as well as to a cleaner environment. This would be a broader solution than the three previous ones and it would require efforts on the longer term, but it would also yield greater and more permanent dividends. A starting point would be to become familiar with some pro-capitalist literature (e.g., Rand 1967, Von Mises 1966, Hazlitt 1979, Reisman 1979), and then systematically defend private ownership and individual rights in any public forum open to business executives.

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