Social movements for global capitalism: the transnational capitalist class in action

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ABSTRACT

The thesis that 'Capitalism does not just happen' is argued with reference to Gramsci, hegemony and the critique of state centrism. This involves a critique of the assumption that ruling classes rule effortlessly, and raises the issue: Does globalization increase the pressures on ruling classes to deliver? Global system theory is outlined in terms of transnational practices in the economic, political, and culture and ideology spheres and the characteristic institutional forms of these, the transnational corporation, transnational capitalist class and the culture-ideology of consumerism. The transnational capitalist class is organized in four overlapping fractions: TNC executives, globalizing bureaucrats, politicians and professionals, consumerist elites (merchants and media). Social movements for global capitalism and elite social movement organizations (ESMOs) are analysed. Each of the four fractions of the TCC has its own distinctive organizations, some of which take on social movement-like characteristics.

KEYWORDS

Globalization; capitalism; class; Gramsci; social movements; TNC.

I CAPITALISM DOES NOT JUST HAPPEN

The focus of social movement research, old and new, has always and quite properly been on anti-establishment, deviant and revolutionary movements of various types. The aim of this article is to help redress the balance and to show how global capitalism, which I take to be the single most important (though not, of course, the only) global force, is, in many respects, vulnerable. It is a social system that has to struggle to create and reproduce its hegemonic order globally, and to do this large numbers of local, national, international and global....
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organizations have been established, some of which engage in practices that clearly parallel the organizational forms and actions of what are conventionally called 'new social movements'.

The theoretical-historical foundations of this argument and line of research originate in Gramsci's attempt to construct a theory of hegemony and ideological state apparatuses (Gramsci, 1971). Much of the voluminous Prison Notebooks written from 1929 to 1935 can be read as a continuous critique of the assumption, not difficult to gather from the Marx–Engels classics, that ruling classes generally rule effortlessly until revolutionary upsurges drive them from power and make everything anew. As many scholars inspired by, sympathetic with and hostile to marxism have pointed out, the general impression of the marxist classics is of a rather deterministic sociology, a theory in which 'men make history' but not in circumstances of their own choosing, where the emphasis is on the latter rather than the former.

It is no accident that Gramsci is associated both with a more 'cultural', less deterministic interpretation of marxism and with the concept of hegemony, for they do connect. Gramsci made the connection through the role of the intellectuals in the creation and sustenance of hegemonic forms for the ruling class. He argues:

The hegemony of a directive centre over the intellectuals asserts itself by two principal routes: 1. a general conception of life, a philosophy . . . which offers to its adherents an intellectual 'dignity' providing a principle of differentiation from the old ideologies which dominated by coercion, and an element of struggle against them; 2. a scholastic programme, an educative principle and original pedagogy which interests that fraction of the intellectuals which is the most homogenous and the most numerous (the teachers, from the primary teachers to the university professors), and gives them an activity of their own in the technical field.

(Gramsci, 1971: 103–4; written in 1934)

While much of this still seems quite valid to me, it suggests too much of a one-way process, the 'directive centre' asserting its hegemony over the intellectuals. The reality today is that it is certainly a dialectical process where distinct groups of intellectuals, inspired by the promise or actual achievements of global capitalism, articulate what they perceive to be its essential purposes and strategies, often with support and encouragement from the corporate elites and their friends in government and other spheres, particularly the media. In an outstanding historical study of this process, which remains outstanding despite its failure to theorize the process at all, Cockett (1995) shows how about fifty intellectuals of various types carried out an anti-Keynesian neo-
liberal counter-revolution from the 1930s to the eventual triumphs of Thatcher-Reaganism in the 1980s.

The great virtue of Cockett’s study is that he shows clearly and in convincing detail how the neoliberal anti-Keynesian revolution begun by Hayek and others in the 1930s was kept alive by public and private meetings, conferences, academic and more popular publications, lobbying of various types, feeding the media, assiduous contacts with the politically powerful (or soon to be powerful) and, with the exception of mass demonstrations, all the trappings that are the daily fare of social movements research. So this is not an idealist account of social change in which the power of ideas eventually turns the tide but, on the contrary, a much more subtle argument in which the bearers of powerful ideas which have few powerful adherents work away until the material forces begin to change in their direction (the crises of capitalism and state power in the 1970s feeding the widespread disillusionment with Keynesian and welfare state solutions to these crises and the legitimation crisis in general).

Enter Gramsci, again. ‘A “crisis of authority” is spoken of: this is precisely the crisis of hegemony, or general crisis of the state’ (1971: 210). Whereas Gramsci (writing in the 1930s from a fascist prison) saw the latest ‘crisis of hegemony’ resulting from the First World War and the communist advances since then and would undoubtedly have seen the next ‘crisis of hegemony’ for international capitalism resulting from the Second World War, it is not so clear what the position is today. Theories of capitalist crisis (fiscal crisis of the state, crisis of welfare, crisis of deindustrialization, the environmental crisis are just a few of the contenders) have been articulated from all sides. These have generally been seen as crises which need global as well as national solutions (Ross and Trachte, 1990). My argument is that the global capitalist project is gaining ground as the emerging solution to all these crises (Sklair, 1995) and, as befits a hegemonic crisis of the first order, the solution is a new conception of global hegemony, ‘in other words, the possibility and necessity of creating a new culture’ (Gramsci, 1971: 276; written in 1930). But while Gramsci was thinking of a new socialist order, for the 1990s this raises the prospect of what Ranney (1994) terms an ‘emerging supranational corporate agenda’.

The devastation of the 1970s oil shocks, the subsequent debt crises, corporate restructuring and ‘downsizing’ (the race to the bottom) and the apparent inability of politicians to deal with these problems in any other way than by short-term palliatives, suggest that the local effects of globalization increase the pressures on capitalist corporations, state apparatuses, politicians and professionals and cultural-ideological elites, what I shall go on to define as the transnational capitalist class, to deliver. If this is true, and I shall argue that it has been increasingly
the case since the 'prosperous' 1950s and 1960s, then what I describe as the 'siege mentality of global capitalism' is not such a surprising outcome.

II THE SIEGE MENTALITY OF CAPITALIST RULING CLASSES

All ruling classes in all social systems not characterized by 'pure democracy' have to ensure their power to sustain the 'normal processes of interaction'. So police forces, courts of law, armies, gods (religious and/or secular), superego, posterity and other mechanisms of social control play their part to defend the integrity of the social system, to permit accommodation to change, and even (on occasion) to ensure the success of inevitable revolutions in human affairs. The functionalist theory of social control, notwithstanding the imputed normalcy of the processes involved, demonstrates most completely the existence and salience of what I have called the 'siege mentality of capitalism' (Sklair, 1993). The siege mentality entails the view that social systems are always potentially vulnerable to attack, no less from inside than from outside. Approval, and reward for behaviour which sustains it, must be maintained to ensure the persistence of the system; adaptation and change of system properties must be possible where the defiance proves to be too strong for the system to resist; accommodation where neither the system nor the deviance is clearly more powerful – the siege of Troy is reputed to have lasted ten years. But sieges imply stable territory to be defended and identifiable enemies to take aggressive action.

What is the stable territory of capitalism in the era of globalization? In the classical literature of functionalism, Merton, by stipulating that the opposition between cultural goals and institutional means might provoke deviant responses in people unable to live up to either or both, is not speaking of any old goals or means. As has often been pointed out, Merton is really speaking about how a dominant system (in this case, middle-class, white America) defines its goals and means not only for itself but for the whole society – all the other systems and sub-systems. The development of 'subcultural theory' was a recognition of the fact that Merton was often rather ambiguous about the system in question, sometimes suggesting that it was in fact the whole society he was referring to, at other times suggesting that it was the less inclusive system of middle-class, white America. If the former, then it was patently not the case that the goals and means he identified held for every system and sub-system in the total society; if the latter, the theory can cover only those who were part of the system in the first place – you cannot deviate from goals and means pertaining to a social system within which you have no part, on the functionalist definition.
Parsons’s avowed aim to found a general theory of action for the social sciences meant that he was always on the look-out for general features of social action and interaction. The most important of these is that: ‘All social action is normatively oriented, and ... the value-orientations embodied in these norms must to a degree be common to the actors in an institutionally integrated interactive system’ (1951: 251). This is not all. Parsons goes on to say: ‘Probably a stable interactive relationship without common value-patterns is not empirically possible’ (1951: 261). This is consensus theory (the functionalist theory of hegemony) with a vengeance. All systems are, as it were, crucially tied in with the big system which makes society possible. Thus:

Without deliberate planning on anyone’s part there have developed in our type of social system, and correspondingly in others, mechanisms which, within limits, are capable of forestalling and reversing the deep-lying tendencies for deviance to get into the vicious circle phase which puts it beyond the control of ordinary approval–disapproval and reward–punishment sanctions ... there are, in fact, important unplanned mechanisms in the social system which in a sense ‘match’ the inherent tendencies to socially structured deviance.

(Parsons, 1951: 319–20)

What is lacking in the functionalist theory of hegemony, and what renders it quite inferior to marxist theories of hegemony, is a concept of interests, particularly class interests. In a system genuinely based on consensus, conformity to basic system goals would clearly be unobjectionable and probably very simple to implement. But when privileged minorities try to impose their definitions of goals, means and needs on majorities, conformity becomes objectionable on moral grounds, and complicated rationales have to be constructed to justify its imposition.

Parsons asks the same questions as Hobbes – how do we solve the problem of order? – and reaches a not dissimilar conclusion: people make (or act as if they had made) a social contract, without looking at the small print of the contract, and they are encouraged to speculate continually on the dire consequences of violating its precepts or, worse, giving it up altogether. But both had the siege mentality, both could not help but see that social order was a real problem only for those with privileges to defend, and both feared the consequences when the masses started to challenge these privileges. The functionalist approach to hegemony is a special case of this general position.

The siege mentality, therefore, is only politic, for any social conformity not based on consensus will always tend to break down, challenges to hegemony will always be imminent. The power to create conformity
and to reward it rests with some social groups rather than others, and with some strategically located individuals rather than others.

A clear illustration of the correctness of this interpretation of the fragility at the core of capitalism is the 'problem of business' in the heartland of capitalist hegemony, the USA. In a path-breaking article, Dreier (1982: 111) shows that since the 1970s, big business in the USA has been mobilized 'to reverse a dramatic decline in public confidence in big business which they blame on the media'. To counteract this, business mobilized a five-prong campaign, establishing thinktanks to provide 'expert comment' (American Enterprise Institute, Ethics and Public Policy Center, etc. and institutions like the Hoover, Heritage and Hudson, all revitalized with corporate money); university business journalism courses (the National Association of Manufacturers' Foundation for Economic Freedom textbook and workshops, journalism schools funded by GM, ITT, etc.); awards and prizes to encourage more favourable reporting (UCLA's Loeb Awards, Champion at Dartmouth, DeKalb at the University of Missouri); detente between business and media through conferences (the Ford seminars, for example); advocacy advertising and increased TV sponsorship of culture (notably the Mobil series, the Advertising Council's campaign on the American System, corporate adverts in Columbia Journalism Review, Friedman's 'Free to Choose' TV series, US Chamber of Commerce's 'What's the Issue', pre-recorded interviews for broadcast, canned editorials, columns and cartoons for newspapers, PR consultants as 'experts'). An important addition to Dreier's list is the development of 'business ethics', both as an area of academic research (in their survey article, Tsalikis and Fritzsche, 1989, identify over 300 sources) and as a set of responses for big business under threat, elegantly exposed in, appropriately enough, an article in Propaganda Review by Graziano (1989).

Dreier concludes, correctly in my view, that the reason for all this activity is that the 'capitalist class always faces the threat of challenge from below' (1982: 130). No doubt at some periods, in the USA and elsewhere, big business is more popular than at others, but the point is that capitalist hegemony needs constant support, attention and originality to sustain it. The question now needs to be raised: Is this more or less true for capitalism in the global as compared with the national context?

III GLOBAL SYSTEM THEORY

Since the 1980s a great deal of attention has been paid to 'globalization', by scholars (McGrew, 1992) and practitioners, notably in the business press and the annual reports of most of the largest corporations. It is important at the outset to distinguish between national-international
and transnational/global approaches to globalization. This distinction between national-international and transnational/global signals the difference between state-centrist approaches based on the pre-existing even if changing system of nation-states and global approaches based on transnational forces and institutions where the 'state' is one among several key actors and, in genuine theories of globalization, no longer the most important (see Sklair, 1995: Ch. 1 especially). Not all writers are clear about this distinction, with resultant confusions.

The global system theory propounded here is based on the concept of transnational practices, practices that cross state boundaries but do not necessarily originate with state agencies or actors. Analytically, they operate in three spheres: the economic, the political and the cultural-ideological. The whole is what I mean by 'the global system'. While the global system, at the end of the twentieth century, is not synonymous with global capitalism, what the theory sets out to demonstrate is that the dominant forces of global capitalism are the dominant forces in the global system. The building blocks of the theory are the transnational corporation, the characteristic institutional form of economic transnational practices, a still-evolving transnational capitalist class (TCC) in the political sphere, and the culture-ideology of consumerism in the culture-ideology sphere.

The capitalist class is defined here quite conventionally as those who own and/or control the major means of production, distribution and exchange.6 As I argued above, class hegemony does not simply happen as if by magic. The capitalist class expends much time, energy and resources to make it happen and to ensure that it keeps on happening. Like other classes and collectivities of various types one of the ways in which the TCC achieves its aims is through social movements.

The TCC is not necessarily the ruling class. The assumption on which my argument is based is that the TCC is the ruling class in the global capitalist system, a fairly obvious proposition, while the working hypothesis, as it were, is that the global capitalist system is the dominant system in the global system as a whole, a less obvious, indeed a rather contentious claim. Logically, if the capitalist system is the dominant global system, then the TCC is the global ruling class. While there have been several attempts to theorize such a class, notably the international bourgeoisie (more or less a staple of dependency theorists), Atlantic Ruling Class (van der Pijl, 1984), corporate international wing of the managerial bourgeoisie (Becker et al., 1987: passim), international corporate elite (Fennema, 1982), these have been mostly state-centrist. Under the bold title 'Who rules the world?' Goldfrank (1977) calls into question the theoretical utility of state-centrism in researching this question, and argues:
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There is growing evidence that the owners and managers of multinational enterprises are coming to constitute themselves as a powerful social class beyond their role behavior: forming interest groups, engaging in common educational and recreational activity, attempting to include top economic managers in the socialist countries (with which trade and joint investments are increasing rapidly), and working out an ideology in which the world is truly their oyster.

(Goldfrank, 1977: 35)

Another source of insight into a global ruling class has emerged from 'the Gramscian turn in International Relations'. Cox (1987: 271) writes of 'an emerging global class structure' and Gill (1990: 94ff. esp.) identifies a 'developing transnational capitalist class fraction'. While they both grapple creatively with the issue of state-centrism and the possibility of various forms of globalization they do not, in my view, make the extraordinarily difficult decisive break with state-centrism which is necessary if we are to move forward. The concept of transnational practices and its political form, the TCC, is but a first step towards achieving this.

The transnational capitalist class

The transnational capitalist class is the characteristic institutional form of political transnational practices in the global capitalist system. It can be analytically divided into four main fractions:

1 TNC executives;
2 globalizing bureaucrats;
3 globalizing politicians and professionals;
4 conisumerist elites (merchants and media).

While each of the fractions performs distinct functions for the TCC, personnel are often interchangeable between the fractions. Key individuals can belong to more than one fraction at the same time, and the transition from membership of one to another group is more or less routinized in many societies. The transnational capitalist class is transnational in at least three senses.

First, its members tend to have outward-oriented global rather than inward-oriented national perspectives on a variety of issues. The growing TNC and World Bank emphasis on 'free trade' and the shift from import-substitution to export-promotion strategies of most developing countries over the last decade or two have been driven by members of the TCC. Some of the credit for this apparent transformation in the way in which big business works around the world is
attached to the tremendous growth in business degrees, particularly in the USA and Europe, but increasingly all over the world. In 1990 *North American International Business* surveyed 184 business schools in the USA offering graduate degrees in international business. Arizona’s American Graduate School of International Management (Thunderbird) came top of the list, graduating 920 master of international management students in 1989. The second-placed Wharton School (University of Pennsylvania) graduated 743 international MBAs. A spokesman for Wharton commented: ‘We wanted to be a school of management of the world that just happens to be headquartered in Philadelphia’ (Carey, 1990: 36). Between 26 per cent and 40 per cent of all Wharton students on graduate business programmes were then from outside the USA. Research on INSEAD in Paris suggests that business schools are beginning to have a significant impact on the behaviour and ideology of European executives as well (Marceau, 1989). Salas-Porras (1996: Ch. 7) discusses a related development, the spread of the ‘global entrepreneurial movement’, with reference to Mexico. There is now a huge literature in the popular and academic business press on the ‘making of the global manager’ and the ‘globalization of business and management’ (see Warner, 1996: passim) confirming that this is a real phenomenon and not simply the creation of a few ‘globaloney’ myth makers.

Second, members of the TCC tend to be people from many countries, more and more of whom begin to consider themselves ‘citizens of the world’ as well as of their places of birth. Leading exemplars of this phenomenon include Jacques Maisonrouge, French-born, who became in the 1960s the chief executive of IBM World Trade; the Swede Percy Barnevik who created Asea Brown Boveri, often portrayed as spending most of his life in his corporate jet; the German Helmut Maucher, CEO of Nestlé’s far-flung global empire; David Rockefeller, said to be one of the most powerful men in the United States; and the legendary Akio Morita, the founder of Sony.

Third, they tend to share similar lifestyles, particularly patterns of higher education (increasingly in business schools, as noted above) and consumption of luxury goods and services. Integral to this process are exclusive clubs and restaurants, ultra-expensive resorts in all continents, ‘the right places to see and be seen’, private as opposed to mass forms of travel and entertainment and, ominously, increasing residential segregation of the very rich secured by armed guards and electronic surveillance, from Los Angeles to Moscow and from Manila to Beijing.

Each fraction of the TCC sees its mission as organizing the conditions under which its interests and the interests of the system as a whole (which usually but not always coincide) can be furthered in the global,
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national and local context. The concept of the transnational capitalist class implies that there is one central class that makes system-wide decisions, and that it connects in a variety of ways with the TCC in each locality, region and country. Despite real geographical and sectoral conflicts the whole of the transnational capitalist class shares a fundamental interest in the continued accumulation of private profit. The guiding hypothesis of this research programme is that in the struggles within ruling class structures at all levels the balance of power is swinging decisively from the localizers (inner-oriented economic nationalists) to the globalizers (outward-oriented neoliberals).

What the TCC does as a class is to give a unity to the diverse economic interests, political organizations and cultural and ideological formations of a very disparate group of people. As in any social class, fundamental unity of interests and purpose does not preclude shorter-term conflicts of interests and purpose, both within each of the four fractions and between them. The culture-ideology of global capitalist consumerism is the fundamental value system that keeps the system intact, but it permits a relatively wide variety of choices, for example what I term forms of 'emergent global nationalisms' (see below) as a way of satisfying the needs of the different actors and their constituencies within the global system. The four fractions of the TCC in any geographical and social area, region, country, society, community, perform complementary functions to integrate the whole. The achievement of these goals is facilitated by the activities of local and national social movements which are connected in a complex network of global interlocks.

A crucial component of this integration of the TCC as a global class is that virtually all senior members of the TCC will occupy a variety of interlocking positions, not only the interlocking directorates that have been the subject of detailed studies for some time in a variety of countries but also connections outside the direct ambit of the corporate sector, the 'civil society' as it were servicing the state-like structures of the corporations. Leading corporate executives regularly serve on and often chair the boards of thinktanks, charities, scientific, sports, arts and culture bodies, universities, medical foundations and similar institutions (Domhoff, 1967; Useem, 1984; Scott, 1990: passim). It is in this sense that the claim 'the business of society is business' becomes legitimated in the global capitalist system. Business, particularly the transnational corporation sector, then begins to monopolize symbols of modernity and postmodernity like free enterprise, international competitiveness and the good life, and to transform most, if not all, social spheres in its own image.

Having specified the structure of the transnational capitalist class in general, before we can move on to the social movements it creates in particular places (globally, internationally and in regions, countries,
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cities, communities) it is important to note that these particular places where this class operates in the unfolding era of globalization, while broadly similar in fundamentals in so far as they are all parts of the global capitalist system, all have their peculiarities. So the homogenizing effects of globalization, one defining characteristic of the phenomenon, and the peculiarities and uniqueness of history and culture, are always in tension. This tension creates a globalizing dialectic in which the thesis is the 'historical local' (communities, real and imagined of all types, the relatively recent invention of the 'nation-state' being the most prominent in the modern phase); the antithesis is the 'emerging global', of which the global capitalist system driven by the transnational capitalist class is the dominant, though not the only force. The synthesis is as yet unformulated.

IV SOCIAL MOVEMENTS FOR GLOBAL CAPITALISM

Most of the literature on social movements deals with mass-based social movements against established authorities, often capitalists and those directly or indirectly in the service of capitalism. There is little theory or research on social movements for capitalism. In a convincing argument for the importance of 'elite social movement organizations' (ESMOs), more or less what I mean by social movements for capitalism, Boies and Pichardo (1993–4) show how resource mobilization theory, which dominates the study of social movements, at least in the USA, inhibits the study of ESMOs as elites appear to have ready access to resources. Theories of the state (marxist structuralist, instrumentalist and class-dialectical) fare little better for none of them seems able to cope with the phenomenon. The majority view appears to be that though elite cultural, political and economic organizations do exist in most parts of the world, elites have no need of social movements to secure social changes in their own interests as these tend to happen anyway. Boies and Pichardo see this as a profoundly mistaken view and while I cannot put words into their mouths, I presume that they would generally accept the 'siege mentality' argument developed above. Indeed, their analysis of the Committee on the Present Danger, an ESMO in the USA founded in 1976, provides excellent evidence both for their conception of ESMOs and for what I am calling the siege mentality of corporate capitalism.

Boies and Pichardo make a very telling point about the differences between elite and non-elite social movement organizations, namely that the high social status of ESMO members makes it likely that these organizations will rely on finance and expertise rather than personnel and mass-based activities (Boies and Pichardo, 1993–4: 64). This certainly
distinguishes ESMOs from most social movements like environmental, labour, peace and human rights movements of various types.

Combining this ESMO framework with my analysis of the four fractions of the transnational capitalist class, I shall now argue that each fraction of the TCC has thrown up its own social movements for global capitalism locally and that these are slowly being transformed into global movements.

1 TNC executives

The most important fraction of the TCC in the global capitalist system is composed of TNC executives. The TNC executives are the leading executives of the world's biggest TNCs (the Fortune Global 500, for example), supported by and their local affiliates operating either directly as wholly owned subsidiaries or indirectly as related entities of various types, in any part of the world. The executives of these corporations wield power to the extent that they control parts of the global economy and their actions and decisions can have fundamental effects on the local communities in which their corporations are active in any capacity. The TCC also includes the leading executives of companies which, while not themselves among the biggest TNCs, play a strategic role in the global economy (for example, advertising and public relations agencies).

The economic base of these executives is their corporate salaries and their often privileged access to shares and other financial privileges in the companies they work for either directly or as nominated members of boards. Their ESMOs are the peak business associations and organizations that connect business with other spheres (governments, global politics, social issues, etc.) operating at various levels (see, for example, Burch, 1981; Grant and Marsh, 1977; Lynn and McKeown, 1988).

The culture and ideology of TNC executives is an emerging cohesive culture-ideology of global capitalist consumerism, where global brands and tastes are promoted in the effort to turn all cultural products into commercial opportunities. It is important to distinguish here between the individual preferences and lifestyles of executives, which might vary considerably, and the culture and ideology of the class as a whole. Irrespective of how individual executives live their lives, there is no doubt that global marketing and selling have become the ideological rationale for the system as a whole. This does not, however, preclude modifying these global formulas to suit local tastes, as happens frequently in, for example, the fashion and fast foods sectors. The same can be said for more specific political 'tastes' with respect to the neoliberal agenda. I tend to agree with Useem (1984), Gill (1990) and others that top business elites tend to be more progressive on social and labour
issues than, for example, some of the thinktanks and other institutions that their corporations help to finance (cf. Alpert and Markusen, 1980; Cockett, 1995). More systematic research is clearly needed on this question.

Transnational corporations and their executives have commonly and with good reason felt insecure, particularly in the foreign countries where they run factories and provide services, whether from physical assault (see Gladwin and Walter, 1980) or expropriation (Minor, 1994). Though both appear to have declined in the past decades, it is not very surprising that TNCs have routinely taken pre-emptive action to put their case before the public and the authorities with whom they have to deal. For reasons which cannot be dealt with here, big business tends to be unpopular and its claims tend to be treated with a high degree of cynicism and so it often resorts to indirect ways of creating support for its causes and influencing public policy in the direction of its sectional interests. Some have argued, and I find this very convincing, that one of the most important ideological tasks of big business is to persuade the population at large that ‘the business of society is business’ and to create a climate of opinion in which trade unions and radical oppositions (especially consumer and environmental movements) are considered to be sectional interests while business groups are not. This is, of course, a large part of the contemporary analysis of capitalist (I would add, consumerist) hegemony.

There is a good deal of agreement among scholars that (as the Communist Party used to in countries where it was illegal or circumscribed) big business often creates ‘front’ organizations to propagate its messages. So, many apparently straightforward ‘civic organizations’ which also have many of the characteristics of social movements, are largely run by and often largely funded by the corporate elite. Most of the research on these phenomena has been carried out on the USA and most focus on the ways in which big business, domestic (Domhoff, 1990) and foreign (Tolchin, 1988), influences the US government and its various state apparatuses to legislate and rule in the interests of global capital. Though they flirt with the now generally discredited ‘conspiracy theory’ of capitalist hegemony, Eisenhower and Johnson [sic!] (1973) provide a useful checklist for studying such organizations and their activities:

‘Official conspiracies’ are those institutionalized ways in which corporate interests shape and guide policies of the U.S. government. . . .

The main apparatus of official conspiracies consists of organizations controlled by members of the corporate elite class that sponsor research, commission studies, publish influential journals,
issue reports, engage in formal and informal dialogues with government officials, formulate policy guidelines, see that their men [and, increasingly, women] are appointed to key government posts, etc. Such organizations dealing with foreign policy include:

- Corporate-controlled research-planning advising and report-issuing public affairs groups...
- Businessmen's organizations...
- Executively commissioned task forces, committees, and missions...
- Citizen (read business) advisory councils and committees...
- U.S. Representatives to U.N.-sponsored panels...
- Research Institutes...
- Foundations...

(Eisenhower and Johnson, 1973: 51–3)13

Since the 1970s there have been many excellent studies documenting and analysing this phenomenon in the USA, notably Shoup and Minter (1977) on the Council on Foreign Relations, Burch (1981) on the Business Roundtable, Useem (1980) on business leaders in government, Sklar (1980) on the Trilateral Commission, while Domhoff (1990) makes the case for a pervasive corporate ruling class whose organizations steer the state in various policy directions. These findings from research on the USA have been replicated to some extent by research from other countries (see Scott, 1990: passim). In the section on consumerist elites below I will document how this fraction of the TCC works assiduously to inculcate consumerist values and practices in all spheres of social life.

2 Globalizing bureaucrats

Globalizing bureaucrats fulfil a governance function for the global capitalist system at the local, national, inter-state and eventually global levels where individual states are not directly involved. Typically, these people are to be found dealing with or actually working in local urban and regional growth coalitions fuelled by foreign investment; national bureaucracies responsible for external economic relations (exports, FDI in both directions, market-driven aid agencies); international organizations, notably the World Bank, IMF, OECD, WTO, regional development banks and some agencies of the UN; and, in my sense, global or transnational organizations like the Bilderberg Group (Thompson, in Sklar, 1980), Trilateral Commission (Sklar, 1980; Gill, 1990) and the International Industrial Conference, organized every four years by the Conference Board and Stanford Research Institute (Townley, 1990). The senior personnel in the major philanthropic foundations (notably Ford and Rockefeller) also fall into this category.
Their economic base is state or foundation salaries, which tend to lag substantially behind the private corporate sector but their opportunities for augmenting these salaries are considerable. They frequently move to the private sector, working directly for the corporations whose interests they may have been indirectly serving (or impeding) as public employees. The agencies they work for are, in a sense, their political organizations and in many countries particular local and national state agencies can be identified with, for example, open-door policies, that further the interests of the global capitalist class (whoever else's interests they may also further). Globalizing bureaucrats also work politically through 'corporatist' agencies that combine representatives of the state, business and labour.

The culture and ideology of globalizing bureaucrats tend to be more complex than those of TNC executives. Their dominant ideology appears to be in a process of transformation from state interventionism to neoliberalism which privileges the unfettered operation of the 'free market'. This ideology is reinforced daily by cultural practices cohering into what can be termed an emergent global nationalism, characterized as the view that the best interests of the country lie in its rapid integration with the global capitalist system while maintaining its national identity by marketing national competitive advantages of various types through its own global brands and tourism (now the most important hard-currency-earning industry in an increasing number of local and national economies). Despite some notable exceptions, it is difficult to see the top ranks of the globalizing bureaucracies in any other light than retired corporate executives putting their marketing skills to use 'in the public service' or the upwardly mobile en route to top TNC jobs.

Globalizing politicians and professionals

Globalizing politicians and professionals are a diverse group of people who perform a variety of personal and technical services for the TCC. The failure of left-wing politicians to sustain programmes of genuine reform within (let alone radical challenges to) capitalist hegemony anywhere in the world since the 1970s makes it less difficult to understand why most 'successful' politicians in most countries tend to be 'capitalist-inspired' to a greater or lesser extent. Politicians from both conservative and social democratic parties commonly come from and return to the corporate sector and ESMOs (particularly bodies like the Council on Foreign Relations and the Trilateral Commission) in various capacities. In most representative democracies elected politicians and officials must respond to the interests of their local constituents, but these interests are more often than not defined in terms of the interests of the corporations that provide employment and make profits locally.
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Research on these issues is most advanced in the USA, one of the most democratic countries in the world in terms of public access. The works of Useem (1984) on Political Action Committees, and many others on local corporate-politician connections (Domhoff, 1990; Tolchin, 1988), attest to a phenomenon that is probably even more widespread in countries where there is less public scrutiny of such relationships. Research on the USA also confirms the important thesis that the corporate sector is well represented in the higher non-elective offices of state by those who return to the corporations after their periods of public service (Scott 1990: Vol. I, passim, esp. Freitag).

Globalizing professionals, as a group, have attracted a good deal of attention in recent years. This is largely due to the growth of two phenomena which, while not exclusive to the era of globalization, have accelerated rapidly since the 1960s. These are, first, the business services industries, ranging from information technology to consulting and public relations of various types; and, second, the rise of the thinktanks, particularly those associated with the neoliberal ‘free trade’ and ‘free enterprise’ agendas (see Alpert and Markusen, 1980; Cockett, 1995; Marchak, 1991). The dominant elites in these institutions are among the most publicly visible members of the TCC. They are organized politically in their own professional organizations, in the corporatist organizations noted above and in thinktanks and universities, where they market more or less research-based information and policy to corporations and governments. As they are largely funded by governments, transnational corporations and private capitalists, their ‘independence’ is often a matter of dispute. As with globalizing bureaucrats, the culture and ideology of these politicians and professionals is a complex mix of ‘global nationalism’ and neoliberalism. The global network of business consultants like McKinsey and Burson-Marsteller, the largest PR firm in the world, contains many individuals who have worked in business services, government advisory bodies, major corporations, ESMOs and sometimes several at the same time.

In a notable study of the Trilateral Commission, one of these elite social movement organizations that has both played host to a galaxy of ruling-class stars and that appears to be of particular significance for a globalizing agenda, Gill (1990) tries to develop a Gramscian analysis connecting the hegemonic needs of modern capitalism, the creation of what he labels a ‘transnational capitalist class fraction’ and the internationally oriented Trilateralist thrust. Gill argues:

in the context of the networks and linkages indicated above [the reference is to Dye, Domhoff, Useem and Scott], the vanguard elements, represented in organizations such as the Conference Board (which represents blue-chip American corporate capital) and
the Trilateral Commission, are able to develop a general class consciousness and cohesion. The process involves rotation of corporate leaders into and out of the American executive branch. What is suggested here is that it is possible to denote a relationship between the transnational class fractions discussed earlier and steering patterns in American capitalism.

(Gill, 1990: 165)

While many might doubt that the ESMOs commonly identified in the USA really do have the power and influence that those who write about them claim and, more specifically, that the Trilateral Commission can bear the theoretical weight of Gill's analysis, it is still nevertheless a strong argument that the corporate elite in the USA is very active in a very wide range of organizations and activities that are not directly concerned with the balance sheets of their corporations. What I have termed capitalist-inspired politicians and professionals are certainly working on the front line for them.16

Another context in which 'globalizing professionals' service the global interests of capital is as members of what Evan (1981) calls International Scientific and Professional Associations (ISPA)s and Haas (1992), rather more conceptually, epistemic communities. Clearly not all of these are globalizing, perhaps most of the leaders of these associations or communities are hostile to global capitalism, but there is enough evidence of the corroding effects of corporate sponsorship of research, networking and academic institution building to suggest that even the most epistemic of communities find themselves from time to time being persuaded of the correctness or relevance of the corporate case for other than strictly epistemological reasons. If these professionals, mainly scientists of various types, can be mobilized in defence of the projects of big business and global capitalism, the impact on public opinion can be considerable.17

4 Consumerist elites (merchants and media)

Consumerist elites are a part of the TNC executives fraction of the TCC, but a part so important for global consumerist capitalism that they require special treatment. Like other TNC executives, their economic base is in salaries and share capital and their culture and ideology is a cohesive culture-ideology of consumerism. However, the specificity of the members of the media elite lies in their political organization, more specifically their means of political expression through the TV networks, newspapers, magazines and other mass media they own and control. The retail sector, particularly the ubiquitous shopping malls that are springing up all over the world, can in this sense be regarded
analytically as part of the mass media. Through the medium of advertising the links between media and merchants and the entire marketing system (raw materials, design, production, packaging, financing, transportation, wholesaling, retailing, disposal) become concrete. In the apparently inexorable increase in the global connectedness of the mass media and consumerism we can chart the ways in which the TCC appears gradually to be imposing its hegemony all over the world.

Global system theory argues that consumerist elites play a central role in global capitalist hegemony. As I noted above, the practical ‘politics’ of this hegemony is the everyday life of consumer society and the promise that it is a global reality for most of the world’s peoples. This is certainly the most persistent image projected by television and the mass media in general. In one sense, therefore, shopping is the most successful social movement, product advertising in its many forms the most successful message, consumerism the most successful ideology of all time.

In his absorbing paper on ‘The “magic of the mall” ’ Goss (1993) points out that shopping is the second most important leisure-time activity in the USA (after watching TV, and much of TV promotes shopping anyway). ‘Shopping has become the dominant mode of contemporary public life’ (Goss, 1993: 18). While this is true at present only for the First World and perhaps some privileged elites elsewhere, the rest of the world appears to be following rapidly (Findley et al., 1990), at a time when malls are being critically re-evaluated in the USA (see Robertson, 1990).

Goss argues that the idea of the mall signals a third, public, space after home and work/school, to see and be seen in. Malls are not just places to buy and sell but are increasingly taking on other functions (for example, educational, cultural, child care), very much oriented, however, to the middle classes. They aim to provide safe, secure environments for ‘normal’ consumers, but are reluctant to provide genuine public services like drinking fountains, public toilets, telephones, etc. where deviants or non-shoppers can congregate. Goss reports that the average length of time spent in shopping centre trips in the USA has increased from twenty minutes in 1960 to nearly three hours in the 1990s, no doubt facilitated by the omnipresent grazing opportunities in the fast food outlets. Art and museums are now being brought into the mall directly: the first US National Endowment for the Arts grant to a private corporation went for art projects in malls.

Like capitalism, the process of taking acts of purchasing necessities of consumption out of local market-places, redefining this as shopping and relocating the process increasingly into the more controlled environments of department stores and malls, did not just happen. The transformation of the built environment and the renegotiation of the
Table 1  The four fractions of the transnational capitalist class and their elite social movement organizations (ESMOs)

<table>
<thead>
<tr>
<th>Economic base</th>
<th>ESMOs</th>
<th>Culture and ideology</th>
</tr>
</thead>
<tbody>
<tr>
<td>TNC executives</td>
<td>Corporate salaries, perks, shares</td>
<td>Peak business organizations, ‘fronts’</td>
</tr>
<tr>
<td>Globalizing bureaucrats</td>
<td>State salaries, perks, extras</td>
<td>State and inter-state agencies, foundations, corporatist organizations</td>
</tr>
<tr>
<td>Politicians and professionals</td>
<td>Salaries and fees, perks</td>
<td>Professional and corporatist organizations, thinktanks</td>
</tr>
<tr>
<td>Consumerist elites</td>
<td>Corporate salaries, perks, shares</td>
<td>Peak business organizations, mass media selling spaces</td>
</tr>
</tbody>
</table>

meaning of shopping from satisfaction of basic needs for the masses into a form of mass entertainment, a major leisure activity, is one of the greatest achievements of global capitalism. This transformation has been achieved in an amazing variety of ways, from ‘advocacy advertising’ where large corporations take out series of very expensive adverts to persuade people of the virtues of ‘free enterprise’ (Sethi, 1977) to ‘the commercialized classroom’ (Knaus, 1992), from ‘advertorials’ where sponsors pay for insertions that look like editorial content in the mass media (Stout et al., 1989) to ‘the ultimate capital investment’, i.e. strategic philanthropy (Kyle, 1990).18 Advertising agencies have for some time been surveying ‘the global consumer’ (Silver, 1990) and extending the geographical scope of their regular global brand preference rankings.

The point of the concept of the ‘culture-ideology of consumerism’ is precisely that, under capitalism, the masses cannot be relied upon to keep buying, obviously when they have neither spare cash nor access to credit, and less obviously when they do have spare cash and access to credit. The creation of a culture-ideology of consumerism, therefore, is bound up with the self-imposed necessity that capitalism
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must be ever-expanding on a global scale. This expansion crucially depends on selling more and more goods and services to people whose ‘basic needs’ (a somewhat ideological term) have already been comfortably met as well as to those whose ‘basic needs’ are unmet.

The four fractions of the transnational capitalist class, their elite social movement organizations (ESMOs) and ideologies are represented rather schematically in Table 1.

V CONCLUSION

This article has attempted to articulate a set of ideas about a global capitalist class and set out a method to study it in action. This method assumes that those who own and control the most substantial economic resources (principally the TNCs) will be in a position to further their interests to an extent and in ways not available to most other groups in society. However, those who run the transnational corporations cannot achieve their ends alone. They require help from sub-groups, notably consumerist elites, globalizing bureaucrats and politicians and professionals, to carry out their work effectively. This help is often organized through elite social movement organizations, social movements for capitalism. Global system theory provides some underlying arguments to support this way of analysing the class structure of global capitalism and to study the extent to which these movements cross local, national and international boundaries to become truly global manifestations of the TCC in action.

Communication between the four fractions of the transnational capitalist class is facilitated in a variety of ways, notably interlocking directorates, cross-memberships of groups in different spheres (business, government, politics, professions, media, etc.) and leadership roles of business notables in non-business activities, thinktanks, charities, universities, medical, arts and sports foundations and the like. In these ways the idea that ‘the business of society is business’ is promulgated through all spheres of society with the consequence that ‘non-business’ activities become more and more commercialized, as can be clearly demonstrated for social services, the arts, sports, science, education and most other spheres of social life. The membership of the TCC illustrates the extent of these interlocks and cross-connections.

What has been attempted here is the analysis of how the TCC acts as a class, moving somewhat beyond the general truth that capitalists seek to maximize their profits in any way that they can, including improving the business climate (putting pressure on governments to act in the interests of business), improving their knowledge base (employing consultants) and improving their image (doing good works). The widely accepted argument that most ‘foreign’ and ‘domestic’ TNCs all over the
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world have globalized in significant ways was linked to evidence of the globalizing project of the ‘globalizing bureaucrats’ (in local and national government and international agencies) and ‘politicians and professionals’ (leaders of the major parties, academics, scientists, think tanks, business consultants).

A series of detailed case studies on resource allocation, material rewards, key decisions, institutional changes and agenda building would be necessary to establish beyond reasonable doubt that the TCC, globally, really has acted as a class since the early 1980s. My contention is that the theory and method outlined in this article would be of value in such an endeavour, as I argue for the case of the TCC in Australia (Sklair, 1996).

While capitalism increasingly organizes globally, the resistances to global capitalism can only be effective where they can disrupt its smooth running (accumulation of private profits) locally and can find ways of globalizing these disruptions. No social movement appears even remotely likely to overthrow the three fundamental institutional supports of global capitalism that have been identified, namely the TNCs, the transnational capitalist class and the culture-ideology of consumerism. Nevertheless, in each of these spheres there are resistances expressed by social movements. The TNCs, if we are to believe their own propaganda, are beset by opposition, boycott, legal challenge and moral outrage from the consumers of their products and by disruptions from their workers. The transnational capitalist class often finds itself opposed by vocal coalitions when it tries to impose its will in the old and the new ways. The problem for global capitalism is that each of its own social movements, in the form of elite social movement organizations, throws up mass movements in many forms to challenge its hegemony.

NOTES

1 The book was first published in 1994 but apparently withdrawn for ‘revisions’ after a threat of legal action over an insulting letter from one right-wing ideologue about another reproduced in the text.

2 As I argue in the context of the culture-ideology of consumerism in the capitalist global system (Sklair, 1995).

3 He explains this in terms of three trends: the explosion of social protest (blacks, students, pacifists, women, consumers, anti-nuclear environmentalists); official actions that gave movement-induced issues credibility (Kerner report, Nader, EPA, OSHA, EEOC and reform-minded politicians and officials); and news media personnel (participatory journalism). ‘Anti-big business’ sentiment has existed in the USA and probably elsewhere since at least the nineteenth century.

4 Evidence from other countries on the opposition to big business and capitalist hegemony can be gleaned from the general social movements literature.
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In an informative book about anti-business pressure groups in Australia, Browning (1990) claims that the Left is organized in an anti-business global network. See also Ayn Rand's 'America's persecuted minority: big business' (1967) and Boies and Pichardo (1993-4) on the Committee on the Present Danger. The relatively small volume of research on how big business organizes to sustain its hegemony is discussed in Section IV.

Stauffer (1979) in a useful study based on 358 annual reports from 197 different US TNCs, shows that 'globalism' was an important theme in the 1970s.

Of the several attempts to analyse the capitalist class as a 'ruling class' in one country, more or less, the broad arguments of Domhoff (1967), Zeitlin (1974), Connell (1977) and Useem (1984) seem to me the most useful. This article tries to show how globalization has changed the structure and dynamics of this class and to start to explore the question of the extent to which the capitalist class, which all the above primarily analyse in national terms, is the 'ruling class' in the global system.

As will be obvious, my conception of the transnational capitalist class develops similar ideas. I am very grateful to G. William Domhoff for providing me with a copy of Goldfrank's paper in 1995.

I do not claim to have done this entirely myself, though it is certainly my goal. I gladly acknowledge debts to these class theorists.

For some of the most influential of these studies see Stokman et al. (1985), Mizruchi and Schwartz (1987) and the three-volume collection edited by Scott (1990). Recent notable contributions include Alexander (1994) for Australia, Carroll and Lewis (1991) for Canada, Windolf and Beyer (forthcoming) for Germany and Britain, and Salas-Porras (1996) for Mexico.

This bland statement conceals a furious dispute over the so-called 'managerialism' thesis of Berle and Means and the classic refutation by Zeitlin (1974), for which see Scott (1990: vol. II).

There is some evidence from the USA that unions have begun to fight business on its own terms, through what Jarley and Maranto (1990) call 'union corporate campaigns'. The long-term consequences of this for the labour movement are difficult to predict.

Radical publications like Multinational Monitor and others associated with the name of Ralph Nader in the USA frequently 'expose' such organizations. 'Your guide to green groups. Where top advertisers turn for help', Advertising Age (28 October 1991), inadvertently (or not?) lists corporate funding of environmental groups. See also Pell (1990). Poole (1989) uses similar evidence to argue, paradoxically, that 'Big business bankrolls the Left'.

As their context is Allende's regime in Chile in the early 1970s, perhaps they can be excused for the phrase 'official conspiracy'.

See Tolchin (1988) on 'globalizing bureaucrats' in city, state and federal governments in the USA and my own brief discussions of similar phenomena in Australia (Sklair, 1996) and elsewhere (1995: passim).

Wallis (1991: 90) in a most interesting piece showing how art is used to 'sell nations', quotes Shifra Goldman on the 'global alignment of power elites from nations of the First and Third Worlds whose objective is the control of resources and cultural configurations across national boundaries'. Wallis discusses major exhibitions on Mexico, Indonesia and Turkey. The latter coincided with the ending of a ban on imported cigarettes, permitting the expansion of Philip Morris, a major sponsor, into Turkey. The marketing of cities (see Ashworth and Voogd, 1990) is also of great relevance here.
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16 Commenting on the 'image problem of the Trilateral Commission', Gill reports that two TC officials 'conducted over fifty TV and radio interviews during 1979-80, to dispel "myths". Public relations activity generated hundreds of newspaper articles (many of which were written by Commission members, their relatives, or friends)' (Gill, 1990: 168). This is interesting testimony to the siege mentality of the transnational capitalist class and to the ways it can and does react to criticism through its ESMOs.

17 The role of the epistemic community of food scientists in the British beef saga of the 1990s (and the processed foods industry in general) would make an excellent case study of the TCC in action.

18 For a useful Japanese perspective on this issue, see 'Corporate philanthropy', Tokyo Business Today (May 1990): 30-4. This item has an interesting 'Selected list of Japanese corporate donations to universities', a theme that Domhoff, Useem and others discuss for the USA and the UK.

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