

**Randy Martin  
and Ella Shohat**

As bombs showered Baghdad in spring 2003, the spate of corruption scandals from a year earlier could easily have seemed a distant memory. In the context of an awesome war, corruption might have seemed a minor domestic affair no longer relevant to our “real” national concerns. Enron, Arthur Andersen, WorldCom, and ImClone could have been relegated to the arcane workings of business. Yet the question of corruption touches every fiber of contemporary sociopolitical life, linking “domestic” and “foreign” affairs in multiple ways. The war itself is haunted by hanging chads and a biased Supreme Court that helped select a president who has since dismissed numerous international agreements and institutions, including the major arena for global diplomacy, the United Nations.

The model of corporate organizational structure and *modus operandi* informs the management of the United States, whose CEO seems eager to establish a global power monopoly that strips international institutions of the power to make multilateral decisions and redefines the role of these institutions as merely humanitarian. Two decades after the Reagan-Bush campaign to tear down the gains of the New Deal, the Bush-Cheney regime has fostered further deregulation, enabling predatory corporate behavior. George W.’s reign, like that of his father, has resumed this vision of governing in order to undo government as the realm “of the people, by the people, and for the people.” Government is conceived as a means to protect the free flow of business from so-called interest groups—a phrase the administration and the dominant media now apply to independent organizations, such as unions and environmental groups, that defend social welfare. George W. Bush has conducted his presumed fight against corruption by focusing public attention on a few “bad apples.” Neoliberal efforts to rid the globe of corruption, such as that of the World Bank Governance and Anti-corruption Program, have tended to focus on Third World corruption embodied by greedy local kleptocrats. Meanwhile the bank’s officers of reform are free to come and go, demanding ransoms in the form of cuts to the social economy in exchange for further aid to business, demonstrating that discussion of corruption always requires a look at the very individuals and institutions designed to combat corruption, since they can easily become facilitators of its machinery.

Bush's model of managing corruption, furthermore, has been enacted on the world stage. The new object of the eternally displaced war on terror, Saddam Hussein, returned farcically as threat to world security within a narrative seemingly borrowed from an anticorruption campaign whose key elements are containment, preemption, and purgation. When corruption is contained, the belief that the many are clean (be they governments or corporations) is sustained. When the corrupt are preemptively attacked, the capacity to act trumps the ethical basis for decision. When evil is purged from the bowels of doubt, we can return with cautious but grateful confidence to business as usual. The Bush administration seems to be moving among these three discourses about corruption while pretending that its own actions have had no effects. Bush joined the U.N.'s inspection regime as part of a containment strategy (disarmament) that he would soon dismiss—with the effect of degrading the integrity of this global body. A preemptive strike against Iraq not only is a violation of international law and the U.N. charter but forecloses consideration of other notions of global engagement precisely at the moment of their formation. In the context of this war, purgation requires a teleological narrative of Iraq's liberation from its aberrant master while it also installs a grand model for fighting world corruption.

This moralistic and binary model pits the corrupt leaders and nations—axes of evil—against those who fight them, be they presidents of the free world or the democratic nations. Within this discourse, corruption is always imagined as “outside,” simultaneously eliding any links between so-called good and evil. One may cite here U.S. political and economic backing for diverse dictators, including Hussein himself, and the continuous business deals that U.S. companies have had with Hussein's regime even as the U.S.-led embargo has continued. Consider, for example, Haliburton—of which Dick Cheney was CEO—which has had deals with Iraq since 2000 and, less than a week into the war, won the government contract to reconstruct Iraq; Richard Perle, who has been a major architect of Bush's foreign policy while serving as a managing partner in Trireme Partners, a venture-capital company that invests in companies dealing with goods, services, and technology related to homeland security and defense;<sup>1</sup> or the U.S. bribery of over thirty states to augment the list of coalition members, even as fifteen of these states refuse to be identified publicly. Corruption in which political, military, economic, and ideological interests are inextricably linked has reached a virtually unprecedented transnational scale. This issue of *Social Text* offers a critical perspective on such simplistic discourses and narratives about fighting corruption, insisting that the domestic and foreign are interwoven. We attempt here to

reclaim the multiple sites and manifestations of corruption in our midst and to engage its complexity, its tentacular arms.

Corruption entails traffic between an authentic and thereby purifying private interest and a perfectible public will. Corruption is, in a sense, the recurrent saga of the former infecting the latter, of an ever-vigilant effort to separate interest and will from which the distinct realms of public and private are said to spring. For those who have produced the vast literature on corruption, the scope of social activity that can be considered corruptible and the academic attention devoted to it have burgeoned in the past decade.<sup>2</sup> In the words of one scholar, “corruption becomes possible when those in positions of power fail to keep their public and private interests separate.”<sup>3</sup> Indeed. Yet the interposition of public and private suggests that corruption is likely to prove endemic. Because corruption scandals possess a capacity to be at once transgressive and normative, the general conditions are likely to continue to jostle with particular cases. The challenge is to maintain the connection.

The Enron scandal that broke in late 2001, here thoroughly documented by David Brennan, has become eponymous with the present spate of corporate corruption. It is not simply that Enron showed excessive corporate greed as executives pocketed profits that would never be shared with employees not privy to insider trading, or that it manipulated energy prices through market speculation, or that it cooked the books to pay no taxes in four of its final five years. The Enron case suggests a grander imbrication of public and private interest. Ken Lay, Enron’s CEO, was Bush’s biggest financial backer, even lending private corporate jets to W.’s presidential campaign. Deregulation of the accounting industry led to massive concentration and combination of the public functions of audit and the private services of tax consultation. Arthur Andersen had an office inside Enron’s office tower, offering, as it were, an architectural allegory on the inseparability of “inside” and “outside.” Andersen also audited WorldCom in 2001 and the first quarter of 2002, despite having reported a missing \$4 billion in leased equipment as capital expenditure, and, while serving Halliburton under Cheney, having reported estimates of future cost overruns in government contracts as actual income.<sup>4</sup>

The inducement to overstate income was part of the stock market bubble that paid handsomely for soaring corporate valuations. The entity charged with policing such activity, the Securities and Exchange Commission, briefly enjoyed the leadership of Harvey Pitt, an attorney who specialized in defending the likes of Andersen and company. The intimacy of the Bush administration with the Enron/Andersen imbroglio, like the Clinton administration’s tightness with Wall Street, demonstrates the entanglement

Neil, Jeb, and  
George W. came  
of age in the  
eighties, when  
the savings and  
loan debacle  
wrestled millions  
from taxpayers,  
especially in Texas  
and Florida, and  
sent two of the  
three to office  
instead of jail.

of a certain business avant-garde with a corrupt political system. The Bush brothers dynasty—Neil, Jeb, and George W.—came of age in the eighties, when the savings and loan debacle wrestled millions from taxpayers, especially in Texas and Florida, and sent two of the three to office instead of jail. Securitized utilities and real estate investment trusts would rise from the ashes of a pillaged financial infrastructure. For corruption marks not only the normative decay that remediation can restore to health, but the actual creativity of capital where new business models tear at the existing regulatory fabric. In this regard, the task of corporate-interested governance is to decide which private interest should receive public support.

But certainly that is not all. This is an administration committed in its own national security declaration to make the world safe for business.<sup>5</sup> And tax cuts top the list of what nations newly liberated by the American security apparatus are meant to accomplish. The present application of tax cuts would fit neatly within a standard definition of corruption. By any measure, the legislation authorizing tax cuts that preceded September 11, and the ones that have followed, have represented the overt use of public offices for private gain in a manner that would seem to bring the legitimation and accumulation functions of the state into collision. Yet for the past two decades, tax cuts have become a conventional aspect of the management of the economy in what now counts as the public interest. Redistributing wealth upward is supposed to allow it to trickle back down. Ideologically speaking, however, the government's role in this sort of wealth redistribution is made possible because those who have spoken as heads of state in the past four presidencies have shared the assumption that government is necessarily corrupt, and that therefore people (and, sotto voce, corporations) should keep their own money—presuming of course that they already have it.

Tax cuts have done little to dampen public demand for new kinds of social services and public goods, be they in education (the growth in attention and funding for those with learning disabilities), health (pharmaceutical subsidies, especially globally with respect to AIDS), or housing (support of ownership). Needless to say, these public goods are very good for sectors of private industry, reserving the publicness of the good to its mode of distribution. War, while surely stuffing certain coffers, also launches a preemptive strike on future expenditure of public monies, and not only the \$75 billion that Bush belatedly requested for the war. States and municipalities have been encumbered with daily mandatory overtime costs for police and National Guard troops that reach into the millions to pay for further militarization of daily life.<sup>6</sup> While the security state has been amassing its forces, it has not so stealthily reached the other hand to take away funding for social programs, as nefariously instanced by Bush's proud

state of the union announcement that he would fund antiretroviral medication to African adults (by cutting such programs for African kids) and that he would mandate testing to “leave no child behind” and then abandon them by cutting federal funds for student loans. Bush’s social policy initiatives are as preemptive as his military adventures.

Language and discourse have been instrumental in the expansion of corruption. The rhetoric of Bush & Co. has consistently betrayed the marks of an upside-down world. Bush promises compassionate social services only to obliterate the remnants of the welfare apparatus. He promises peace just as he launches war. The corrupted prose of an unteleprompted president presents an Orwellian spectacle of hate speech dressed as kindness. Habermas be damned. The public sphere has been purged of reason. With a gun to the back of the head and a blank affect (an inflection of the group mind undetectable in opinion polls), the people are to be gratified by the imminent return of their laundered security.

Toward all of this, the media—scandalized by its own bad investment decisions—has been nothing but generous. It has offered cover and solace while the idea of the state has been hijacked from civil society. It has accepted the conceit of U.S. foreign policy that deposing Saddam Hussein is the pursuit of Osama bin Laden by other means. It has urged moral panic that might keep people sealed into their homes with duct tape and fearful of public parks and schools as places to duck and cover (see Susan Willis’s essay in this issue on the D.C.-area snipers). The default to a critical public sphere is corporate culture itself—an ongoing sponsorship and self-promotion punctuated by occasional gasps at the fallen few. Scapegoating is a popular form of displacement. Nancy Shaw sees in the disproportionate attention given to Martha Stewart’s gains from selling ImClone shares a rearguard move on women’s domesticity and accessible affluence. Meanwhile, as Christopher Holmes Smith argues, the rise of the hip-hop mogul normalizes a hitherto fearsome icon of upward mobility that displaces civil rights and more egalitarian conceptions of racial justice. Normalized as well through a dense network of pundit- and policy-producing think tanks and organizations are right-wing antifeminist groups like the International Women’s Forum, which, as Barbara Spindel documents thoroughly, undermine the ideals of civil society they claim to champion by funneling private philanthropy into the state’s ideological coffers. These four contributions demonstrate that the supposedly pristine spaces of domesticity that public interest is meant to protect are already suffused with the politics of race, gender, and sexuality. The failure to contain corruption, or to return collective critical attention to it, is likely to unleash these politics in a manner that may underscore the unruliness of the national body over its muted unanimity.

The point of  
following the trail  
of corporate  
corruption is to  
remember what  
public discourse  
might have been  
distracted from by  
the terrors of war.

While this special issue largely concerns the United States, it also suggests that the corruption complex of containment, preemption, and purgation is not confined to national soil. Jane Marcus-Delgado traces the movement between the concern of business leaders with corporate corruption at the annual World Economic Forum, and the studied confusion of public and private in the Argentinean financial meltdown. The entailments of corruption are legion, global, and destabilizing. The point of following the trail of corporate corruption is to remember what public discourse might have been distracted from by the terrors of war. If we do not accept September 11, 2001, as an ontological break in popular mobilization, we can readily trace the continuities between the roving demonstrations from Seattle to Geneva and the recapture of the world's streets by the millions on 15 February 2003. The slogans "No Blood for Oil," "Impeach Bush," and so forth are as much anticorruption as antiwar banners that link a public will to a public interest.

We should remember Lauren Berlant's observation about the rightist assaults on Clinton—that they had reversed the famous feminist injunction that the personal is political so as to render the political personal.<sup>7</sup> The return of the political to the public, an idea that carries various intimations of global domesticity, has much to recommend it. We begin our issue with a cautionary reflection on the politics of the definitions of public and private upon which corruption is based. In presenting his genealogy of this founding binary and warning about the dangers of treating the public as an end in itself, Peter Bratsis guides us through the antinomies of corruption. In the end, we may have to agree that corruption is both a problem and an opportunity. Corporate corpulence can fix our attention on a variety of wounds and injuries. An interested public politics would want not simply to heal this body but to redefine the checks and balances of an altered body politic.

## Notes

1. Eric Alterman, "Perle, Interrupted," *Nation*, 20 March 2003, [www.thenation.com/doc.mhtml?i=20030407&s=alterman](http://www.thenation.com/doc.mhtml?i=20030407&s=alterman).

2. See, for example, Yves Meny, "Fin de Siècle Corruption: Change, Crisis, and Shifting Values," 309–20, and Robin Theobald, "So What Really Is the Problem About Corruption?" 491–502, both in *Explaining Corruption*, ed. Robert Williams (Cheltenham, England: Edward Elgar, 2000). This is the first volume in a multiseries collection that summarizes the state of scholarship in the field. Other representative volumes are Michael Clarke, ed., *Corruption: Causes, Consequences, and Control* (New York: St. Martin's, 1983); Kimberly Ann Elliott, ed., *Corruption and the Global Economy* (Washington, D.C.: Institute for Interna-

tional Economics, 1997); *Curbing Corruption: Toward a Model for Building National Integrity* (Washington, D.C.: World Bank, 1999).

3. Arvind Jain, "Controlling Power and Politics," in *The Political Economy of Corruption*, ed. Arvind Jain (London: Routledge, 2001), 214.

4. Much was reported on the entanglements of the Bush administration. Representative sources from which this information was culled can be found online at: William Rivers Pitt, "They're Still a Bunch of Crooks," *truthout*, 14 November 2002, [www.truthout.org/docs\\_02/11.14A.wrp.crooks.htm](http://www.truthout.org/docs_02/11.14A.wrp.crooks.htm); "T. Rex's Guide to Life: Politics: George W. Bush, Scandal—422," [www.quinnell.us/politics/2000/bushscandal.html](http://www.quinnell.us/politics/2000/bushscandal.html); "The Cheating of America: Think Enron and Arthur Andersen Are Exceptions? Think Again," 29 January 2002, [www.tompaine.com/op\\_ads/opad.cfm/ID/5060](http://www.tompaine.com/op_ads/opad.cfm/ID/5060).

5. See national security statement at [www.whitehouse.gov/nsc/nssall.html](http://www.whitehouse.gov/nsc/nssall.html).

6. William K. Rashbaum and James Barron, "Threats and Responses: New York City Fortifies Entry Points to Guard against Terrorism," *New York Times*, 20 March 2003. Operation Atlas for New York City is "expected to cost at least \$5 million a week in police overtime."

7. Lauren Berlant, *The Queen of America Goes to Washington City: Essays on Sex and Citizenship* (Durham, N.C.: Duke University Press, 1997).

