

**Film Title:** *The Coporation*

**Director:** Mark Achbar, Jennifer Abbott, and Joel Bakan

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**Principal Players:** In the segment discussed here, the key players are: 1) Richard Grossman, Co-founder Program on Corporations, Law and Democracy; and, 2) Chris Komisarjevsky, CEO Burson-Marsteller

**Genre:** Documentary

**Exact Segment:** Chapter 12 entire, "Perception Management"

**Exact Segment Length:** 2:18

**Exact Segment Start:** Beginning of Chapter 12: Perception Management. The segment begins with a shot from an interview with Grossman. (1h12m40s)

**Exact Segment End:** End of Chapter 12. The segment ends with Grossman talking over a shot of a man sitting comfortably on an armchair taking on a cell phone, with the Pfizer logo on the wall behind him. (1h14m58s)

**Synopsis:** Two interviews reveal contrasting views on the public relations industry. On one hand, public relations efforts give corporations a voice; on the other, they can mislead the public by casting potentially harmful corporate events and activities in a positive light. The segment questions the ethics of public relations efforts and the industry that has been built up to manage corporate communications and imagery.

**Keywords:** public relations, advertising, brands, perception management, impression management, corporate reputation

**Setting the Stage:** The question that the film poses asks what kind of persons

are corporations, given that they are persons under law. The film argues that corporations are psychopaths. Leading up to the segment described here, the directors of the film interview thought leaders, including academics, corporate leaders, and activists. These interviews serve to outline the history and legal precedence of the corporation, accounting externalities, case histories that compare corporate actions to the characteristics of psychopaths, the responsibilities of corporations, and illustrations of dubious advertising practices.

**Description of Events in Segment:** This segment opens with a corporate advertisement showing a newly-wed couple and playful children, while the corporate message, displayed as text at the bottom of the screen, reads: “We share the same dreams.” The documentary voice-over describes how corporations employ creative thought, through advertisements, to manufacture the public’s consent. This opening scene depicts the potentially insidious power of the corporation because of the way in which corporations weave into almost all aspects of our lives.

An interview with Grossman follows in which he explains that corporations don’t just sell products, but make consumers believe that they are buying a way of life. As he speaks in the background, supporting clips from corporate advertisements are shown in the foreground. These images, such as a Forbes billboard commanding us to “Proliferate Capitalism,” suggest that corporations will lead us to a better world. The interview concludes as Grossman explains that ads attempt to convince us that corporations are indispensable and responsible for our good life.

Next, Komisarjevsky defines perception management: using communications to help corporations accomplish their objectives. Overlaying Komisarjevsky’s discussion are images of the atrocities associated with Burson-Marsteller’s past clients: skulls from Union Carbide’s Bhopal disaster; the tagline “Dedicated to Protecting Individual Freedoms” from Philip Morris’ efforts to fight anti-smoking laws; and clear cut forests from Canadian forestry corporations’ attempts to combat environmental campaigns. The suggestion is that public relations efforts are intended to make chaste corporate activities that are obviously reprehensible.

A short interview clip from Grossman concludes the segment as he opines that corporations are “selling themselves, their domination, they’re selling their rule, and they’re creating an image for themselves as just regular folks down the block.”

**Ethical Concepts and Issues Illustrated:** The most direct ethical question stemming from the segment is: are corporate communications sometimes unethical? Most students will agree that many corporate communications are not unethical. For example, corporate communications inform consumers of their options and increase market information and efficiency. After all, under law, companies have the right to communicate as freely as do individuals. However, some students may argue that many corporations act unethically with their communications by misleading or manipulating consumers and voters. The discussion will become rich as students explore where to place the line between right and wrong.

Different opinions as to where the ethical line should be drawn can be taken from different ethical philosophies. We offer three examples here. Under Mill's Utilitarianism, actors seek to maximize overall 'goodness' to all participants. Students could argue that the line should be drawn when corporate communications move beyond informing and towards persuading. These students might argue that while persuasion brings obvious utility to the corporation, it creates disutility for the general public, which is a much larger group than the corporation. As such, the overall 'goodness' of persuasive corporate communications would be negative. Other students could use Kant's right's-based ethics, which argues that every participant has rights, but must express honor the rights of others with good intentions. Students may argue that corporations have a right to free speech, so long as they speak truthfully. Everyone uses persuasive communication all the time and unless we are lying there is no ethical dilemma. The Social Contract places the burden of truth and regulation on the rules dictated by the community in which the actors belong. Students subscribing to this view may judge that many corporate communications become unethical when they break the laws and regulations of the communities in which the corporation operates. If it's not against the law, then it is ethical.

If the instructor so desires, s/he could also use this segment to introduce concepts of Sophism, in which rhetoric is used to convince the listener of often insincere arguments. It could even be suggested that corporations are modern-day Sophists. To add some levity, the instructor could assign different members of the class to a role-play. Supporters of perception management would play the role of modern-day Sophists, i.e. corporations, and they are engaged in a dialogue with modern-day Plato, i.e. consumers.

Once the theory has been discussed, the instructor could press the students to make judgments on real-life examples, such as those shown in the film segment.

If students reach a quick consensus about the appropriateness of the examples given in the film (Union Carbide, Philip Morris, forestry companies), the instructor can offer additional examples to highlight the region of ethical uncertainty. For example, if fighting anti-smoking laws is clearly unethical, is it also unethical to advertise cigarettes, especially to minors? Or, is it appropriate to mislead consumers of the harmful effects of their products? This segment offers a context within which to discuss where and how to define the 'grey' area of ethical uncertainty.

A final issue that the instructor could raise stems from the term 'perception management.' Students could be pressed to discuss whether perception management is about communicating the truth or the illusion of truth. Does Burson-Marsteller simply give corporations "a voice"? Or does it help corporations persuade consumers to perceive it in a positive light, regardless of its corporate activities? The first discussion question deals with this issue. The instructor could engage students in this discussion in a personal way by asking whether they ever engage in 'perception management.' Immediate responses to that query might be negative, but the instructor could challenge students by putting them in different contexts. Do they manage perceptions of them when they meet a stranger, when they're on a date, when they're in an interview? How do these examples differ, if at all, from the work of Burson-Marsteller?

**Additional Comments:** The filmmakers have made an educational DVD available to accompany the feature film. A menu on the educational DVD allows the presenter to show segments of the film, totaling about one hour, grouped in the following topics:

1. The Corporation: Individual or Institution?
2. Advertising and Marketing
3. The Corporation as Government
4. Responsible Products, Product Use and Production
5. Who Owns Knowledge and Life?

This educational DVD makes the film's content more teachable by organizing it by issue and in short segments. The DVD is available from the filmmaker's website: [www.thecorporation.com](http://www.thecorporation.com).

Furthermore, a study guide and a slideshow have been prepared to accompany

the educational DVD. The study guide is available free through Ivey Publishing ([www.ivey.uwo.ca/cases](http://www.ivey.uwo.ca/cases)) by searching for “study guide The Corporation.” The study guide is organized in the same five segments as the educational DVD. A PowerPoint slideshow is also available on The Corporation’s website. These tools are especially effective in using The Corporation in the classroom.

### Questions for Discussion:

1. Is it ethical for corporations to hire ‘perception management’ firms, such as Burson-Marsteller, to influence public opinion? Do you (students) ever manage perceptions? How? Are these actions about telling truth or the illusion of truth? How can consumers tell when a firm’s efforts at managing perceptions are an effort to convey reality or deviate from it? When does ‘perception management’ become ‘lying’?
2. Do you agree with Grossman? (This leading question will allow the instructor to lead into the subsequent sub-questions which will likely reveal the assumptions being made by Grossman and by the students.) What did Grossman mean when he said that corporations are “selling themselves, their domination, they’re selling their rule...”? Who is selling what and to whom? To whose advantage and whose disadvantage is this sale being made? Are there any social costs to the sale and what would they be? If so, what does that imply for the ethics of corporate communications?
3. Should corporations be able to communicate freely? If not, what restrictions would you place on corporations? How would you define what is right and wrong? Should corporate communications be regulated by law? Or, should the regulative responsibility be delegated by the government to firms that are selling themselves, the advertising firms that are selling firms, and to consumers who consume this advertising? What are the preconditions that would allow firms and consumers to regulate corporate communications to protect the interests of society?

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