

RALPH NADER RADIO HOUR EPISODE 498 TRANSCRIPT

Steve Skrovan: Welcome to the *Ralph Nader Radio Hour*. My name is Steve Skrovan. David Feldman is out today, but it wouldn't be a show without a Feldman. So we have Hannah Feldman as my co-host. Hello, Hannah.

Hannah Feldman: Hello, Steve.

Steve Skrovan: And of course, it really wouldn't be a show without the man of the hour, Ralph Nader. Hello, Ralph.

Ralph Nader: Hello, everybody.

Steve Skrovan: On today's show, we're going to ask the question, is it possible for a corporation to be socially responsible and still compete in the marketplace? Our first guest, Toby Heaps, would say yes. In fact, he would actually go further and argue that companies with sustainable environmental policies actually perform better than their short-sighted competitors. Mr. Heaps is co-founder and CEO of Corporate Knights—K-N-I-G-H-T-S, as in what you'd find sitting at a roundtable.

Corporate Knights is a leading sustainable economy media and research company based in Canada. And Mr. Heaps is Editor-in-chief of *Corporate Knights* magazine. The research team at Corporate Knights develops global sustainability rankings, research reports and financial product ratings based on corporate sustainability performance. Every year they rank the 50 best corporate citizens. Corporate Knights maintains an editorial focus on climate change, responsible investing, and the ideas, actions and innovations that shape a sustainable economy. We look forward to speaking with Mr. Heaps and highlighting some good corporate citizens.

Then we welcome back Dr. Bandy Lee. Dr. Lee is the psychiatrist who first sounded the alarm about former President Donald Trump's malignant narcissism. She was the editor of *The Dangerous Case of Donald Trump: 37 Psychiatrists and Mental Health Experts Assess a President*. Now, despite two impeachments and four criminal indictments, Donald Trump is far and away leading the polls to again become the Republican Party's nominee for president. Is Donald Trump just another candidate, or should the media be covering Trump differently?

As always, somewhere in the middle, we'll check in with our indefatigable corporate crime reporter, Russell Mokhiber. But first, we spent a lot of time on this program talking about corporate bad boys. Let's hear about what it takes to be a good guy. Hannah?

Hannah Feldman: Toby Heaps is the CEO and co-founder of Corporate Knights and Editor-in-chief of *Corporate Knights* magazine. He spearheaded the first global ranking of the world's 100 most sustainable corporations in 2005, and in 2007 coined the term "clean capitalism". Toby has been published in the *Financial Times*, *Wall Street Journal*, and the *Globe and Mail* and is a regular guest speaker on CBC. Welcome to the *Ralph Nader Radio Hour*, Toby Heaps.

Toby Heaps: Thanks, Hannah.

Ralph Nader: And I want to add to Hannah's introduction, Toby, that this is all Canadian. You are a Canadian. This is a Canadian publication that has a worldwide impact. It's a 65-page magazine, beautifully designed and full of graphics, clearly written, very little jargon, and it defines clean capitalism this way.

"An economic system in which prices incorporate social, economic, and ecological benefits and costs, and people know the full impacts of their marketplace actions," which is a pretty high standard. And four times a year, the magazine is an insert in the *Wall Street Journal*, Toronto's *Globe and Mail* newspaper and the *Washington Post*. So people, when they get the print edition, get this magazine inside the newspaper. How's that worked out?

Toby Heaps: It's been nice. It's wrapped a nice bow with trust. People trust the *Washington Post* mostly. A lot of people trust the *Wall Street Journal*. A lot of people trust *The Globe and Mail*, and there's various bars you have to go over. I believe we're the only third-party publication that is carried in the *Washington Post*. So that says something; that took a little while to get in there.

And it's a nice way to be able to reach mainstream decisionmakers who are really trying to target. Most people don't wake up in the morning thinking how they can screw up the world. Most people want to leave the world a little bit better than they found it, and a lot of people are lacking information on what to do, and they're lacking feedback loops with rewards for doing the right thing sometimes, and also lack awareness about what other parts of the network they can connect into, other parts of the movement, which is a pretty significant full-blown movement now. And I'm speaking of the clean energy economy movement, the fossil fuel divestment movement coming from the other side as well.

And it's been interesting that the hypothesis we had at the beginning was, to Anne Frank's wisdom, in the Second World War when she was holed up in the attic in Amsterdam. She wrote that in spite of everything, she believed that people are really good at heart. And I still believe that's true. I used to be optimistic in spite of reality in many instances, and increasingly I'm optimistic because in reality I see so many good things speeding up.

Ralph Nader: We have a lot of skeptical listeners when they hear about making corporations responsible. Other than tough regulatory enforcement, prosecution, breaking up quasi-monopolies, they're very skeptical. But you reverberate off of something that the famous corporate guru Peter Drucker once said, "What gets measured gets managed." And that's the mantra of *Corporate Knights*, your magazine.

When I heard that, I recalled that before the Department of Labor was created in Washington, D.C. early in the 20th Century, there was very little organized data about workers. And when the Department of Labor was established, one of the first things it did was to start collecting information about unemployment, poverty, and worker injuries. And the moment the data were assembled, there was more publicity. The Congress took note; legislation was passed; regulations

were issued—far less than what I would have wanted—but it all started from these measurements. And that's what your magazine is famous for.

Can you tell us about your 100 best this and 100 best that and how you make it concrete? And then by putting out best practices, you put pressure on the laggard corporations; you give people a chance to reject the laggard corporations when they make purchases and reward the better ones and other similar feedback. Can you elaborate on all that? How'd you come to the yardsticks, which aren't easy, for determining the 100 best. Give us the description of the various 100 best?

Toby Heaps: Sure. How does one come up with a list of the 100 best corporate citizens is a good question—the 100 most sustainable corporations in the world? And we've refined an approach over 20 years and our intent has always been pure. We're not looking for companies that are making the most money. We're looking for companies that are making the most positive impact on society, the social impact and on the environment. Those are the only two things that we're considering. And we're not looking for fluff; we're not looking for things that are easy to gain; we're not looking for policies that are maybe good management tools. We're looking for material things that you can measure, that matter.

We put half of the emphasis in our 25-indicator system, which can be downloaded, global 100 Corporate Knights methodology comes straight up. Half of the emphasis in terms of weight is put on the company's operations. Half of the emphasis is put on how the company makes its money, i.e., is it making its money from products and services that have a clear demarcated benefit for the environment or for society—affordable housing, electric cars, green energy, sustainable plant proteins.

We're also looking at how the company invests its money; we're looking at the money side as half of the weight. How does it make its money; how does it invest its money; what percentage of its capital expenditures—research development and acquisitions—is going into sustainable products and services as defined by us, which has been a great piece of work that we've been engaged in with 350 organizations around the world, to come up with an integrated new language that defines what is green, what is sustainable and what is not at an industry by industry level.

We have the indicators on how does the company behave. We kick out a bunch of companies that have dark red flag behaviors, companies involved in cluster bombs, companies involved in deep deforestation, companies involved in for-profit prisons. That takes out about 10% of the universe when we take out all the dark red flags. We then look at their operations—what percentage of their cash tax is addressed as a ratio of their profits and how does that relate to their peers. We downgrade the companies that are not paying their taxes because that's the price we pay for civilization.

We look at the diversity of their board and their executives' gender and racial. We look at the safety records, injuries, fatalities. We look at their pollution, carbon. We look at their energy use, their water use. We look at their toxics emissions. And we have industry-specific weights that go to every industry to account for the fact that how much water a bank uses doesn't really matter, but it does matter with a cement company or a nuclear power company.

Then we put the emphasis with the weights where the material impacts of that industry are. And we score each company on each indicator relative to its industry peers, and then we weight it according to its industry. That gets us a score. And in doing that, we're able to come up with, out of a list of almost 7000 companies globally, all the publicly traded companies with the market with revenues of over \$1 billion US, we're able to come up with 100 most sustainable companies in the world.

We've been doing this since 2005. We launch it each year, coincidentally, with the World Economic Forum in Davos. And we've been tracking it as a financial index with a third-party calculation agent, Solactive, based out of Frankfurt. And I was curious from the get-go, if we figure out who the 100 most sustainable companies are in the world on a sector neutral basis, so we have a similar exposure to what the investment benchmark would have in terms of its sector exposure—would it outperform financially over time? Because we have an imperfect economy with policies that still slant the playing field, subsidies that still slant the playing field towards the dirty and the monopolistic and the corrupt economy in many respects. I hoped that would be the case, but I wasn't sure it would be.

It's been really interesting. Over almost 19 years of live performance, we've seen that the most sustainable companies outlive the less sustainable companies, the average company, by a factor of two to one. And they outperform them on an annualized basis by over 1% per year, which over a course of almost 19 years is quite substantial in the investment world. It's been really, gratifying and inspiring to see that even in the imperfect system that we operate in, the companies that are doing better on taxes, doing better on sustainable products and services can, not only deliver more value for us as people and for the planet, they can also outperform.

It's not always a win-win wonderland, but it's been really interesting to see that trend take hold. And that trend has widened where the most sustainable companies over the past three years are now significantly outperforming the average company, because we're seeing the sustainable economy, whether it's electric cars, renewable power, plant protein, smart and green buildings, these sectors are becoming multi-hundred billion dollar sectors, and they're driving the biggest piece of the pie of economic growth. Companies that are catalyzing on that and also showing a balanced way of doing business, are thriving.

None of these companies are angels. Some of them are steel recyclers like Schnitzer Steel, which recently changed its name, had some issues in Oakland and got sued by the Oakland A's for some pollution from its recycled steel plant. But they are making 100% recycled steel with renewable power. Almost half the directors are women, They're paying their taxes, have dramatically reduced their waste and their pollution, and are doing really well economically too.

And companies like Ørsted out of Denmark, which decade or so ago was one of the dirtiest companies in Europe with huge coal pollution. They made a board-level decision to do a radical U-turn and then go all in, investing in offshore wind turbines. And they thought it would take 30 years to do the transition. It took about six years to get most of it done. They transformed their business, increased their value by a factor of four when their peers were flat, and became the largest offshore wind producer in the world.

These stories are happening all over the world, whether it's from the oil companies, the electric power companies, fossil power companies, food companies, or real estate companies. And the ones who are going all in and investing big in the green economy, in this more sustainable economy, are more often than not, the ones who are hitting the biggest numbers financially.

Ralph Nader: Your recent issue has an article on page 46, titled Best 50 Corporate Citizens in Canada. I have three questions on that. What do you do if you have a very good corporate citizen, but it's a very small company, say with \$1 million sales? Do you have a cut off? Second, give us the names of some of the top companies. Third, have you ever thought of a reverse disincentive where you say the worst 50 corporate companies in Canada or around the world?

Toby Heaps: When we look at companies for the most sustainable companies, or best 50, we're looking generally at large companies, with over \$1 billion in revenue. We have something now called the Future 50, which we started in Canada, and we're looking for companies who have the highest green, sustainable companies, who make the majority of their money from green or sustainable products and have had the biggest growth in terms of revenue or capital raised over the last two rounds. That includes many companies of less than a million or not much more than a million of revenue. Yet our rankings are mostly focused on the large companies.

It's a resource question. It's quite an exercise. It takes about 10,000 hours a year to do the ranking of the 100 most sustainable companies, and that's a pool of just under 7000. But we do recognize that the small, and medium-sized companies are really important in many ways. Those are the ones that are pioneering the standards. And that's why we've come up with the Future 50, and we're looking to expand that.

A leading name is Schneider Electric, a really cool company. They do industrial machinery out of Europe based in France. Not a household name necessarily, but they made a decision to become the sustainable-solution provider to all the major industries—whether cement or steel or oil and gas—people who use this big machinery. And their goal is to electrify and decarbonize everything. They've had tremendous growth. It's a really inspiring, old economy kind of company. It's not a dot-com kind of thing, but really inspiring to see that.

A company like Neste Oil, now called Neste, is based out of Finland with some major northern European refiner of fossil fuel oil. About a decade ago, they made a decision to make a major investment in sustainable aviation fuels. They saw where the market was going, and their market value has appreciated more than almost any other company of its size or bigger in the oil and gas sector. Neste now makes the majority of their money on sustainable aviation fuels that come from waste residue and waste products like cooking oil from McDonald's kind of thing. And they're investing the vast majority, 85% of their capital expenditure each year and growing those businesses. It shows how a fossil fuel company can, in a relatively short period of time, completely change its business model and prosper economically, which is pretty interesting.

When you go down the global 100 list, you can Google global 100 sustainable companies, there's stories like this all along the way. There's Vitasoy, a Hong Kong-based company, a smaller company, it's a \$1 billion company, but smaller compared to some of these other companies. And

they're plowing in and making huge investments in plant protein and converting the animal milk products to plant protein with huge presence in China, where it really counts.

It's interesting. China is one of the only major countries that has made the diet a part of its climate strategy, recognizing that they need to convert substantial portions of their animal-based diet, to plant-based, because it's more efficient and much lower carbon. That's a company that's capitalizing on that trend.

There's companies like McCormick, which owns Frank's Hot Sauce and you probably have their spices in your spice cabinet; it's based not far from D.C., in Maryland. Their business model sets up cooperatives. They have growers of spices all around the world, from Nigeria to Sri Lanka to Madagascar. They go in there and set up cooperatives with the farmers, so they can sell directly to the company and not have to go through three or four middlemen and get a pittance of the actual value of the spices they're harvesting, whether it's vanilla or cinnamon or pepper. That's been really great for their business model. It's a more resilient supply chain because their workers are making more money, and it doesn't necessarily cost the company more. It's just a smart way of doing things. They work a lot with USAID and other entities getting these things set up. They make great spices, and they're not focused on salt, but things that really enliven foods and bring them together. It's good for people. And they figured out a neat win-win business model where the workers can get way more benefits.

Ralph Nader: And what about doing it in reverse, the worst 50?

Toby Heaps: Yeah. That's fun. We play in both sides, so we take about an 80% focus on positive. People see us as a solutions folks, but I think it's important to keep people honest as well. From time to time we'll do a deep dive. But when we do a deep dive, I really like to hit hard and get results because we're putting our name out there.

Recently we did a deep dive into the tax avoidance of the big banks in Canada, which was off the scale. It was without shame and running into the billions and billions of dollars per year. And we exposed it in excruciating detail with forensic accountants. We received threats when we were preparing the article over six months. We partnered with a major publication, the *Toronto Star*, for some legal cover as well as it was a co-production. Then we published it; the government doesn't usually do everything it needs to, but it closed down about \$2 billion of annual loopholes. That's been a bit of a tally for the banks. We've noticed our advertising revenue took a bit of a hit in that sector, which is fine. There are lots of sectors out there.

We've done rankings for like the Toxic 50, where we look at the 50 most toxic companies in terms of what they're putting into water and air and the toxicity of those chemicals times the weight that they're putting in. And it was really interesting. One of the forestry companies we uncovered was called Abbott, which at the time, was the biggest toxic water polluter in Canada. When the story came out, it got to the board of directors. They got it in the *Globe and Mail*, and it became an agenda item at the board meeting, after which Abbott allocated \$150 million to do the retrofit that they needed to stop the toxic water pollution at their pulp and paper plant. Those things happen, but it's useful to focus on who's not doing well. And we've done divestment rankings to show which foundations and which pension funds are losing the most money from

not getting out of fossil fuels. And that of course, over the last couple of years, hasn't been the theme just given the geopolitical situation. But we looked at BlackRock, for example, over a 10-year period leading up into 2021. By staying invested in fossil fuels, as opposed to taking the money out of fossil fuels just in their equity portfolio, and spreading it to all the other stocks they own—the Googles, the Microsofts—they had \$1 trillion of extra returns that they missed out on as a result of staying invested. Of course, there's lots of—we can unpack that and peel that onion back a bit, but sometimes we focus on the losses or the bad things. It can drive a bit of a reconsideration, but our main focus is trying to find where the good magic is happening and to shine a light on it. Increasingly, the solutions in the economy are growing faster than the problems. If that trend continues, the problems may dwindle in relevance. But we do need to keep an eye on them for sure because they're still big problems.

Ralph Nader: We've been talking with Toby Heaps, founder, publisher, CEO of Corporate Knights out of Canada. Let's go specific, Toby, and talk about three companies, each one a little different.

Interface Corporation based out of Atlanta, Apple Corporation and Invidia. Interface Corporation, to my knowledge, is the first company, it's and it's the leading manufacturer of carpet tiles in the world, with plants in the US and around the world. It's the first company that declared that it went carbon-neutral in 2019, based very much on the leadership of Ray Anderson, an engineer who was its founder and CEO until he passed away a few years ago. What do you think of that? Is that in your ranking at all, the Interface Corporation out of Atlanta, Georgia?

Toby Heaps: Yeah. Interface is a really inspiring company. Ray Anderson was almost a spiritual leader in the corporate movement and we all miss him a great deal. He set new standards, new cultural standards and new norms, for many business leaders to think about their role as citizens, not just as stewards for the financial shareholders. And I hope that will be his legacy.

And it's been interesting to see Interface continue to be a great leader. They've been just a little bit too small, but they have crossed the billion-dollar annual revenue threshold, and so we reach out and measure them. And I'm hoping this year—I know we've been paying close attention. I remember talking with Ray about this when we first started the ranking. He's like, "We're going to get big enough so we can make the ranking," and now they're big enough. I hope that when the ranking results are finished this year that the numbers check out and we have Interface in there.

But they make this beautiful tile carpet. We have it all in Corporate Knights' office. You can sleep on it. It's from the circular economy. They recycle it. It's really functional. Great people work there, they really treat their people—it's not just a token top-down thing. And that spear in their heart that he got when he read Paul Hawken's book, it just really shows the spiritual transformation and the possibility for change just when a single leader gets something. But the big problem with Ray Anderson and Interface, specifically Ray Anderson, is there was only one Ray Anderson, and I hope that many more will be spawned. And we'll see the ripples and the waves over the coming years from the initial strokes that he made.

Ralph Nader: A fitting tribute to Ray Anderson. And part of his legacy are three wonderful books that he's written. And he also made hundreds of speeches all over the country and the world, showing what could be done. He just reconverted his old company after he heard Paul Hawken speak and read Paul Hawken's book, as you pointed out. He does have a writ legacy as well.

The second one is Apple, which certainly is big enough for your stipulation. What do you do with Apple, which doesn't have many polluting plants in the US, for example, but the pollution is in China where they have a million workers under a Taiwanese company contracted to put out their computers and iPhones. And there have been horrific stories of the bad treatment of these workers and how the company has nets down the fifth and eighth floors or so of the factory to catch people who are so down and out that they try to commit suicide.

Toby Heaps: Yeah. The worker situation in those pressure cooker factories trying to deliver, especially in Christmas rushes, is really worrying. And we look at the severe human rights violations. We look at the worker rights violations. We look at fatalities and we look at injuries. Apple does pretty good on the fatalities and injuries. It's normalized by number of workers and you can imagine they have a large workforce. There's still people dying and some people think one person dying is too many and every life matters a lot.

We do use the Norwegian Sovereign Pension Fund, which has an amazing research resource where they go in minute detail, analyze the legitimately severe human rights and worker rights violations that companies make. They have a committee that does visits and due diligence, and it's all made publicly available. When they decide a company has crossed that red line—it's not all companies, it has to be a pretty severe egregious behavior or misconduct. And they'll put it on the no-go list and they'll publish it on their website.

The acronym is NBIM, but it's the Norway Sovereign Wealth Fund. So we use that; and Apple is not currently on that. They do have many controversies. They're not disqualified from the get-go. And what's been really interesting with Apple to see them—it's a multi-trillion dollar company. It's the largest company in the world right now by market value.

What's really interesting to look at Apple is they've had the environment on their agenda. As you know, Al Gore has been on their board, longest serving director, for 20 years, been hammering that down. More recently, after they acquired Lisa Jackson as their chief sustainability officer, they started to get a lot more serious about the materials that go into their phone. Is the aluminum coming from China? Coal, or is it coming from renewable sources with new processes from Quebec? The latter is true now.

And they really try to drill down into the real impacts that they make in terms of the resources that go into the phone and the energy efficiency of the phone. I would argue they have much work to do on the right-to-repair still, but they've made great progress. And compared to other manufacturer's devices, when you look at the various standards that their phones hit, their leading edge and the refurbishment business they have is in full swing, a significant piece of their overall business.

On that piece, they're doing pretty good. They're doing well on their supply chain. On the environmental piece, as you pointed out, there's progress and a lot of challenges on the social and the worker piece that come with working in those countries, for sure.

But most interesting for me is when you look at a company like Apple or HP, about 98% of its environmental impact comes through its supply chain. It's not necessarily the emissions from the aluminum; it's not how much electricity they're using at their headquarters in California. Where even more impact comes is what they do with their political power. Companies like Apple and Google, Alphabet, are so powerful in Washington, D.C. and Brussels. Around the world, they have armies of government relations folks. They employ sometimes, in the case of Facebook, ex-deputy prime ministers as their chief lobbyists, and they have such power.

Traditionally they've been focused on things like antitrust and various digital issues, but increasingly, because they recognize that it's both a huge issue for their employees—and Bill Weihl has done tremendous work with ClimateVoice—California really harnessing the power of the employees of these companies who want bold climate action and climate policy. These companies have such political power that if they just put their finger on the scale, sometimes it's enough to get through something like the Inflation Reduction Act, which had a lot of flaws but also had a lot of good things in there. That was hanging in the cusp, and for a while didn't look like it was going anywhere.

Now, Apple and Google have both started to, in a concerted way, use their corporate power to advance bolder climate policy. And it's an essential counterweight through lobbies like the Chamber (U.S. Chamber of Commerce), which traditionally are captured by the narrow rump of fossil fuel interests. And they misrepresent the voice of business and advocate for laggard policies that try and hold back the growth of the clean energy economy. Now, companies like Apple who, on many instances, both in public and in private, are putting their finger on the scale to get bolder clean energy policies.

At a meeting I was hosting in New York on Monday this week, representatives from all these companies, were there, at quite senior level discussing what they're doing. Not all of it is in the public; some of it can be traced. But it's really interesting to see these nonprofits like InfluenceMap, which tracks how corporate power is used to influence climate policy and how major industry associations can distort that; they have a ranking of the leaders on this. They also rate the laggards, who get an F—all the way A to F. It's a really great outfit, like halfway between J. Edgar Hoover and Santa Claus on climate lobbying.

Ralph Nader: But Toby, they're still responsible for a million surf-like workers in China under their contractor, so how do you crank that in?

Toby Heaps: Yeah. The worker issue is a big one. We look at their injury rates, the lost time incidents which are self-reported, and we look at the fatalities per full-time equivalent employee. And they come out strong on both those metrics when you normalize it by the number of employees. But there are issues, and we look at the major controversies. If Apple was to be put on the no-go zone by the Norwegian Sovereign Wealth Fund, they would be ineligible for a ranking.

That's always something that they're managing, and it is a tension. Amazon, for example, crossed the red line from their various worker practices and are in the no-go zone, so they're not eligible for our rankings. Apple has similar magnitude problems, but not quite at the pitch that Amazon has.

Ralph Nader: What about workers' pay?

Toby Heaps: The pay of the workers is one of the main metrics we look at, which is considered quite controversial by companies. We look at the CEO to average worker pay. We're looking at all of their employees—what the average pay is of all their employees around the world, and then looking at that as a ratio to the CEO. And the CEO, Tim Cook, is getting a fairly handsome paycheck. We're looking at the options, the full value, the compensation, and remuneration for the CEO. The higher that ratio of the CEO pay to that of the average worker, the lower the score of the company.

Within Apple's sector, there's a fairly high weight on that indicator, because there is a worrying spread between the executive to worker pay ratios, so that's something we take into account, and a company gets penalized when they have a high CEO to average worker pay.

Ralph Nader: A year ago, Tim Cook was being paid \$833 a minute on a 40-hour week, not counting benefits. And their charitable giving as a percent is one of the lowest of any major corporation in the United States. Their charitable giving is about two-tenths of 1%, and under federal tax law, they can give up to 10% of their adjusted gross and deduct it. Do you crank in the charitable giving issue?

Toby Heaps: No, we intentionally excluded charitable giving from the get-go. And not that there's anything wrong with it, but traditionally the idea of corporate citizenship, corporate sustainability, was conflated with how much money are you giving to charity. Our whole thrust has always been what are you doing with your core business? How are you impacting the world with your core product and service? Are you paying your taxes? Are you paying your workers?

And we really shied away from charitable giving. Some companies give as much as 1% of their pretax profits. Apple is at the far low end of that. But we put weight on what percentage of their profit is mispaid in cash tax over a five-year period. We look at that and put a lot more emphasis.

Ralph Nader: How do you get data on something like this? Samsung has chided Apple on the recycling of their products when they're disposed. iPhones and computers are taken apart by workers. And it's a very toxic work exposure. How do you deal with that when there's virtually no data on it?

Toby Heaps: Yeah, it's tough. We can't see everything that's going on. Increasingly, we use millions of data points that we believe to be credible. We partner with over two dozen, mostly nonprofits that have specific expertise on monitoring different of these issues that we look at, who come up with the dark red flag companies, whether it's deforestation being done through satellite and looking at where the goods are going through the supply chain so we can tackle them. But on

some of these issues, we rely on the dark red flags. We're looking for this to rise to the level where it becomes significant, almost indictment, where the company can be put on the hit list.

We also track 122 different sources of fines, penalties and settlements from various jurisdictions, whether it's OSHA in the US, EPA or equivalents around the world. We have this really amazing researcher based out of Missouri, who spends about half his life putting this all together and updating it every day. Russell Mokhiber, I think, first discovered him, and that's how I discovered him; we use that now. We're the main user of his data and we employ him to collect this data.

We know when a company's fines, penalties and settlements reach 1% of their revenue. Then they're put on the hit list and they can no longer be eligible for the ranking. We also deduct up to 5% of their total score depending on how the ratio of their fines, penalties and settlements rank relative to their peers; that's something that becomes real.

As you know, there's lots of stories out there. A big company is going to have all sorts of smear stories. Some of them are going to have truth, some of them are not going to. And we don't want to just be hectoring, or having a beauty contest, or be the subject of the latest headline. We're trying to do something that's reasonably rooted in evidence and can be defensible, and considered fair. We recognize that none of the big companies that we rank are perfect. They all have major issues, which is the nature of the human condition.

Ralph Nader: Yeah, needless to say. How do the companies react to you? Do they say “ouch?” Do they complain if they're not on the list, the way universities complain to *US News & World Report* when they are down in the rankings, or the way companies complain to *Consumer Reports* when they get a negative assessment of their product? What kind of feedback are you getting? Or are they trying to ignore you? And when you do rank them high, do they publicize it in their advertising? And does that worry you at all? We're talking with Toby Heaps, the founder and publisher of *Corporate Knights* out of Canada.

Toby Heaps: I love this question. They don't ignore us, which is the main thing. We get a lot of flak and then companies do try to make hay, the ones who make the rankings. A lot of them, most of them do try to make major hay out of it, and many of them are able to. So we're always conscious and watching, because of course there's reputational risks for us once someone has our **imprimatur**.

Let's start with Lockheed Martin. We have many companies that are upset with us because they feel like they're not getting as high a score as they deserve. We have a completely 100% transparent, rules-based process that anybody can download. It's good evening reading. Don't read it lying down if you want to finish it, but it's in excruciating detail. Lockheed Martin was really upset. They felt that we were not counting their sales of weapons as sustainable and that it was a huge error, because they were keeping the free world safe from authoritarian regimes, and we should be counting the sales of their weapons as good for society. And they wrote, I can share it with you by email. I can't believe they put it in writing; it's really quite funny from a senior executive.

We have companies from the forestry industry that are not doing sustainable forestry practices. They have some relatively weak industry certification that's not endorsed by environmental groups, so we don't count their revenue from forest products, and they get really upset at us.

On the other side, we now see that many companies really appreciate the practical attention to detail that we have gone through in making up this taxonomy, a classification system for what is sustainable in terms of a business activity and what is not in terms of a product, because it gets into the minutiae - like what kind of a printer is sustainable, what kind of a dishwasher is sustainable, what kind of a building. We've made what's in and what's out quite practical and clear.

Many major 100-billion-dollar-plus market-value companies use our taxonomy as part of their formal audit accounting procedure to track how much of their revenues are sustainable, because it's an integrated taxonomy. And we've noticed, and this has been really encouraging to see. Companies like McCormick or Schneider Electric, who ranked quite highly, number one in their industry, or number one overall in the world. In the case of Schneider Electric, several years ago, they used this as a badge of trust. And when they're going around to these large institutional investors, pension funds like BlackRock, who have conviction portfolios, where they go overweight into companies that they believe are on the right side of history and various economic trends, and many of them believe that these sustainability trends are powerful predictors of who's going to win economically. When they have this Corporate Knights imprimatur, they know that this is legit, not one of these greenwash things that's for sale.

Our rankings are not for sale. Everything's 100% transparent. We've been doing it for 20 years. And it helps them raise money. In many cases, they shift their shareholder base from 5% or 10% sustainable investors to 50% to 60% sustainable investors. I've heard this from a number of companies, and that gives them the leeway to pursue more long-term visions and not be subject to raiders and the myopic focus on quarterly short-term profits. It's been really nice to see that and we hope that that just becomes a more powerful feedback mechanism as we push forward.

Ralph Nader: What is the special offer you have for our listeners regarding getting copies of *Corporate Knights*?

Toby Heaps: If anybody would like to get four free digital download copies of *Corporate Knights*, go to corporateknights.com/ralphnader. Use the password JUSTICE, all capital letters. They can get links to the four last issues that we've done. If they want a discount link of half price, just subscribe to our publication going forward.

Ralph Nader: Pretty good word. Thank you very much. We've been speaking with Toby Heaps, the founder and publisher of *Corporate Knights* out of Canada with a global range. And we look forward to your fulfillment of the remaining 98% of your expectations, Toby. Good luck.

Toby Heaps: Thanks, Ralph.

Steve Skrovan: We've been speaking with Toby Heaps. We will link to his work at ralphnaderradiohour.com. And we've arranged a special deal with Corporate Knights for our listeners. You can go to corporateknights.com/ralphnader and use the discount code JUSTICE for a 100% discount on the last four digital issues. Those who redeem the code will also receive an offer for a discounted print subscription. It's all set up already, so feel free to use it if you'd like to check out the magazine. And as we all know, 100% discount means free.

Up next, we welcome back Dr. Bandy Lee to discuss the Republican Party's favorite malignant narcissist. But first, let's check in with our corporate crime reporter, Russell Mokhiber.

Russell Mokhiber: From the National Press Building in Washington, D.C., this is your *Corporate Crime Reporter* "Morning Minute" for Friday, September 22, 2023. I'm Russell Mokhiber.

A regulator in France has asked that Apple stop selling its iPhone 12 there after it said tests found that the device emits radiation levels exceeding European standard. Apple disputed the findings, saying the device, released in 2020, has been certified by international bodies and complies with regulations, the AP reported. The French regulatory agency said in a statement that it expects Apple to deploy all available means to put an end to the noncompliance, and that failure to act could result in a product recall.

Joel Moskowitz, director of the Center for Family and Community Health at the University of California, Berkeley, pointed to a 2020 meta-analysis that suggested that using cell phones for a cumulative call time of more than 1000 hours was associated with an increased risk of tumors.

For the *Corporate Crime Reporter*, I'm Russell Mokhiber.

Steve Skrovan: Thank you, Russell. Welcome back to the Ralph Nader Radio Hour. I'm Steve Skrovan, along with Hannah Feldman and Ralph.

Why is 30% of the country still in love with Donald Trump? Let's ask a doctor. Hannah?

Hannah Feldman: Dr. Bandy Lee is a medical doctor, a forensic psychiatrist, and a world expert on violence, who taught at Yale School of Medicine and Yale Law School for 17 years before transferring recently to Columbia and Harvard.

She is currently president of the World Mental Health Coalition, an educational organization that assembles mental health experts to collaborate with other disciplines for the betterment of public mental health and public safety. She is the editor of *The Dangerous Case of Donald Trump: 37 Psychiatrists and Mental Health Experts Assess the President* and *Profile of a Nation: Trump's Mind, America's Soul*. Welcome back to the *Ralph Nader Radio Hour*, Dr. Bandy Lee.

Bandy Lee: Thank you very much for having me back.

Ralph Nader: Yeah. Welcome back, Bandy. I've always been astonished at the harsh criticism you've received from some members of your own profession, even though many members supported your position in your description of Trump's behavior, character, personality, performance, and the retaliatory nature of Yale University, which basically pushed you out where you had been teaching and working for so many years.

The reason why I'm puzzled is because many editorial writers, columnists, book writers, have said the same thing, but not in psychological or psychiatric language. Mark Green and I had a withering

criticism of Trump on many fronts in our book, *Wrecking America*, that came out in 2020 exclusively on Donald J. Trump.

And so I'd like to open this discussion by referring to a magazine article on you in *Mother Jones*, September-October 2022 issue, which is subtitled *The Psychiatrist Who Warned Us That Donald Trump Would Unleash Violence* was Absolutely Right, and it's called *The vindication of Bandy Lee*. Could you describe what that vindication entailed?

Bandy Lee: Good to talk with you again, Ralph. The article was referring to what happened with the January 6th Capitol attack and the hearings that came afterward. I guess that was the timing of the article. But of course, we've been warning against the dangers that Donald Trump would bring since the publication of *The Dangerous Case of Donald Trump*. And that's precisely why many of us academics and clinicians who had not spoken publicly before decided that it was our duty, both professional and civic, to speak about the dangers that we saw.

And at the same time, we did predict that the most important voices would be silenced in a time of authoritarianism, which was the direction we were going with the kinds of mental impairments in a leader that we have had in Donald Trump. If we did not contain him early enough, then what results is authoritarianism or fascism.

What is most dismaying is that with all the tools that we had and all the support that we had, you mentioned attacks from within the field, well, that's what the public is seeing. But there was a medical consensus when we first came out, which was a reason for putting out a book. And thousands of mental health professionals joined us in the World Mental Health Coalition, and over 50 members of Congress met with us agreeing that our voice in the mental health profession was important. Even though we were saying the same thing as the general public, it, in a sense, couldn't just be dismissed as a political opinion or an insult or simple musings of someone who hasn't dealt with this kind of situation day in and day out, albeit in smaller scale.

Ralph Nader: What's amazing about this is that the press, after your bestselling book came out on Donald Trump, started scaling down coverage until they basically blacked you and your colleagues out at the same time that there were op-eds in these same newspapers tearing into Trump, like The Lincoln Project and other syndicated columnists, and it was okay with the publishers and editors.

And I think part of it has to do with the language used. The minute you use psychiatric language, they start comparing the situation with dissidents in the Soviet Union and how they were described instead of dissident citizens, disloyal to the regime and punished accordingly. But I published an op-ed in the *Boston Globe* trying to figure out why a chronic, hourly liar who created totally false realities about his own record, his own performance in the business world, in the political world, about what was going on in the world, total made up fantasies, a president who in his career cheated people, lied about people, defamed people.

And I'm asking the question, why do so many people support him? You got about 30% of the voting public still with him, no matter what the indictments are, the content of the indictments, his continuing lying about the election saying he won in a landslide, never mind close. He said he won

in a landslide in 2020. In this *Boston Globe* article, I had a composite, still loyal Trump voter. It was written with a light touch, but the voter needs to be analyzed by everybody, the voters for Trump, because without them, Trump would be a castaway.

I had 12 reasons that this composite loyal Trump voter gave to support Trump. The first one is, and I'm quoting this composite voter, "I have few expectations of politicians, and Trump means those I really care about. He's against abortion and gun control, selects conservative judges, favors a strong defense, and loves his country." That's their expectation level.

The second one was, "He wants to make America great again and make America build again in America. Who can disagree with that wonderful patriotic wish?" The third one is, "Oh, he brags all the time about himself and his businesses. That's because he believes in himself, no matter what happens to his sometimes failing companies. Believing in oneself is what my parents always taught me. To have someone believe so much in himself on national TV gives me the confidence that I need to believe in myself," And one is, "Sure, he fibs a lot like a lot of people, but he fibs optimistically against the dismal truth. He gives me hope that way."

So what do you think of analyzing the 30% of the voters who have no marker when it comes to Trump? He can violate all kinds of criminal laws, as he did, the Antideficiency Act, the Hatch Act. He can violate the Constitution and say in public, "With Article Two, I can do whatever I want as president." I've had constitutional law people say that itself is an impeachable offense. That's the declaration of a dictator. And they're still with him. Now, they would never support a friend or a neighbor who lied all the time, who had power over them, who described things that weren't real about what was going on around them or what he did in the past, who cheated his workers. They would never support. What is this dichotomy? And where is the psychology and psychiatric profession on this?

Bandy Lee: I can tell you what the psychiatric profession has said since Donald Trump. Precisely, it was Jeffrey Lieberman of Columbia, past president of the APA, the American Psychiatric Association, who was the one who said that those who were speaking up were imitating Soviet psychiatry.

Of course, the converse would be true, and that those who are trying to speak the truth in a time of gaslighting and misleading and downright psychological manipulation, that speaking the truth in these times would allow people to free their minds. One side effect that silencing mental health professionals has had is that people have not been able to understand the difference between informed, rational decision-making versus a product of manipulation, in fact having their entire freedom and personality be taken away.

We know that Donald Trump is not capable of rational thinking. We actually had a panel do a mental capacity assessment of him, and that's the unexamination that is important because it relates to harm to the public. We did it on request of many members of the public. It doesn't require a personal interview. In fact, we tried to request one and got no response, so we proceeded and had enough information, actually from the *Mueller Report*—collateral reports by people who worked with him and knew him—that essentially he did not have the capacity to have ideologies or policies. He can't think at that level.

What he can do is manipulate psychologically those who are vulnerably predisposed and those who have formed emotional bonds with him to have them attach themselves to him regardless of his violations of whatever he promised in the past. Despite his far from being the president for the forgotten man and forgotten woman, he's a president who has crushed the forgotten man and forgotten woman. That does not matter because he has led them to a place that is outside of reality.

And this speaks to the power of the mind. The mind is flexible. It can even mold itself in ways to accept all kinds of conditions. That is why we've had Trump supporters who were going to their deathbeds from COVID and insisting that it was not COVID; it could not be, because it was something that was made up to undermine his political campaign. These are the kinds of effects that we expect from having a person with severe mental symptoms holding an influential position and having lots of public exposure. We do have a propagation of symptoms.

Now, I've been calling this the Trump contagion, but what it really is, is shared psychosis, which is a psychosocial phenomenon that's been researched and described since around the mid-19th Century. And exactly what I said happens in this situation, when someone with severe mental symptoms goes untreated. Well, it's an influential position, be it in a couple's relationship, in a family or a group or a nation, it's the same dynamic. The symptoms will spread. It's not the healthy person who makes the ill person better, but rather the ill person who spreads symptoms to the point where those who were previously healthy, who didn't have the symptoms, come to look as if they have the primary illness.

Ralph Nader: Bandy Lee, people are trying to understand the Trump voters. They have legitimate grievances. They've been shut out by the two parties. Wages are frozen. They have trouble getting health insurance. They are not given voice on the media, even the public media. They see public services crumbling around them. They see themselves ridiculed on fictional TV programs as dolts or bumbling people.

And Trump comes along, and in one expression by an Ohio steelworker who moved to Georgia, and when asked by a reporter, why is he supporting Trump, and he said, "They say Trump is crazy, but he's saying, what I'm thinking. Does that mean I'm crazy?" That's a very insightful comment. And of course, he's beat up on the media, and they love that. And they love the fact the media keeps publicizing him because they want to get great ratings and they think he's pretty clever, that he's beating up on the media and getting more media as a result, which isn't exactly the experience of most people.

And then, of course, he brags about his riches much more than he's actually rich. And that gets people to say, well, that means he can't be bought. Nobody's going to buy him. He's got his own planes and mansions, et cetera. And then, of course, there's this fear of immigration that he stoked, taking away jobs from people and getting social service supports to the immigrants.

There's a lot there, and I think, in no small part it is the default of the Democratic Party. They lost the connection with the blue-collar workers. Limbaugh took over, and Reagan developed the Reagan blue-collar worker crew, and the Democrats started going into the cultural issues and the word police back and forth. And they didn't push like FDR and Truman and others for higher minimum wages and full Medicare for all—all the things that count for people regardless of their

political ideologies—down where they live, work and raise their families, where the abstract ideological manipulations are not quite as pertinent.

They're really looking at the daily chores and pressures of life and trying to survive them. A lot of work needs to be done in understanding these people and not simply putting them in a typology and a stereotype under the penumbra of Donald J. Trump.

Bandy Lee: Yes, of course. It's during times of crisis and deprivation or vast socioeconomic inequality, where one becomes psychologically wounded to the point of being vulnerable to one may call them demagogues, but they're equally developmentally wounded individuals, such as Donald Trump. He happened to be the one who appeared at the time, but there are any number of such individuals in different societies, different historical times.

In the psychiatric setting, we see them. It's a certain percentage, 5% to 10%, of developmentally wounded individuals who... what's important is that we do not place them in positions of power. That is where the danger was, and the exceptional dynamic was. It's not that Adolf Hitler or Joseph Stalin is so rare in human history. Rather, they're quite common. But it's rare that they are elevated to positions of power. And that is what happened here.

And that's why I feel that all these legitimate grievances, true conditions in society that need fixing were, instead of being fixed, exploited and psychologically exploited for political advantage. And I believe that is truly what is behind our inability to intervene with an obviously impaired president, or our inability to keep him from getting to the presidency in the first place.

Ralph Nader: We've been talking with Dr. Bandy Lee, formerly of Yale University, who tried to, with her colleagues, raise the highlight on Donald Trump's unstable behavior, to put it euphemistically, and continues to do so, and is constantly reinforced and supported by the daily behavior of Donald J. Trump.

Thank you very much, Dr. Lee.

Bandy Lee: Thank you very much, Mr. Nader.

Steve Skrovan: We've been speaking with Dr. Bandy Lee. We will link to her work at ralphnaderradiohour.com.

That's our show. I want to thank our guests again, Toby Heaps and Dr. Bandy Lee. For those of you listening on the radio, we're going to cut out now. But for you podcast listeners, stay tuned for some bonus material we call "The Wrap Up", featuring Francesco DeSantis and "In Case You Haven't heard". A transcript of this program will appear on the *Ralph Nader Radio Hour* Substack site soon after the episode is posted.

Hannah Feldman: Subscribe to us on our *Ralph Nader Radio Hour* YouTube channel. And for Ralph's weekly column, it's free. Go to nader.org. For more from Russell Mokhiber, go to corporatecrimereporter.com.

Steve Skrovan: The American Museum of Tort Law has gone virtual. Go to tortmuseum.org to explore the exhibits, take a virtual tour, and learn about iconic tort cases from history.

Hannah Feldman: We have a new issue of the *Capitol Hill Citizen* out now. To order your copy of the *Capitol Hill Citizen*, Democracy Dies in Broad Daylight, go to capitolhillcitizen.com.

Steve Skrovan: And remember to continue the conversation after each show. Go to the comments section at ralphnaderradiohour.com and post a comment or question on this week's episode. We read them all.

Hannah Feldman: The producers of the *Ralph Nader Radio Hour* are Jimmy Lee Wirt and Matthew Marran. Our executive producer is Alan Minsky.

Steve Skrovan: Our theme music, "Stand Up, Rise Up", was written and performed by Kemp Harris. Our proofreader is Elisabeth Solomon. Our indefatigable associate producer is Hannah Feldman. Our social media manager is Steven Wendt.

Hannah Feldman: Join us next week on the *Ralph Nader Radio Hour*. Our guest will be journalist and author, Stephen Kinzer. Thank you, Ralph.

Ralph Nader: Thank you, everybody. Remember, try to become a Capitol Hill citizen. Good way, go to capitolhillcitizen.com and order a copy of this special newspaper focusing on Congress in ways the mainstream press does not.