
BOOK REVIEW

Jamie Brownlee, *Ruling Canada: Corporate Cohesion and Democracy*. **Halifax: Fernwood Publishing, 2005, 140 pp., \$16.95.**

Reviewed by **Bryan Evans**, Ryerson University.

Brownlee has made an important contribution to our understanding of the Canadian corporate elite with the book *Ruling Canada: Corporate Cohesion and Democracy*. It flows very much from the tradition of Canadian elite theorists such as Porter (1965), Ornstein (1980, 1982), Clement (1986), Carroll (1986), and Brym (1989) to name some of the pioneers in this field. Brownlee's contribution to this tradition is to first update and expand the debate through an extensive literature review and, more importantly, to compellingly make the case that the unity of the corporate elite is an expression of a "class conscious group" (7) who, of course, act as a class. The objective of the work is to make it clear that this is an overtly political project to consciously restructure the Canadian political economy to serve neoliberal objectives. Importantly, and here Brownlee makes a crucial point, there is nothing inevitable in this. It is the work of politics – class politics. In this respect, the book is the story of organized class struggle waged from above.

Elite class unity is expressed at three broad levels – structure, public policy, and interpersonal. Brownlee painstakingly identifies and documents in the six core chapters how this unity has been constructed in material and ideological terms. First, elite unity is structured through such mechanisms as mergers/acquisitions, business diversification, and intercorporate ownership and control. These are the means of constructing economic cohesion through concentration of ownership. The result is that twenty-five corporations in Canada hold 41.5% of all business assets in Canada (31). The extent of media concentration in Canada is profiled by Brownlee, given the extent of concentration in this sector as well as the power of media to "set the agenda for public debate and propagate the ideas, values, and policy initiatives that represent an elite consensus" (39). In short, they serve to legitimate and construct hegemony of the economic elite. Interlocking directorships, that is individuals who sit on two or more boards of directors, are a second means for constructing class solidarity within and between the economic elite. John Porter

characterized interlocking directors as “the ultimate decision makers and coordinators within the private sector of the economy...They are the real planners of the economy” (58). These interlocking directorates are a form of institutional glue serving as a means for “political and ideological coordination and act as a network of shared social ties among members of the elite” (56).

While concentrated economic power governed through interlocking directorships provides a structural basis for elite unity, the question of the source for policy/ideological unity requires explanation. And so Brownlee turns towards the mechanisms which facilitate the construction of elite consensus on matters of policy. And this is in many respects the most interesting component of Brownlee’s analysis. Three types of institution are identified which serve to build and maintain an ideological and policy consensus within the economic elite: intersectoral policy organizations, think tanks and free enterprise foundations.

Intersectoral policy organizations “provide a forum for discussing and articulating policies that affect most large companies, regardless of sector or region” (72). In Canada, this type of organization includes the Canadian Council of Chief Executives (CCCE), the Canadian Chamber of Commerce (CCC), Canadian Manufacturers and Exporters Association, and the Canadian Federation of Independent Business (CFIB). Policy organizations of this type “comprise some of the key coordinating points in the capitalist power structure”(73) by performing three functions: 1) they provide a forum in which business leaders can meet and discuss issues; 2) they provide a mechanism in which substantive ‘experts’ can transfer knowledge to business and governmental leaders; 3) they provide a venue in which corporate leaders and even academic allies may be vetted and then recruited into key government positions or employed to represent corporate elite interests; and 4) they mitigate conflict within the economic elite and build a class-wide policy/political consensus. Using the Canadian Council of Chief Executives (formerly the Business Council on National Issues) as a case study, Brownlee explains how one organization transformed Canadian public policy primarily through its ability to construct consensus over some key policy issues.

Think tanks also play a strategically important role in manufacturing and maintaining the unity of the economic elite. Essentially, think tanks provide the intellectual fodder for intersectoral policy organizations to do their work of building an elite consensus. Examples of think tanks in the Canadian context are the C.D. Howe Institute, the Fraser Institute, and the Conference Board of Canada. Brownlee is quick to point out that the think tank universe is diverse and extends beyond these larger, better known organizations. However, they all share certain common characteristics such as a primary interest in conducting and disseminating nonpartisan research with a view to shaping both public and

elite opinion as a means of influencing the intellectual climate in which policy decisions are made.

Free-enterprise foundations are not just charitable but political organizations in that they seek to influence public policy by certainly funding research but as Brownlee points out, they serve a more significant role. Concretely, that is to provide a public relations front for large corporations and the economic elite through which to demonstrate their public spiritedness and perhaps philanthropy. In other words, they provide individual members of the elite with a venue in which to build credentials in public service as a means of dodging any charge of narrow sectional self-interest.

Finally, Brownlee explores the interpersonal, social and political ties—the ties that bind, so to speak—which also serve to ensure the economic elite is a more, rather than less, coherent political class force. Brownlee, in this chapter, effectively exposes the lie of the pluralist argument that “multiple channels exist through which citizens can shape the outcome of public policy and influence political leaders” (129). The hard reality is that in a class divided society, some have greater access and influence than others. It is a well worn truism which from time to time must be recycled. Markets now master states and it is the market’s corporate representatives who wield disproportionate weight and influence in this world. However, it is not quite that simplistic, as Brownlee makes clear. States, far from being passive victims, have been active agents in the process of globalization and embedding a new international division of labour. In short, states can make choices. And in this neoliberal project, the state performs a vital function – transnational corporations need the state to roll-out policy prescriptions and enforce them, which is Gamble’s (1988) strong state, free economy thesis! And again, Brownlee’s work serves to demystify the political process by identifying the role of human agency. With respect to business elites, Brownlee writes “within the state, they are well represented. The interchangeability between state service and business is characteristic of a new breed of “technocrats” who wield power” (130). These are the organic intellectuals, at least in part, of the neoliberal transformation.

The challenging of corporate rule is the weakest aspect of the book, but that is fine as it was not designed to be a catalogue of ‘what is to be done?’ Brownlee states that “the economic elite is united on many issues and that this unity assumes a more solid political expression when class conflict is high and the elite face a threat”(19). Yet in Canada the neoliberal project faces virtually no resistance, with Quebec being something of a debatable exception, so how do we explain this unity in the face of little resistance? Class struggle is perhaps at an all time low. Elite unity is not confronting a class conscious opposition from below, so what explains the strength and determination of the class war waged from above? This is the real conundrum.

Make no mistake, this is a fine contribution to the study of not simply economic elites but toward building our understanding of how neoliberalism becomes operationalized in the world as it actually exists. This may not be a “ I never thought about it that way” kind of book, but it certainly brings an extensive literature together to make a compelling, extremely well written analysis.