

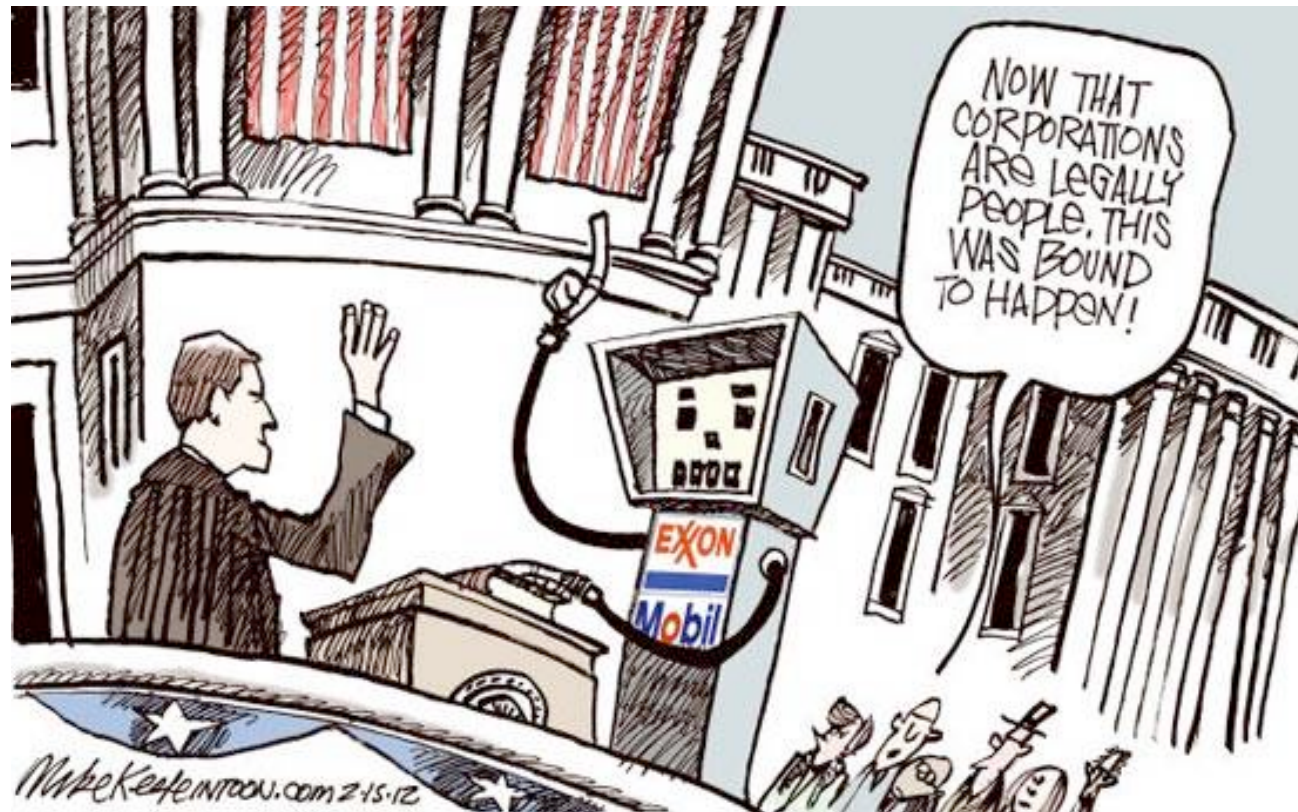
GCH103 - Impact of Global Change on NE's Coastal Environment

Today's Topics

Corporations

- What is a Corporation?
- What is a legal "person"
- What are externalities

"Citizens" United



Societal Institutions – Personal Relative Importance

Economy
Education
Family
Political
Religion

Philosophies of a Good Society

- A Emphasis on individual initiative
Gov't causes more problems than it solves
“Pull yourself up by your bootstraps”

- B Emphasis on collective or group initiative
Gov't can solve many problems that individuals cannot
“We are all in this thing together”

Corporations

What is a **Corporation**?

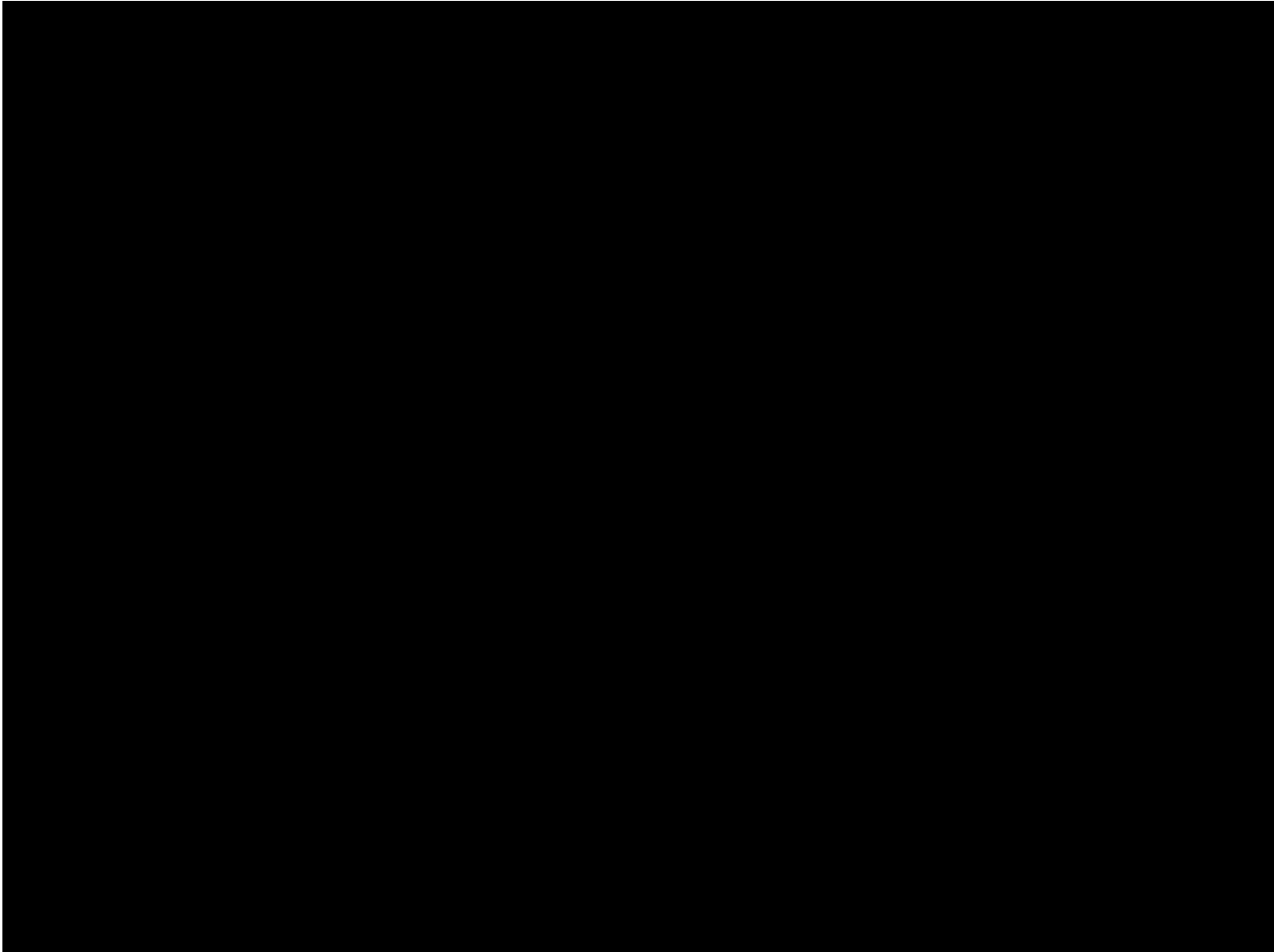
What is a **legal “person”**?

What is an **Externality**?

Corporations

What is a **Corporation**?

<http://cdebi.gso.uri.edu/GCH103/videos/Corporation.mp4>



Corporations

What is a **legal “person”**? http://cdebi.gso.uri.edu/GCH103/videos/Legal_Person.mp4

THE
~ CORPORATION ~

A
LEGAL
“PERSON”



Corporations

What is an **Externality**?

<http://cdebi.gso.uri.edu/GCH103/videos/Externalities.mp4>



Corporations

What is a **Corporation**?

- ⇒ Large, growing, sustained, legal returns for people that own the business
- ⇒ maximize profit for shareholders

What is a **legal “person?”**

- ⇒ an individual, company, or other entity that has legal rights and is subject to obligation

What is an **Externality**

- ⇒ cost or benefit that results from an activity and affects an otherwise uninvolved party who did not choose to incur that cost or benefit

What is “Citizens United?”



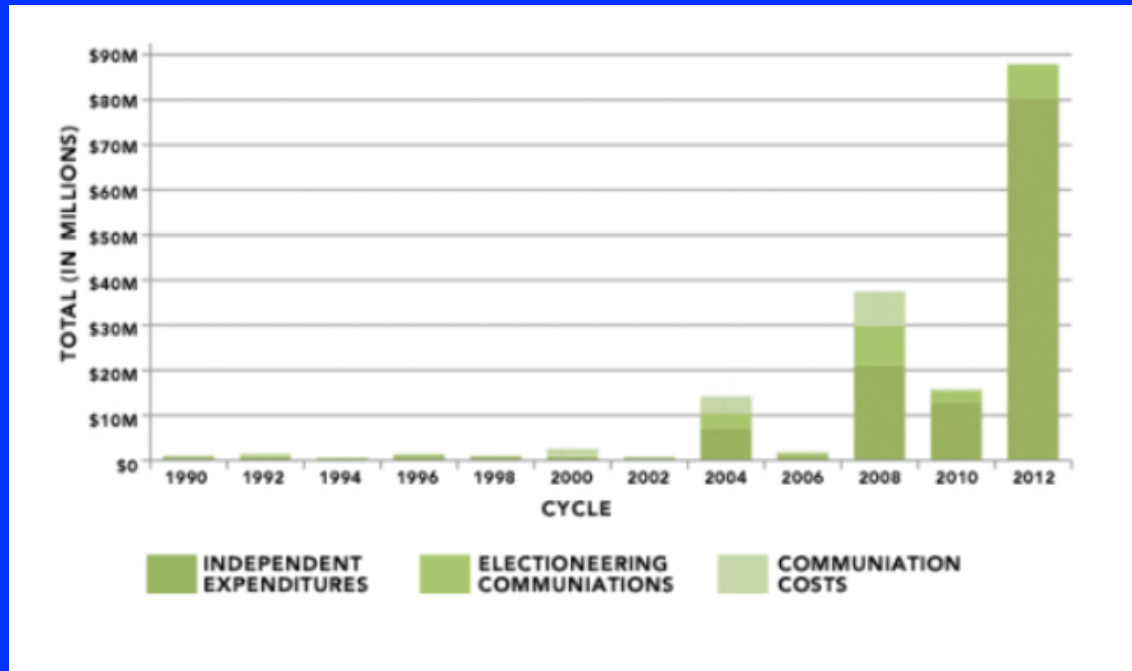
- A political action committee
- Major funding from the Koch Brothers, owners of the 2nd-largest privately owned company in the U.S.
- It sued the Federal Election Commission in 2009 to eliminate restrictions on campaign financing by corporations and Unions.

What is “Citizens United?”



- A Supreme Court case: Citizens United vs. FEC
 - Decided 5:4 in favor of Citizens United
-
- Affirms concept of corporate personhood and First Amendment Rights (free speech) of corporations and Unions.
 - Allows unlimited political donations to campaigns and political action committees by corporations, Unions, and individuals.

Impact of “Citizens United”



- The major impact is the huge increase in the cost of elections.
- One perspective is that people can now buy elections in the U.S.

Summary of Key Points

Corporations

- What is a Corporation
 - ⇒ maximize profit for shareholders
- A legal “person”
 - ⇒ an individual, company, or other entity that has legal rights and is subject to obligation
- Externalities
 - ⇒ cost or benefit that results from an activity and affects an otherwise uninvolved party who did not choose to incur that cost or benefit

Citizens United

- Affirms concept of corporate personhood
 - A political action committee
 - Eliminate restrictions on campaign financing by corporations & unions