

COLUMN

Corporate
Money
Laundering
Through
the
ARTS

Strategic Manœuvres

by Oliver Kellhammer

During this past year, considerable controversy surrounding the corporate funding of art events has come to the forefront of the mainstream Canadian press. The fracas surrounding the exhibition of Hans Haacke's *Voici Alcan* at the new National Gallery as well as the passing of Bill C-51, prohibiting cigarette advertising at cultural events, provoked unprecedented headlines. Shell Canada's cynical sponsorship of the mammoth exhibition of stolen native and Inuit artifacts entitled *The Spirit Sings* while they simultaneously assisted in the slow ethnocide of Alberta's Lubicon tribe was, of course, outrageous enough to garner media attention. Add to this the passing of the socio-economically ham-fisted free trade agreement to which Canadian progressive organizations and cultural groups were almost unanimously opposed and one realizes that we have experienced a tumultuous year.

In keeping with the Tories' Orwellian policy of economic "rationalization" (some call it bifurcation, i.e. into rich and

poor) government support has, according to the *Globe & Mail*, "either been decreasing or kept at a plateau since (the Tories) slashed \$85 million from the cultural budget in 1984."¹ This shortfall, coupled with an exponentially increasing level of Canadian artistic activity, and an equally steady increase in the curatorial aspirations of our art institutions, has understandably resulted in a gaping financial vacuum. Enter the multi-national corporation. With the rustling of funding dollars in one hand and a shiny new marketing plan in the other, the corporate advertising and sponsorship manager finds an eager audience in the already hard-pressed cultural sector. In fact such support has already become indispensable to our National Gallery. Regarding the mounting of the upcoming Survey of Contemporary Canadian Art exhibition, a gallery spokesperson was quoted as saying that "this exhibition could not be realized without Xerox's (a large American multinational) help."² Under the guise of charity, the corporation sponsors the

event, the fund-raiser gets out from between "a rock and a hard place" and we all get that nice warm fuzzy, feeling of seeing yet another "world class," "block-buster" exhibition happening in our very own back yard. This wonderful private sector support, which we cultural types are constantly being urged to pursue, is being presented to us as a virtual panacea by governments and corporations alike. It is seen as the means to justify the slow strangulation of the Canada Council in the name of deficit reduction and trimming the fat while simultaneously promising a thriving artistic climate nurtured in the unfettered bosom of the marketplace. But this utopian symbiosis is as unattainable in the present context of (late) state capitalism as is that ultimate of oxymorons—the free market. As we have all known since early childhood, nothing in a marketplace is free.

Arts sponsorship funds are generally allocated from the advertising and public relations budgets of corporations because, in the words of one major corporate



communications manager, "We try to get (our) value back from it."³ In this way corporate sponsorships implicate their funding recipients in the corporation's advertising process: implying a considerable level of advocacy by the recipient on the corporation's behalf. This might not be so inherently evil except that it is those very corporations with the biggest image problems that are most in need of the redemptive publicity afforded by advertising themselves in alliance with a major art event. And how does a corporation get these public image problems in the first place? This is achieved primarily through unflattering media coverage of such corporate activities as: use and/or endorsement of violence, exploitation of workers through the denial of basic human rights, defrauding the consumer, contamination of the environment, involvement in government corruption scandals and various other nasty forms of behaviour.

At this point, I would hasten to add that some corporations *are* making a concerted effort to be more socially and environmentally responsible. They should be noted and publicly commended for doing so. In the U.S., with its long history of corporate arts sponsorship, fairly comprehensive "good-guy" lists can be obtained from any of the various ethical investment advocacy groups. Notable among these groups is Peacenet (3228 Sacramento St., San Francisco, CA/94115) which distributes such lists on frequently updated consumer diskettes. I have as yet been unable to locate any comparable lists specifically detailing Canadian corporations, but in view of the post free trade American multinational absorption of our economy, this might well become a moot point. The periodicals section of any large public library is a very good place to start, since most of the more flagrant corporate violators are adequately represented in the public record. If they employed such tools with diligence, cultural fund-raisers could make a real difference to this whole sticky question of the arts tacitly advocating the activities of such corporations. There are indications in the U.S. that at least some fund-raisers are beginning to pay more than just lip service to the ethical history of their corporate sponsors. Back here in

Canada however, with our sparse history of substantial corporate arts support and our traditional reliance on arms-length government funding bodies, such scrutiny of corporate practices is not yet common. It is not surprising then that many of our leading art institutions have allowed the funding gap—caused by deteriorating government support—to be filled with the help of some of the world's most nefarious corporations. For the record, I believe it would be useful to present a brief summary of some of the more blatant examples of mega-corporate money-laundering in connection with recent major Canadian art exhibitions.

THE "BAD GUYS"

Perhaps the most repugnant sector of the corporate world is the one which participates in and profits from organized repression and the denial of basic human rights. This is usually achieved by foreign subsidiaries operating in the world's many police states, but is also quite apparent right here at home. In this first category, we can easily place Shell Canada and Alcan; both huge multinationals with a long and sorry record of involvement in racist South Africa. Also implicated is the much smaller Toronto-based Fleck Manufacturing Corporation.

Shell Canada

The case against Shell Canada is well documented. Royal Dutch Shell, Shell Canada's parent company, is instrumental in fueling South Africa's brutal apartheid regime. It also co-owns such notorious facilities as the Tietspruit coal mine, where armed guards have been used to force striking workers back to work. On the domestic front Shell Canada, in the words of Bernard Ominayak, chief of Alberta's Lubicon band, is "actively seeking to destroy our aboriginal lands and way of life"⁴ through oil exploration and drilling activities. The Lubicon's land claim has been drawn out by the industry-backed Canadian government for almost 50 years, in a slow war of attrition against a dwindling indigenous culture. In this light, Shell Canada's sponsorship of the 2.1 million dollar native and Inuit artifact exhibition *The Spirit Sings—Artistic Traditions of Canada's First Peoples*,

was a truly contemptible propaganda ploy. It was clearly designed to divert public awareness from Shell's *real* corporate agenda which promotes the subjugation of both native Canadians and South African black workers. Just what any native spirit would be singing after this abuse of their cultural heritage would be an interesting topic for conjecture. Fortunately, not everyone was taken in by the glossy publicity. Widespread boycotts against *The Spirit Sings* were initiated by the Lubicon and other native bands and supported by the Canadian Ethnology Society, several prestigious European museums and numerous national and international aboriginal advocacy organizations. While these boycotts were insufficient to stop the exhibition in its tracks, they did much to raise the public consciousness of Shell Canada's dirty deeds and spur the desire to look deeper into the motivations behind their cultural funding efforts.

Alcan

Alcan Aluminium is a major funder of many Canadian arts groups and events. Alcan's Canadian labour relations have at times been characterized by some pretty heavy-handed tactics including the use of paid strike-breakers and "police helicopters (which) rained tear gas bombs on strikers" during the 1976 strike at Arvida, Quebec.⁵ Up until 1986, when the mounting outrage of shareholders forced them to divest, Alcan owned a 25 per cent interest in a South African subsidiary called Hulett's Aluminium PLC. Designated a "keypoint" (strategic) industry by the South African government, Hulett's output of specialized aluminium products for the South African police and military clearly did (and still does) contribute to the perpetuation of the brutally repressive apartheid regime. Hulett's pays its black workers below the poverty line and refuses to recognize a trade union formed by them. There were allegations from Alcan's own shareholders that Hulett's was training employee militia units and storing weapons on its premises for possible use against a worker insurrection. A representative from Hulett's sits on the South African Defence Advisory Board.⁶

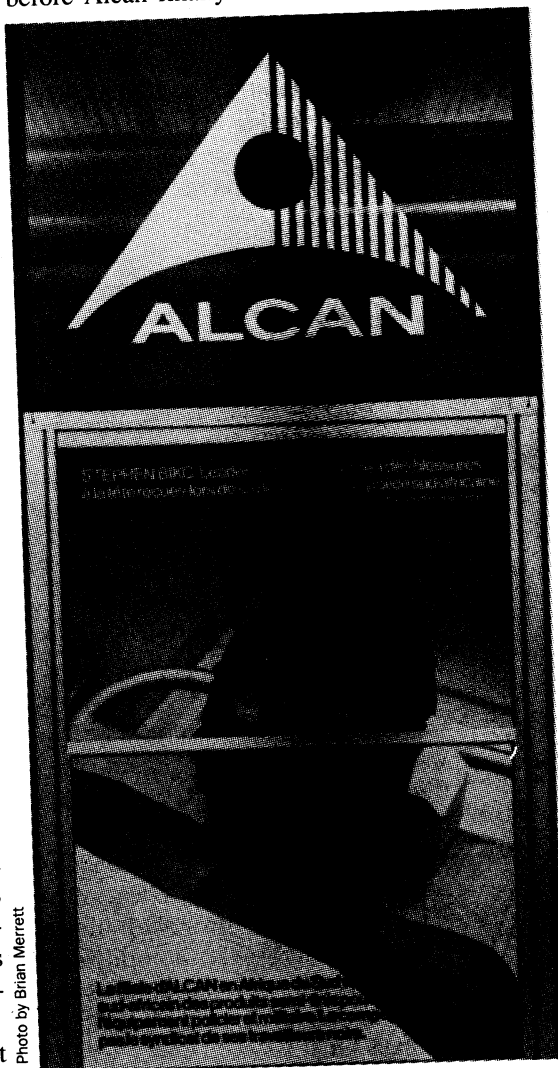
Although Alcan now declares that it

no longer has anything to do with its South African apartheid-loving affiliate; as recently as a few months before the shareholder instigated pullout, Alcan's Canadian spokesperson was quoted as saying that "Alcan has no plans to divest itself of its interest in Hulett's Aluminium...its presence there is helping to *improve* conditions for black workers" and that "Alcan divests only where an investment no longer suits its business purposes."⁷

In this light, it is strangely ironic to witness the outrage voiced by Alcan spokespeople over the exhibition of Hans Haacke's work *Voici Alcan* at the new National Gallery. Haacke's piece, which contains an image of Stephen Biko in the morgue juxtaposed with text (prepared by Haacke and derived from material on public record) about Alcan and South Africa, had been shown several times before Alcan finally unleashed its dia-

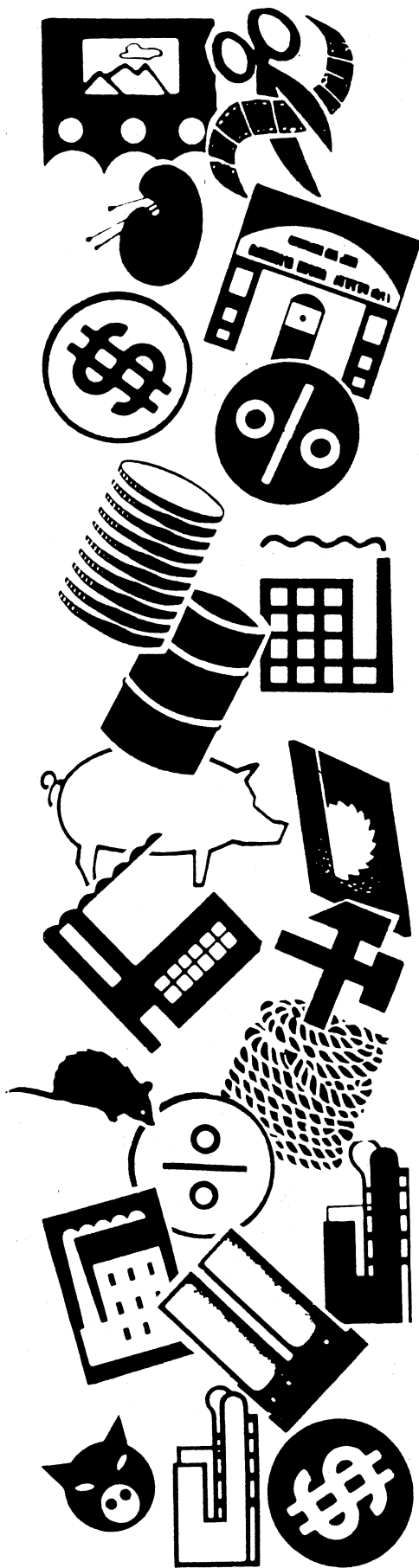
tribe over the 1988 showing. Declaring Haacke a "pseudo-artist...portraying Alcan as a bunch of murderers and thugs" and denouncing the National Gallery as "having gone along with libel,"⁸ Alcan staff hurriedly tried to mend this chink in their public relations armour. This was after all the brand new, highly publicized, multi-million dollar National Gallery—the perfect place to propagate public amnesia over a sorry corporate record. Inexplicably, even *Globe & Mail* critic J.B. Mays got into the act, denouncing Haacke's work as "undocumented gossip" and "tittle-tattle" in a manner that was clearly defensive of the corporation. Whether by this Mays was merely trying to secure his place in the wine and cheese line of future gala corporate openings is up for debate, but I must say I found his stance truly disturbing.

It is however to the National Gallery's credit that members of its staff have gone



"...portraying Alcan as a bunch of murderers and thugs": detail from Hans Haacke's *Voici Alcan*.

Photo by Brian Merritt



on public record as saying that the larger issues surrounding the exhibition of Haacke's piece were "relevant" and that it "recognized the importance of the debate (over the issue of corporate sponsorship.)"¹⁰

Fleck Manufacturing

A third player in this sordid saga of image laundering by corporate violators of human rights can be found in the history of Ontario's Fleck Manufacturing Corporation. Fleck Mfg., although nowhere near the size of Alcan or Shell, nevertheless takes pride in being one of the key contributors to Toronto gallery THE Power Plant's "capital" campaign. This means that Fleck Mfg. has donated enough money to get a part of the building named after them, in this case the Fleck Clerestory, which graces the upper reaches of the gallery. In return for this munificence, the name "Fleck" gets associated with any work shown in that part of the building, swaddling exhibiting artists in that warm feeling of corporate support and lending that certain air of avant-garde sophistication and cultural benefaction to the corporation's public identity.

But who is this Fleck Manufacturing Corporation anyway? Looking back to the spring of 1978 we will recall quite a different face of Fleck. This was the year that 81 women employees at Fleck's rat-infested Centralia, Ontario automotive wiring plant began a strike which was to become a landmark event in Ontario women's labour history, noted for the unprecedented use of government sponsored police intervention to break the strike. Although hardly a strategic industry as in the case of Shell and Alcan in South Africa, Fleck Mfg. was 50 per cent owned by the then Deputy Minister of Industry and Tourism, James Fleck, through his wife and children. (Incidentally, James's brother is the infamous Paul Fleck who, during his tenure as president of the Ontario College of Art, attempted to put down a strike by models and other college staff by bringing in outside security personnel. He is now serving as the president of the Banff Centre for Fine Art.)

Even before the Fleck workers actually went on strike (and they had never been on strike before) the Ontario Provincial Police were brought into the plant to intimidate them. In order to ensure that scab labour could continue to operate the antiquated Fleck facility, the O.P.P. (according to its own figures) spent over \$1.2 million to continuously maintain a presence of from 40 to 500 officers at the picket line.¹¹ At that time, 500 officers represented about 10 per cent of the total O.P.P. forces in the province. Violence broke out repeatedly with police in riot gear "jabbing women in the breasts and stomach" and "clubbing another striker unconscious"¹² and inflicting numerous other personal injuries.

It is interesting to note that the workers of Fleck Manufacturing were not striking primarily over their unbelievably poor working conditions which, in addition to the aforementioned rats, included: improperly maintained machinery that repeatedly burned the workers, dust levels high enough to cause headaches and sinus problems, lack of basic climate control and the absence of adequate wash-room facilities. The central reason for this strike was simply to get Fleck to acknowledge the workers' right to organize a union and to negotiate a first contract. This did not occur in distant South Africa. Fleck's brutal response to this strike was an unequivocal indication of a blatant disregard for the basic human rights of rural Ontario women workers and should be deplored as much as the activities of Alcan and Shell.

As a footnote; in December of 1988, in response to a planned strike and to the "new realities" imposed by the free trade agreement, Fleck Manufacturing shut the doors of its plant forever and moved all of its machinery to a duty-free manufacturing zone in Mexico, known as a "maquiladora." The average wage in this zone is about \$4.25 a day and here trade unions, safety and environmental standards are discouraged and ineffectual.¹³ Over 200 jobs were permanently lost in Canada as a result of this closure and subsequent move to Mexico.

MORE "BAD GUYS"— THE ARMS INDUSTRY

While some corporations profit handsomely by providing raw materials to brutal regimes and/or repressing their own workers, others do equally well by marketing and manufacturing ready-made equipment designed to kill large numbers of people quickly and efficiently. These constitute what is conventionally known as the "arms industry." Such corporations profit enormously by sucking huge amounts of capital from the economic stream of countries who can often least afford it. They aggressively market ultra-expensive killing machines that are often technologically obsolete by the time they are delivered. Although politicians often make much of the job benefits created by the arms industry (especially in regard to the construction of the recent Oerlikon plant in Quebec), even government statistics don't bear this out. The number of jobs created by spending \$1 billion on the arms industry works out to about 76,000. By contrast, the same \$1 billion would buy 100,000 construction industry jobs, 139,000 health industry jobs or a staggering 187,000 jobs in the field of education.¹⁴ I would wager that such a large sum could create an even higher number of jobs if spent in the cultural sector.

In view of the public controversy over the enormous strain that these industries put on our tax dollar (as well as their obvious self-interest in maintaining the world in a continuous state of preparation for war), it is hardly surprising that the arms industry has slunk toward the potential aura of respectability afforded by sponsoring major arts events. It is profoundly ironic that the Canadian government, in passing Bill C-51, has legislated severe restrictions on cigarette companies who wish to promote cultural events while simultaneously encouraging support of the arts by international arms merchants. Admittedly, the wares of cigarette companies may cause death as a *by-product* of abuse; the wares of arms merchants, however, *will* cause death as a result of their *correct* use.

United Technologies

The classic case in point in all of this is the sponsorship by United Technologies of the new National Gallery's first major exhibition—the Degas retrospective. United Technologies (UTI) is listed among the top 10 suppliers of arms to the U.S. Department of Defence. Among UTI's illustrious line of products are the engines for most American military aircraft including the B-52, the A-4 Skyhawk, the F-15 and F-16 series. They also manufacture electronic equipment for military aircraft (appropriately called "offensive avionic systems"), missile guidance systems (including the Cruise missile) and a full line of military helicopters manufactured by their Sikorsky subsidiary. Most of this equipment has been employed in the many wars going on around the planet resulting in untold numbers of deaths and maimings. Not content with a militarized earth, UTI is

actively working toward the militarization of space, working closely with the U.S. Department of Defence on the Space Shuttle project. UTI clearly profits from killing and the preparations for killing as evidenced by its meteoric rise in profits during the years of the Reagan administration. Degas's "cossetted interior scenes" and depictions of bourgeois pleasures appear to be the farthest thing away from the human butchery carried out by UTI's products. Their sponsorship of the Degas retrospective clearly serves as the perfect means of obfuscating the corporation's dubious public record.

Oerlikon

Another more recent entry in the rush by the multinational arms industry to sponsor major exhibitions of art in Canada is the Oerlikon Aerospace Corporation. Oerlikon, a major weapons manufacturer, predominantly manufactures land-based weapons such as ADATS (air defence/



Photo by Tony Founse

Impressionist art exhibitions and land flip scandals steal the spotlight from Oerlikon's real stock in trade.

antitank systems). This little unit, on which Canada is spending \$600 million, consists of a missile, anti-aircraft guns and a tracking system, all of which is deployed on a tank or all-terrain vehicle, where it can be aimed to achieve optimum carnage and death. Despite the high cost, ADATS have been criticized for not functioning properly in bad weather. In fact its turret conspicuously froze at a recent gala demonstration for dignitaries and military officials, stubbornly refusing to rotate towards a "target" of admiring press photographers.¹⁵

Oerlikon itself has been at the centre of a major Quebec land flip scandal in which a junior cabinet minister in the Mulroney cabinet had to be sacked under allegations of fraud. But now that all the turmoil has been smoothed over, Oerlikon is sponsoring a blockbuster exhibition of Impressionist paintings, scheduled for the summer of 1990 at the Montreal Museum of Fine Art. It seems that the late Swiss industrialist Emil George Buhle, founder of the holding company that owns Oerlikon, had a penchant for investing his ill-gotten gains in major masterpieces by Van Gogh, Picasso, Cezanne and Renoir, among others. This priceless collection, which the MMFA has in the past unsuccessfully tried to exhibit, will finally make its way there because, in the words of an Oerlikon spokesperson, "it was logical that we would come here, where we do business."¹⁶ In addition, this exhibition will help to commemorate the 100th anniversary of Emil Buhle's birth. It is a sad fact that this, the world's largest private collection of Impressionist art, continues to be utilized as advertising for organized merchants of violence.

INTELLIGENT CHOICES AND CATCH 22S:

In this article I have attempted to illustrate how corporations, extensively involved in the abuse of human rights and/or world militarization have used their sponsorship of Canadian arts events as a form of advocacy advertising. Such propaganda efforts (or, as they are known these days, "public diplomacy" campaigns)

seek to direct public focus away from the inherent violence of their corporate agendas by associating the corporation's public image with the humanitarian connotations of our cultural institutions. Regrettably, the acceptance by our institutions of this type of sponsorship directly involves them in the process of public deception, often helping to prolong the promotion of intolerable injustices both at home and abroad.

Given the current climate of right-wing politics and the agenda of free trade, with its concomitant erosion of government arts support, many would understandably argue that all independent cultural production is threatened in this country, and that any help provided by the corporate sector could be vital to our cultural survival. We should, however, remember that it is the corporate sector that has pushed so relentlessly to achieve this free trade status quo, and that its goal of continent-wide, socio-economic homogenization is in itself antithetical to a regional diversity of non-commercial culture. It is clear that the current Tory government is, on behalf of the corporate sector, actively trying to privatize our non-commercial public culture through the financial strangulation of our arms-length funding bodies. The potential for abuse is obvious when, in order to gain funding, cultural activities and institutions will be judged according to their willingness to be milked for their corporate image enhancing potential. Must our art-culture become a part of corporate culture's takeover of Canada? It will be if we let it. Perhaps we should start asking what in some circles might seem heretical questions. For example: what place do these monolithic blockbuster exhibitions (requiring the mega-dollars of multinational corporations) have in Canada? Our cultural identity has traditionally grown out of the diversity in our regions, on a scale that has reflected a community orientation. These sorts of values are clearly not what is espoused by the fanatical bigger-is-better attitude so characteristic of current multinational corporate philosophy. If corporations are to have a role to play in the financial support of Canada's cultural institutions, this role should develop as a role of subsidization

not of cultural appropriation. By denying the multinational war-mongers and human rights abusers (as well as environmental polluters, which I am now researching) the opportunity to use artists and our arts institutions as handy instruments of propaganda, we could do much to legitimize our galleries and museums as community institutions—sensitive to the social ecologies in which they exist. To achieve this we have to, at the very least, demand that the fund-raisers of these institutions accept sponsorships only from those corporations whose public record can stand up to a reasonably conscientious ethical scrutiny. We must vigorously campaign for the retention and support of our arms-length funding bodies. To do anything less is to endorse a deep and irrevocable debasement of the value of Canadian cultural life. ■

¹ Liam Lacey, "Courting Culture", *Globe and Mail*, April 2, 1988, pp. C1, C3.

² *Globe and Mail*, April 24, 1989.

³ Irene Davis, "Corporate Support and the Arts", *Performing Arts*, July 1986, p. 15.

⁴ Wendy Smith, *Ottawa Citizen*, April 29, 1988, p. A 10.

⁵ Kent Rowly, "Fighting Alcan: A Case for National Unity," *This Magazine*, January, 1977.

⁶ Rosalind Krauss, "A Conversation with Hans Haacke," *October*, Vol. 30, pp. 46-47.

⁷ *Globe and Mail*, March 13, 1986, p. B 17.

⁸ *Vancouver Sun*, June 11, 1988, p. E 7.

⁹ *Globe and Mail*, June 14, 1988.

¹⁰ *Ottawa Citizen*, June 30, 1988, p. A 9.

¹¹ Maureen Hynes, "Cheap Labour," *Branching Out*, Vol. 5, #3, p. 5.

¹² Ellen Tolmie, "Fleck—Profile of a Strike," *This Magazine*, October 1978, pp. 22-29.

¹³ Doris Anderson, "Trade Deal Let Employer Walk Away," *Toronto Star*, Dec. 17, 1988, p. J 1.

¹⁴ Statistics assembled by Campaign Against Arms Trade via WEB data network.

¹⁵ *Montreal Gazette*, October 15, 1988, p. C 1.

¹⁶ Ann Duncan, *Montreal Gazette*, September 7, 1988, p. B 5.

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