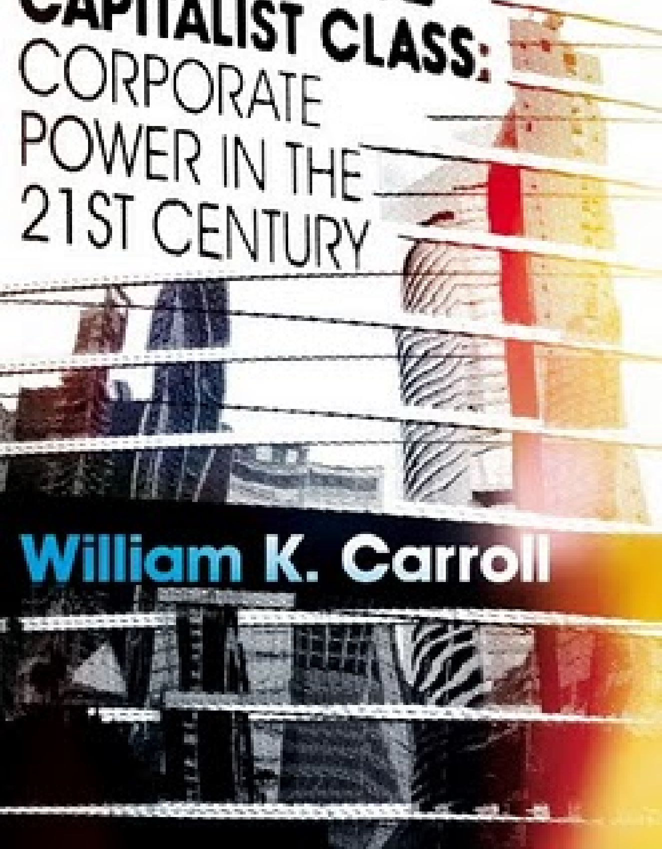
THE MAKING OF A TRANSNATIONAL CAPITALIST CLASS: CORPORATE POWER IN THE 21ST CENTURY



William K. Carroll

About the author

Bill Carroll is a professor of sociology at the University of Victoria, where he directs the Social Justice Studies Program. His research interests are in the areas of the political economy of corporate capitalism, social movements and social justice, and critical social theory and method. Among his recent books are *Remaking Media: The Struggle to Democratize Public Communication* (co-authored with Bob Hackett), *Challenges and Perils: Social Democracy in Neo-Liberal Times and Critical Strategies for Social Research*. He has won the Canadian Sociological Association's John Porter Prize twice, for his books on the structure of corporate power in Canada. He has held visiting fellowships and appointments at the University of Amsterdam, Griffith University, Kanazawa State University, the Netherlands Institute for Advanced Study in the Humanities and Social Sciences, and the Institute of Political Economy at Carleton University. He is a Research Associate with the Canadian Centre for Policy Alternatives, an associate editor of the journal *Socialist Studies*, and a member of Sociologists without Borders.

The making of a transnational capitalist class

Corporate power in the twenty-first century

William K. Carroll

with Colin Carson, Meindert Fennema,
Eelke Heemskerk and J. P. Sapinski

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Introduction

> 'There's class warfare, all right, but it's my class, the rich class, that's making war, and we're winning.' Warren Buffett, chairman of Berkshire Hathaway, 2006 (quoted in Stein 2006)

In an era acknowledged by at least one prominent insider as one of class warfare from above, the question of a transnational capitalist class (TCC), commanding the heights of the global economy and shaping politics and culture, looms large. There can be little doubt that the complex array of practices constituting what Bryan (1995) has called recent globalization has created the objective conditions for such a class. In its most basic sense, the globalization of capital means the globalization of the capitalist mode of production, a process in which capitalist classes have always been directly active, but not necessarily as members of a transnational capitalist class. Indeed, Marx and Engels, writing in the middle of the nineteenth century, provided the classic description of the bourgeoisie's globalizing mission, without invoking the imagery of a transnational capitalist class: 'The need of a constantly expanding market for its products chases the bourgeoisie over the entire surface of the globe. It must nestle everywhere, settle everywhere, establish connexions everywhere' (1968 [1848]: 38). In this characterization, the objective need for self-expansion obliges the many capitals that compose the bourgeoisie to globalize, but there is no implication that national affinities, identities and forms of capitalist organization fall away in the process.

As the capitalist mode of production globalizes, as the circuitry of accumulation crosses national borders, the relations of production and the forces of production also globalize. Rising volumes of trade and foreign investment, the growing share of the world economy claimed by the largest transnational corporations (TNCs), the expansion of global transportation and communication flows and the formation of integrated global financial markets are all indicative of this process (Dicken 2003). Even so, the increasingly integrated character of global capitalism does not in itself dictate a specific form of capitalist class organization. This is so because capital is not a unified macro subject but is divided microeconomically into competing units which themselves are positioned within and across national boundaries in an international political system, rendering tendencies towards global capitalist unity always tenuous. Thus, the question of the transnational capitalist class cannot be reduced to the globalization of capitalism per se. Rather, it remains amenable to sociological investigation of how capitalists and their advisers are embedded in a panoply of socio-political relations. That panoply forms the object of this investigation.

The debate on the transnational capitalist class

The contingent relation between global accumulation and class formation has spurred a vigorous debate as to whether, by the close of the twentieth century, a transnational capitalist class was already a fait accompli, or perhaps still only a possibility continually contained by countervailing tendencies towards national capitalist organization. Canadian political economist Stephen Hymer was among the first to discern a nascent transnational capitalist class, in the 1970s. For Hymer,

> an international capitalist class is emerging whose interests lie in the world economy as a whole and a system of international private property which allows free movement of capital between countries. [...] [T]here is a strong tendency for the most powerful segments of the capitalist class increasingly to see their future in the further growth of the world market rather than its curtailment. (1979: 262)

It was not until recently, however, that scholars began to assert that a transnational capitalist class had actually formed out of the processes of globalization. Leslie Sklair (2001) presented the first in-depth investigation, based on interviews with leading CEOs of TNCs. He posited a weak version of the thesis, emphasizing transnational practices[1] (such as the foreign direct investments) that fuel the industrialization of the semi-periphery and the consolidation and diffusion of a culture-ideology of consumerism throughout both the global North and South. Sklair divided the transnational capitalist class into four fractions ('corporate executives, globalizing bureaucrats and politicians, globalizing professionals, and consumerist elites') that create and satiate desires for ever-growing quantities of commodities. Although he posited extensive communication among the four fractions, through interlocking directorates and other cross-memberships, Sklair did not map the transnational capitalist class's social organization. He did, however, aver that 'the concept of the transnational capitalist class implies that there is one central inner circle that makes system-wide decisions, and that it connects in a variety of ways with subsidiary members in communities, cities, countries, and supranational regions' (ibid.: 21).

Like Sklair's, William Robinson's prodigious writings on the ascendance of a transnational capitalist class rely primarily on aggregated statistical evidence, supplemented by citation of instances of transnational corporate mergers and quotation of corporate CEOs, rather than on sociological analysis of class organization. On the basis of the aggregated evidence, Robinson asserts that the transnational capitalist class is in the process of constructing a new globalist historic bloc whose policies and politics are conditioned by the logic of global rather than national accumulation. Surrounding the owners and managers of major corporations, who form the core of the bloc, are the elites and the bureaucratic staffs of the supranational state agencies such as the World Bank, and the dominant political parties, media conglomerates, technocratic elites and state managers – both North and South (Robinson 2004: 75).

Compared to Sklair, Robinson offers a narrower definition of the TCC as 'the owners of transnational capital [...] the group that owns the leading worldwide means of production as embodied principally in the TNCs and private financial institutions' (ibid.: 47). In effect, his concept of the globalist bloc corresponds to Sklair's more expansive concept of the TCC. But Robinson advocates a stronger thesis of transnational capitalist class formation, claiming with Harris that the TCC 'is increasingly a class-in-itself and for-itself'; that it has 'become conscious of its transnationality and has been pursuing a class project of capitalist globalization, as reflected in a transnational state under its auspices' (Robinson and Harris 2000: 22–3).

Robinson's work is notable not only for its clarity of expression but for the spirited responses it evoked.[2] Analysts like Walden Bello sharply disagree with Robinson's prognosis. Pointing to the turn in 2002/03 to national imperialism by the George W. Bush administration – with the attendant disciplining of peripheral states – Bello argues that globalization has actually been going into reverse:

> What was seen, by many people on both the left and the right, as the wave of the future – that is, a functionally integrated global economy marked by massive flows of commodities, capital and labour across the borders of weakened nation states and presided over by a 'transnational capitalist class' – has retreated in a chain reaction of economic crises, growing inter-capitalist rivalries and wars. Only by a stretch of the imagination can the USA under the George W. Bush administration be said to be promoting a 'globalist agenda'. (Bello 2006: 1346)

Radhika Desai also questions the cumulative character of globalization but allows for the possibility of global governance superseding a declining US hegemony. She identifies 'globalization' with the conjuncture of the Clinton presidency, as 'the ideology under which, for a time, the rest of the world seemed quite happy to lend the USA more money than it ever had, and moreover, to lend it to US private industry' (2007: 451). For Desai, the period since 2000 has been marked on the one hand by a far more political and unstable debt relation between the USA and the rest of the world and on the other by US attempts to regain its declining hegemony through imperial aggression (cf. Pieterse 2004). The new US imperialism is unstable, however, based more in weakness than strength, and most likely to eventuate in the kind of collective international economic and political organization that Robinson places under the rubric of the transnational state and globalist bloc.

Beyond the question whether the globalization that drives TCC formation is really a cumulative process, there is the issue of how the TCC is articulated to the still nationally defined spaces (i.e. territories) into which world capitalism is structured. For Robinson, the TCC is ascendant in an era of global deterritorialization. As he has put it more recently, '[...] spatial relations have been territorially-defined relations. But this territorialization is in no way immanent to social relations and may well be fading in significance as globalization advances' (2007: 14). Even the belligerent unilateralism of the G. W. Bush administration (2001–09) can be seen in this light. Although its military adventures pursued narrow corporate interests, 'the beneficiaries of US military action around the world are not US but transnational capitalist groups' (Robinson 2004: 139). Doug Stokes sees this formulation as putting the cart before the horse. In Stokes's view 'the US state acts to secure the generic global conditions for transnational capital accumulation less at the behest of a TCC, but rather because, in so doing, the US state is, by default, acting in the generic interests of its national capital because of its high level of internationalisation' (2005: 228).

For Kees van der Pijl, Robinson's claims about the TCC and the transnational state are both true and false. At a very abstract level of analysis, there may well be a convergence of interests which aligns capitalists from anywhere in the world with whatever project opens markets and investment opportunities. Yet,

> specific ruling classes have also built up, over decades or longer, specific transnational networks which offer them competitive advantages. Thus the US and the UK have used (in Iraq for instance) their military 'comparative advantage' to trump the Russian and French willingness to strike oil deals with the Saddam Hussein regime when it appeared that UN sanctions were unravelling. (Van der Pijl 2005: 276)

In Robinson's formulation 'a formal unity between concepts leads us astray' (ibid.: 275): terms like globalization, the transnational state and TCC 'remain *abstract* whereas they claim to denote concrete realities' (ibid.: 274). Jason Moore has also noted the abstract placelessness at the heart of Robinson's characterization of the late twentieth century as a new, global era in which stateless, mobile, transnational capital gains ascendency. Moore points to new forms of territorialization and regionalization and suggests that capital's 'global' moment 'depends upon very particular *places*' (2002: 481) – in which case what appear, abstractly, as aspects of transnational capitalist class formation may actually be macro-regional processes – as in the rise of South and East Asia or the economic integration of Europe.

Saskia Sassen's (2001) close analysis of New York, London and Tokyo as 'global cities' – production sites for the information industries needed to run the globalized corporate economy – highlights one emergent form of territorialization. Her later discussion of the 'northern transatlantic economic system' as globalization's centre of gravity (Sassen 2002: 10) reminds us that globalization transforms but does not transcend territorial division. For Sassen (2007: 1), 'the global partly inhabits and partly arises out of the national', and in so doing troubles two core propositions in modern social science: 1) that the nation-state is the container of political and social processes and 2) that the national and the global are two mutually exclusive entities. Robinson's thesis of TCC formation may be seen as dispensing with the first of these but retaining elements of the second, as in the assertion that 'contradictory logics of national and global accumulation are expressed in distinct political projects' championed by national and transnational fractions of capital (Robinson 2004: 49). Rather than partly inhabiting and partly arising out of the national, the hegemony of Robinson's TCC issues from its 'capture' (in the 1980s and 1990s) of national states:

> Once they have been captured by transnational groups, national states internalize the authority structures of global capitalism; the global is incarnated in local structures and processes. The disciplinary power of global capitalism shifts the actual policymaking power within national states to the global capitalist bloc, which is represented by local groups tied to the global economy. (Ibid.: 50)

This formulation locates the prime *agency* for economic globalization within the transnational capitalist class, and begs for a systematic empirical analysis of that class's actual social organization. This book responds to that call, but it does so in a way that also addresses issues of the national and the regional that have been raised by authors such as Moore (2002), van der Pijl (2005), Sassen (2007) and Tabb (2009).

A global corporate community?

Such an analysis must grapple with the social form that has predominated among leading capitalist enterprises since the merger movements of the early twentieth century, namely the modern corporation. In nineteenth-century industrial capitalism, the owners of capital were also the proprietors of companies, but the corporate form creates the possibility for a disjuncture between ownership of capital and control of a firm. The total capital of a corporation is parcelled into tradable shares that give their owners the right to vote in the election of the directors of the company, with each share affording one vote. In such a system, it is the elected directors who hold authority over the firm, and it is the firm, not the shareholders, which owns its business assets (Scott 1997: 3).

Particularly in the United States, dispersal of corporate shares among many small investors (often reconcentrated within pension funds and other institutional investors) has over the years inspired fanciful pronouncements of a 'people's capitalism' (Johnston 1944), a 'decomposition of the capitalist class' (Dahrendorf 1959), an 'economic democracy' (Baum and Stiles 1965) and, most recently, an 'ownership society'.[3] In actuality, the historical implication of share dispersal was not the end of the capitalist class, but its reconstitution as 'an "organized minority" possessing substantial resources, both economic and cultural, to enable it to represent itself as a "natural" and effective ruling group' (Bottomore 1991: 37). Share dispersal concentrates real economic power in the hands of wealthy shareholders whose ownership of significant blocs of stock enables them to nominate the directors, and thus to control 'other people's money' (Brandeis 1913) – corporate assets owned by a multitude of small-scale passive investors (Perlo 1958). As the centre of sovereign authority, the board of directors comprises a 'constellation of interests', taking in major shareholders (including wealthy families and, increasingly, institutional investors) as well as top managers, whose interests are closely aligned with those of the firm, through bonus systems that give them substantial stakes in the corporation (Sweezy 1953; Scott 1997). The composition of corporate boards and the interlocking of boards to form elite networks give us a window on the top tier of the capitalist class.

Corporate elites, however, are not the same entities as capitalist classes. On the one hand, corporate elites include not only functioning capitalists (directors who are executives or major shareholders) but their *organic intellectuals* (Gramsci 1971;[4] Niosi 1978) – directors who are advisers to business owners and top management, and who often sit on multiple boards. The service of lawyers, consultants, academics, retired politicians and the like is integral to corporate business today. In the structure of economic power such advisers are subordinate to functioning capitalists, yet in the political and cultural fields they often lead the way in representing corporate interests or in mediating between those interests and others (Carroll 2004). On the other hand, corporate elites exclude the many capitalists who are not active on the boards of the largest firms. Since the bourgeoisie 'has always been strongly hierarchical within itself', however, since 'there have always been factions of that class which govern the dominant heights of the economic system' (Amin 2008: 51), study of the corporate elite does shed light on the organization of the capitalist class, or at least its top tier or, viewed laterally, its 'leading edge'.

The hierarchical structure of corporate organization, and of the capitalist class, ensures the corporate elite's dominance in any advanced capitalist economy. Such an elite is simply 'an inter-organizational group of people who hold positions of dominance in business organizations' (Scott 2008: 37), irrespective of whether they maintain bonds of association or interaction. In assessing whether a corporate elite gives evidence of capitalist class formation, the latter criterion is critical. In a recent authoritative work on political elites, Higley and Burton (2006: 9) draw a distinction between *united* and *disunited* elites:

> Dense and interlocked networks of communication and influence, along with basic value agreements and a shared code of political behavior, characterize united elites. Conversely, the persons and factions forming disunited elites are clearly divided and separated from each other, they disagree fundamentally

about political norms and institutions, and they adhere to no single code of political behavior.

G. William Domhoff (2006 [1967; 1998]), following the path cut by C. Wright Mills in his classic *The Power Elite* (1956), has introduced the term 'corporate community' as a root metaphor for charting capitalist class formation at its higher reaches. Domhoff notes that large corporations share common values and goals, especially the profit motive, and are intricately interconnected through the overlapping memberships of business leaders, whether on corporate boards of directors or on policy-planning boards and other elite vehicles for building consensus. Drawn together through interlocking directorships, large corporations and corporate directors form a corporate community – a more or less cohesive elite with common goals and shared understandings on how to reach these goals (see also Heemskerk 2007). Of course, a corporate community, especially a transnational one spanning many national borders, differs from a traditional, locally embedded community on several counts. Like other emergent formations of late modernity, it is disembedded from any one locality; it gains its social cohesion through the 'facework' of interlocking corporate directors, which serves to re-embed them in a transnational network (see Giddens 1990: 79–80). Moreover, a corporate community is organized not at the grass roots, but at the top: it is an 'organized minority' within which capitals ostensibly in competition are unified around a common interest in securing or protecting the conditions for accumulation in a given zone, or globally; hence it implies a hegemonic project of some sort.

Forms of corporate power

Since 1905, when Otto Jeidels published the results of his research on the relationship of the German big banks to industry, an empirical literature on the overlapping elite affiliations of corporate directors has grown up in sociology and related fields. This literature is vast, and ranges from comparative investigations of national business systems (Stokman et al. 1985; Windolf 2002; MacLean et al. 2006) through a plethora of single-country studies (many of them focused on the USA; e.g. Mintz and Schwartz 1985; Davis and Mizruchi 1999; Barnes and Ritter 2001), to case studies of networks in particular cities (e.g. Ratcliff 1980). Space does not permit a thorough review of this literature (cf. Fennema and Schijf 1979; Mizruchi 1996; Scott 1997; Carroll and Sapinski 2010). Here, it is sufficient to locate interlocking directorates as practices within the larger organization of corporate power.

Put simply, interlocking directorates link the key centres of command within the corporate economy. In doing so, they may contribute to the exercise of economic as well as cultural-political power, through serving two analytically distinct functions. Corporate interlocks can serve *instrumental* purposes of capital control, coordination and allocation, contributing to the strategic exercise of economic power within the accumulation process. But they also serve as *expressive*, cultural relations, building solidarity among leading corporate directors and underwriting a certain class hegemony – a cultural-political power (Sonquist and Koenig 1975; Carroll 2004: 3–8).

Regarding the first of these, in the synthesis of organizational and political-economic theories offered by Scott (1997: 36) the corporate form of economic organization entails three kinds of economic power: strategic, operational and allocative. *Strategic* power occurs at the level of structural decision-making and concerns the determination of basic long-term goals and the adoption of initiatives to realize those goals. *Operational* power involves the actual implementation of corporate strategy within head office and in subordinate offices, subsidiaries and plants. Finally, there is the *allocative* power wielded by financial institutions, whose collective control over the availability of capital 'gives them the power to determine the broad conditions under which other enterprises must decide their corporate strategies' (ibid.: 139).

As sovereign bodies of command, corporate boards are obviously loci of strategic power, but they also are typically interwoven with operational power via their executive directors, and they may be articulated with allocative power, as in interlocks between banks and industrial companies dependent on credit. Boards are thus key nodes in networks of economic power. Note, however, that relations of operational power are purely *intra*-organizational: they follow a chain of command from the CEO, typically a member of the board, down through the ranks and terminating on the shop floor. Interlocking directorates, as elite *inter*-organizational ties, are often 'traces' of strategic and allocative power across firms (Mokken and Stokman 1978) – as when a CEO sits on the board of a firm in which his/her company owns stock, or shares a joint venture; or when a banker sits on the board of an industrial client. Interlocks of this sort are undergirded by capital relations (Scott 2003: 159); they are manifestations of a certain 'coalescence' of capital across legally distinct firms.

Since Hilferding's seminal study *Finance Capital* (1981 [1910]), such coalescence has been recognized as an integral feature of corporate capital.

> By finance capital we mean the integration of the circuits of money capital, productive capital and commodity capital under the conditions of monopolization and internationalization of capital by means of a series of links and relationships between individual capitals. The integration of these circuits takes on a durable structural character which is expressed in a network of relations between individual capitals [...] (Overbeek 1980: 102)

Hilferding, writing in early twentieth-century Germany, emphasized the specific relations between large banks and industrial corporations, leading some interpreters to adopt a narrow sense of the concept which limits its applicability beyond the case of Germany, whose universal banks wielded both allocative and strategic power over industrial firms (cf. Niosi 1978; Lapavitsas 2009; Nowell 2009). More useful to researchers of corporate power structure, however, has been a generous conception of finance capital such as Overbeek's (above; cf. Hussein 1976; Thompson 1977; Richardson 1982; Carroll 2008a). In this perspective, the capital coalescence or integration characteristic of finance capital may take various forms, as in the 'financial groups' of aligned capitalists and corporations that cohere through inter-corporate ownership (Aglietta 1979: 252–3) and the 'hub-and-spokes' systems of financial hegemony that have placed financial institutions at the centre of national networks of capital allocation (Mintz and Schwartz 1985). Indeed, across the twentieth century, national differences in the legal frameworks for corporate governance gave rise to several distinct patterns of finance capital and corporate networking (Scott 1997: 103–203).

Yet beyond their significance as traces of economic power, interlocking directorates can also serve as *expressive*, cultural-political relations that build solidarity and trust among leading corporate directors, underwriting what Sonquist and Koenig (1975) call class hegemony. Indeed, interlocks carried by corporate advisers – lawyers, consultants, university presidents and the like, who hold no insider positions in corporations – serve no immediately instrumental function for any given firm. Rather, they contribute 'expressively' to the corporate elite's social integration and (often) to its reach into civil and political society.

As expressions of class hegemony, interlocking directorships link individual members of the corporate elite – capitalists and organic intellectuals alike – in ways that help cement general class cohesion (Brownlee 2005). If, as Marx (1967) held, the alienation inherent in intense inter-capitalist competition could goad capitalists to become 'hostile brothers' to each other, sharing directors across corporate boards pulls in the opposite direction. Interlocks serve as channels of communication among directors, facilitating a common worldview (Koenig and Gogel 1981) and allowing for the integration of potentially contradictory interests based on property ownership alone (Soref and Zeitlin 1987: 60).

The tendency for elite affiliations to reach beyond the corporate boardrooms, into civil and political society, is a particularly important aspect of class hegemony. As Useem (1984) found in his study of American and British corporate networks, directors who serve on multiple boards – members of the 'inner circle' – tend also to serve on government advisory bodies and on the boards of non-profit institutions and policy-planning organizations. Useem holds that the inner circle 'has become the leading edge of business political activity, a special leadership cadre' (ibid.: 115) whose hegemonic power was a formative element in the political shift to the right in the early 1980s (ibid.: 192–3). Useem's study and similar investigations (e.g. Maman 1997; Carroll and Shaw 2001; Domhoff 2006 [1967; 1998]) reveal the crucial role that elite policy groups and the like play as sites for the construction and dissemination of hegemonic projects.

There is no doubt that *within* each advanced capitalist country the directors of the largest corporations form corporate communities in which both the instrumentalities of economic power and the expression of class hegemony play out. The question for this study is whether the same claim might have purchase, increasingly, in a global field. A considerable literature has accumulated consisting of such speculations, sometimes backed up with anecdotal evidence (e.g. Kennedy 1998; van der Pijl 1998, 2006; Mazlish and Morss 2005; Rothkopf 2008); what is needed is a more systematic and comprehensive empirical investigation.

The concept of hegemony pulls us towards a closely related aspect of global corporate power: in what sense and to what extent can we discern, as an aspect of class formation, the emergence of a *transnational historic bloc* of social forces with the potential to secure a modicum of consent to global governance by corporate capital and its organic intellectuals? A rich vein of scholarship that begins with Kees van der Pijl's *The Making of an Atlantic Ruling Class* (1984), from which this book's title has been adapted,[5] has documented the intricate history of transnational historic bloc formation (cf. Cox 1987; Gill 1990; van der Pijl 1998; Rupert 2002; Robinson 2005). The hegemonic project pursued by this nascent globalist bloc has been one of transnational neoliberalism – the vision of a 'neoliberal market civilization' (Gill 1995a), organized around the free flow of capital and commodities and protected by institutions of global governance, such as the International Monetary Fund and the World Trade Organization (Soederberg 2006). Although the globalist bloc may have appeared triumphant in the early 1990s, in the ensuing decade or so that forms the centrepiece of this study its project began to unravel in a series of crises of capital accumulation and political legitimacy (Robinson 2004), inspiring a new politics of counter-hegemony (Carroll 2006; Santos 2006).

Networks of corporate power

Characteristically, Gramscian scholarship on class formation in global capitalism has employed narrative and case-study methods that illuminate how human agents, individual and collective, shaped and enabled by social structure, make history. In Chapter 9, we employ these methods in taking up the dialectic of hegemony and counter-hegemony in a global field. For the most part, however, this book offers a systematic, sociological enquiry into elite social organization, by means of social network analysis, the most rigorous technique in social science's methodological canon for mapping social relations (Scott and Carrington 2010).

Since the appearance of Manuel Castells's *The Network Society* (1996), the 'network' metaphor has become prevalent in analyses of global capitalism. Although Castells has been criticized for depoliticizing globalization (Marcuse 2002), he did recognize the importance of elite cohesion in the power structure of global capital:

> Articulation of the elites, segmentation and social disorganization of the masses seem to be the twin mechanisms of social domination in our societies [...] In short: elites are cosmopolitan, people are local. The space of power and wealth is projected throughout the world, while people's life and experience is rooted in places [...[(1996: 414)

Castells provided no explicit analysis of the actual networks through which elites are articulated into a shared global space. As Wellman (1988) has pointed out, however, the real strengths of a network approach reside less in evocative metaphor than in substantive method. By examining the actual relations that link persons and/or organizations into specific configurations of social structure, network analysis enables a cartography of social space that moves beyond the impressionistic and anecdotal. Maps, however, are static depictions. In tracing the networks of global corporate power, we lose narrative detail – the contingent flow of human agency through interconnected events – yet we gain a more systematic representation of the actual elite structures that both enable agency and channelize it, to some extent, along preconstituted pathways.

It is important at the outset to take note of the *duality* of these networks (Carroll 2004; Bearden and Mintz 1987; Carroll and Sapinski 2010): in corporate interlocking, not only *firms* but individual *directors* exert the agency that constitutes the network of overlapping affiliations. Such networks have a dual character: they are formations both of corporations whose boards interlock and of directors whose multiple affiliations create the interlocks, and we shall analyse them at both levels.

Our primary source of data is corporate annual reports, typically published shortly after the end of the fiscal year (often, though not always, on 31 December). For a given year, board data reflect memberships at the end of the year, and early in the following year. Besides board membership, we noted any other statuses that each director held with each company (e.g. chair or vice-chair of the board, president or other executive position). Long-standing national differences in corporate governance have meant that some corporations adhere to the Germanic two-board system, with a management board that is accountable to an independent supervisory board, while others follow the Anglo-American one-board system, which combines into one board top management and 'outside' directors (Clarke 2007). In accordance with established practice (Stokman et al. 1985; Windolf 2002), in the former cases we treated the two boards as a single entity.

Once the board data were in hand, an alphabetic sort of surnames and given names, for all the records of corporate affiliations, revealed multiple corporate affiliations of individuals in the database. At this point, ambiguous cases were cross-checked, to minimize false positives (records showing identical names that actually refer to different people) and false negatives (actual interlocks that go undetected; Carroll 1986).[6] The network of directors and their corporate affiliations was analysed using three software packages: GRADAP (Sprenger and Stokman 1989), UCINET (Borgatti et al. 2002) and NetDraw (Borgatti 2005).

This study evolved over several years, and as it did, our capacity to include in the analysis a range of the world's largest corporations expanded. Practical considerations limited the 1976–96 analysis in Chapter 1 to a comparatively restrictive set of 176 giant corporations. In the two follow-up investigations in Chapters 2 and 3, which focus exclusively on the network at 1996, we were able to expand the set of corporations to 350. In the third phase of research, which covers the decade beginning at year-end 1996 (Chapters 4–8), the analysis was extended to the world's 500 leading corporations, assessed at two-year intervals.

What follows

This book is divided into three parts. Part 1 examines the formation of the global corporate community in the closing decades of the twentieth century, to year-end 1996. Its chapters focus on the community's basic architecture (Chapter 1), the elite ties that in 1996 hooked corporate boards into hegemonic practices of transnational policy formation (Chapter 2), and the network's spatiality as in inter-urban configuration of corporate command (Chapter 3).

Part 2 brings the analysis into the twenty-first century, through systematic comparisons of the global corporate network from year-end 1996 until 2006. Chapter 4 maps the network of corporate interlocks and explores the interplay of capital accumulation and corporate interlocking. Chapter 5 presents a parallel analysis at the level of individual directors that distinguishes directors embedded exclusively in national networks from those engaged in cross-border interlocking. Chapter 6 examines the relationship between corporate power and personal wealth, personified respectively in the global corporate elite and the world's billionaires.

In Part 3 questions of regionalism and hegemony are revisited, with a focus on the state of play in the first decade of the twenty-first century. The consolidation of corporate Europe as a pivotal zone merits its own chapter (Chapter 7), as does the consolidation of a corporate-policy network that provides an expanding structural basis for transnational (and particularly North Atlantic) capitalists to act collectively (Chapter 8). Chapter 9 shifts to a more explicit analysis of hegemony than can be delivered through network analysis of corporate power's architecture, while opening up the crucial question of resistance to that power. To this end, we compare several organizations of global civil society that have helped shape or have emerged within the changing landscape of neoliberal globalization, either as purveyors of ruling perspectives or as anti-systemic popular forums and activist groups.

The conclusion offers an analytical synthesis of what we have learned, and some reflections on limits to TCC formation. Since the financial collapse of autumn 2008, these have become more visible, amplifying the basis for tensions among regional fractions of capital and stirring a hegemonic crisis of transnational neoliberalism. Against this backdrop, we briefly consider what lies ahead for the transnational capitalist class, and for the rest of us.