

# TEN YEARS, TEN CORPORATIONS: THE CORPORATE CRIME AWARDS

Corporate Watch presents awards to ten companies who have displayed heinous, misguided, and altogether antisocial behaviour over the last ten years.



**THE NEWSPEAK AWARD**  
**WINNER: News Corporation and News International**  
**SECTOR: Media**

Rupert Murdoch is one of the most influential figures in world politics, and the weapon he uses to manipulate politicians and the public is News Corporation. News Corp's 175 newspapers, TV coverage spanning five continents, film studios and other assets allow Murdoch to tell millions what to think. Murdoch trades the editorial bias of his papers and TV stations for political favours. After New Labour's election victory in 1997 was backed by The Sun, Tony Blair made it his personal mission to negotiate access to Italian markets for News Corporation.

In the build up to the Iraq war, all News Corp editors had a strong pro-war bias with Fox News at the forefront of preparing the American public for war. News Corp's distorted picture of the world has a huge influence over social attitudes, whipping up hatred of migrants and encouraging xenophobia. In 1986, when Murdoch sacked 6,000 print workers in the Wapping dispute the whole face of industrial relations in this country was transformed – all to pay for his new acquisition of 20th Century Fox.

So what benefit does News Corp bring to society? Not tax revenue. Between 1987 and 1999, although News Corp made £1.4 billion in profits, it paid no net tax in the UK



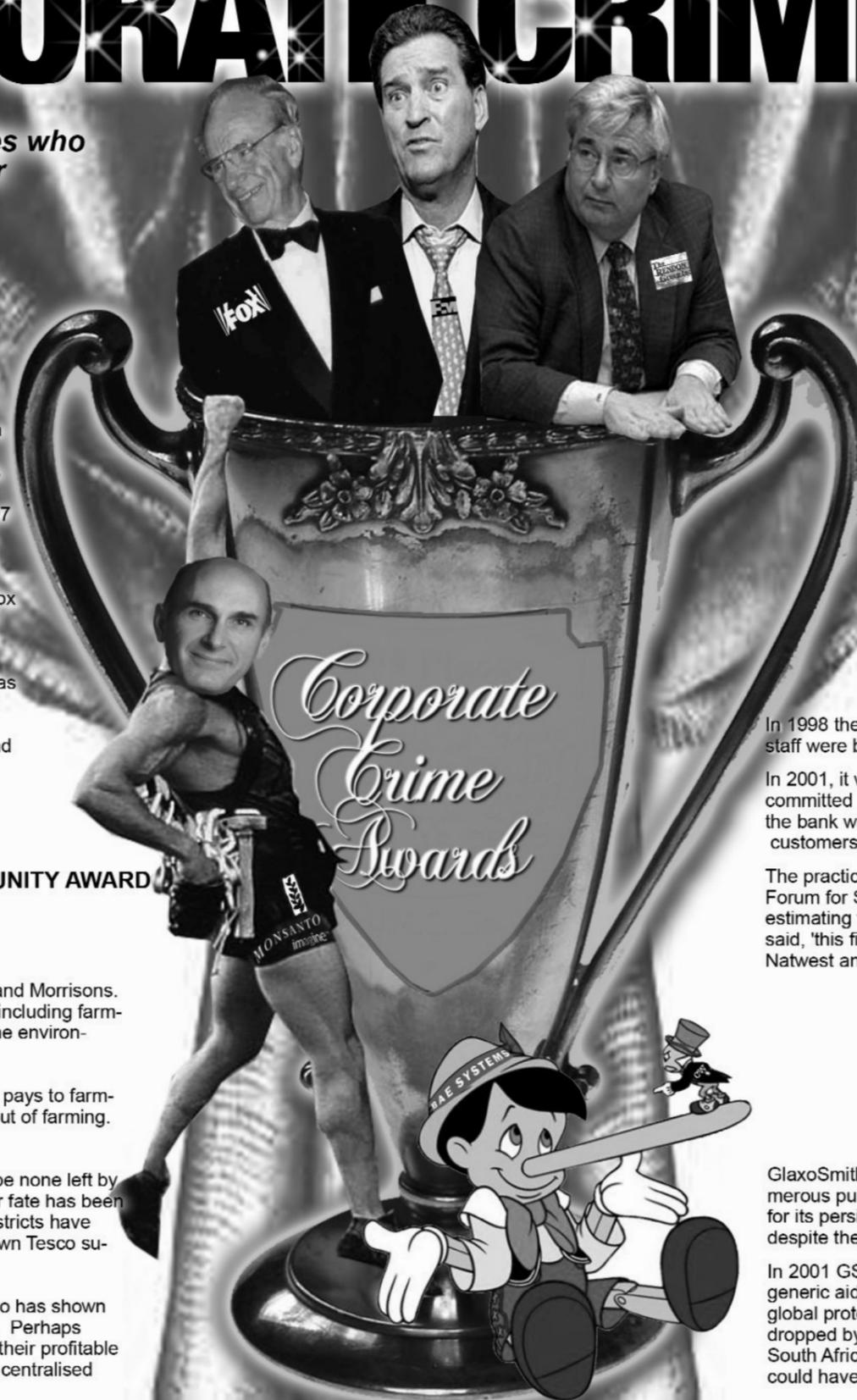
**DESTROYING LIVELIHOODS & THE COMMUNITY AWARD**  
**WINNER: Tesco**  
**SECTOR: Food**

Tesco controls 30% of the UK grocery market, well ahead of its rivals Asda, Sainsbury and Morrisons. Tesco's profits (over £2.2 billion in 2006), have been gained at huge expense to others including farmers and workers worldwide, small independent shops and local shopping centres and the environment.

The supermarket giant has immense buying power and is able to push the prices that it pays to farmers down below the cost of production, forcing thousands of farmers and farmworkers out of farming. These price savings are not passed on to shoppers but are retained to bolster profits.

Small independent shops have been closing at such a rate that it's predicted there will be none left by 2015; their demise was initially due to the explosion of out of town superstores, but their fate has been sealed by supermarket buy-outs of small convenience store chains. Lively shopping districts have turned into ghost towns and shopping choices have been reduced to either an out-of-town Tesco superstore or a Tesco Express closer to home.

Despite announcing the creation of an 'Environment Fund' of £100 million in 2006, Tesco has shown no real initiative to tackle fundamental problems such as its massive fossil fuel reliance. Perhaps that's hardly surprising when they have relied so heavily on cheap fossil fuels to create their profitable empires - cheap food from industrial agriculture, cheap fuel for transportation of food to centralised distribution centres and cheap produce from global trading.



**LIAR, LIAR, PANTS ON FIRE AWARD**  
**WINNER: The Rendon Group**  
**SECTOR: Public Relations**



Ever since the huge propaganda campaign in the run up to the Gulf War of 1991, John Rendon's PR company has handled millions of dollars worth of contracts for orchestrating information warfare against Saddam Hussein's regime in order to bring about its downfall. Between 1991 and 1996, TRG was paid close to \$100 million to assist in organising the Iraqi National Congress. This group campaigned tirelessly for an American invasion of Iraq and was ultimately blamed for the 'failure of intelligence' regarding Iraq's non-existent stocks of weapons of mass destruction. Following the destruction of the World Trade Centre in 2001, TRG accepted a \$16 million contract to conduct a propaganda campaign against Iraq.

John Rendon describes himself as an 'information warrior and a perception manager' and has handled PR for many other aspects of the 'War on Terror', as well as a string of other US military interventions in other turbulent nations including Afghanistan.

**SKIMMING THE CREAM AWARD**  
**WINNER: National Irish Bank**  
**SECTOR: Banking**



In 1998 the National Irish Bank was reported as defrauding customers; it was alleged that some staff were benefitting from 'hundreds of millions in over-charging'.

In 2001, it was reported that National Irish was unlikely to ever be prosecuted as 'no individual committed fraud'; a handful of executives were just barred from holding directorships. However, the bank was fined for tax evasion in 2004 and ordered to pay £42 million in compensation to customers who were overcharged.

The practice of overcharging customers (or 'skimming') may not be exclusive to National Irish. The Forum for Stable Currencies (FSC) alleges that the practice of skimming is widespread in the UK estimating that 50% of bankruptcies are due to overcharging. Sabine McNeill a coordinator of FSC said, 'this financial outrage is still ongoing, the Bank of England [and] the big four: HSBC, LloydsTSB, Natwest and Barclays are totally unaccountable'.

**DYING FOR A PROFIT AWARD**  
**WINNER: GlaxoSmithKline**  
**SECTOR: Pharmaceuticals**



GlaxoSmithKline dominates the \$4 billion a year AIDS drugs market. It has been singled out by numerous public health, relief, and charitable agencies such as Oxfam and Médecins Sans Frontières for its persistent use of stall tactics, litigation, and threats in order to maintain high AIDS drug prices despite the unrelenting global pandemic.

In 2001 GSK attempted to block legislation that would allow the government to import or manufacture generic aids drugs to treat the 4.7 million South Africans who were HIV positive. Thanks to massive global protests which shattered the whole industry's public image, the case was unconditionally dropped by the thirty nine companies contesting the case. However, the case had managed to delay South Africa's treatment programme by three years. According to Oxfam, countless thousands of lives could have been saved if the drugs giants had not blocked access to treatment in 1997.

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**DODGIEST SUBSIDIARY AWARD**  
**WINNER: Rio Tinto Group's subsidiary: Freeport McMoRan Copper & Gold**  
**SECTOR: Mining, Extraction**

Depicted in the 80s as the 'ugly face of multinational capitalism', Rio Tinto is one of the three largest mining companies in the world. Its subsidiary Freeport manages the largest copper, gold and silver mine on earth: the Grasberg mine in West Papua (formerly Irian Jaya).

The Grasberg mine is associated with decades of serious social and environmental impacts. It has been reported that Freeport is protected by corrupt politics and that the Indonesian militia, who guard the mine, have been accused of killing indigenous people. Freeport freely admit they paid for armed security; during 2002, the company paid \$5.6 million to the armed forces. It has been suggested that the relationship between the militia and the company has led to gross human rights violations.

Rio Tinto is culpable for contributing to the environmental devastation, displacement and killing of indigenous people. In 1996, Multinational Monitor placed Freeport in the ten worst corporations of the year; it's important that ten years later the ongoing atrocities in West Papua are not forgotten.



**INDESCRIMINATE ARMS DEALER AWARD**  
**WINNER: BAe Systems**  
**SECTOR: Arms manufacture, arms dealing and death**

BAe Systems is the largest European defence company. It has come under fire (no pun intended) over the years for numerous controversial arms deals. BAe seem happy to supply arms to any side in a conflict. This includes sending sub-machine guns to Turkey (a country with a less-than-glowing human rights record). More dodgy deals also include the notorious Hawk jet sales to Indonesia in 1996 linked to the repression of East Timor (this arms deal was brokered by the then Conservative government and then upheld by the current Labour administration). Recently, the company has been at the centre of a corruption scandal in the UK over whether the company bribed Saudi officials during the Al Yamamah deals of the 1980s.

However, to clean up their image the com-

pany have immersed themselves in Corporate Social Responsibility. CSR highlights include: designing environmental posters launched in primary schools across Scotland; sponsorship of Wilvale under-16s football team; funds for cash-strapped university students; and £100,000 to Age Concern's Winter Warmth Fund. As for their environmental credentials, over the next few years BAe are proposing that their next generation of munitions will be strictly green guns 'n' ammo (poisonous lead bullets, and other 'dangerous compounds' in vehicles and weapons systems are to be withdrawn on environmental health grounds). But it's probably true to say that getting caught in eco-friendly cross-fire doesn't feature on anyone's top ten list of ethical ways to die.

Although the company's CSR credentials may not discriminate against anyone on the grounds of age and gender, this does not stop BAe being an indiscriminate arms dealer.



**THE SEEDY BUSINESS AWARD**  
**WINNER: Monsanto**  
**SECTOR: Agriculture**

Monsanto's crime is not only to have foisted GM on an unwilling world, but also its desire to completely reshape the future of agriculture and take control of the global food chain.

Despite concerted opposition to GM crops, Monsanto is still well on the way to covering many parts of the world with GM and is taking increasing control of the key agricultural sectors in which it operates. Twenty years ago the seed and chemical sectors had 20 or so players, but now each of these sectors has only around five big players. Monsanto is the world's largest GM seed company and second largest conventional seed company with Monsanto's Roundup being the world's best selling herbicide.

In the process of reaching this position, Monsanto has become a caricature of the evil corporation it produces the deadly exfoliant Agent Orange and the known carcinogen Bovine Somatotrophin (BST). It threatens seed saving farmers around the world with Terminator Technology, and uses bully boy tactics from intimidating farmers by setting private detectives to spy on them, trying to silence GM activists with costly legal proceedings and threatening to sue journalists and printers for libel.



**GLOW IN THE DARK LIFETIME ACHIEVEMENT AWARD**  
**WINNER: BNFL**  
**SECTOR: Nuclear**

Formerly British Nuclear Fuels, BNFL has operated the UK's nuclear fuel production and reprocessing facilities since 1971. Since then it has accrued an extraordinary record of complacency, incompetence and dishonesty, whilst dealing with the most lethal substances on earth. Incidents attributable to BNFL and/or its subsidiary British Nuclear Group (BNG) include:

-2005 - a leak of 20 tonnes of uranium and 160kg of plutonium inside the THORP reprocessing plant at Sellafield. The leak had gone unnoticed for eight months and the plant is still out of action.

-Misplaced plutonium. (3.2kg in 2005, 30kg in 2004 and 19kg in 2003), but don't worry, it's just down to internal auditing errors: it's not actually missing...hmm

During its fifty year history, BNFL's Sellafield complex has released at least as much radioactivity into the surrounding environment as was released in the Chernobyl disaster. Mike Townsley of Greenpeace International said, 'Sellafield is a slow-motion Chernobyl, an accident played out over the last four decades'.



**'BEYOND PROPAGANDA' AWARD**  
**WINNER: BP**  
**SECTOR: Alternative Energy...honest... oh, and Oil and Gas too.**

It's hard to judge which is the worst oil company since all of them make vast profits from the destruction of the ecosystems. But BP is by some distance the canniest.

BP know that worry about climate change is bad for their business. Their answer is to convince the public that they care, and that they have the solution. First they plonk solar panels on the roof of 200 filling stations and proclaim that 'we can fill you up by sunshine'.

Then comes a wind farm... then a hydrogen plant ...But what about the oil and gas production which represents 96.5% of their business?

BP's latest greenwash crusade is Targetneutral, 'helping drivers to help the environment' by paying £20 to offset their year's driving related carbon emissions. The clear message is that with BP you can keep driving guilt free.