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The Global Corporate Elite and the Transnational Policy-Planning Network, 1996–2006

A Structural Analysis

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abstract: This article presents a network analysis of elite interlocks among the world's 500 largest corporations and a purposive sample of transnational policy-planning boards. The analysis compares the situation in 1996 with 2006 and reveals a process of transnational capitalist class formation that is regionally uneven. Network analysis points to a process of structural consolidation through which policy boards have become more integrative nodes, brokering elite relations between firms from different regions, especially Europe and North America. As national corporate networks have thinned, the global corporate-policy network's centre of gravity has shifted towards Europe, both at the level of individuals and organizations. Although this study finds a modest increase in participation of corporate elites from the Global South, a North Atlantic ruling class remains at the centre of the process of transnational capitalist class formation.

keywords: class ♦ economic sociology ♦ globalization ♦ power relations ♦ social organization

Introduction

Over the past century, transnational policy-planning bodies have emerged to play important roles in constructing the consensus within business communities that enables corporate capital to project influence in political and cultural domains that transect national borders. Such groups comprise a multi-organizational field, within what has been called global civil society, from which have emanated visions and policy proposals of a broadly neoliberal character (Robinson and Harris, 2000). Although efforts by a cosmopolitan bourgeoisie to build an international community have been traced as far back as the networks of Freemasons in the late 17th century (van der Pijl, 1998),

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contemporary initiatives date from the founding of the International Chamber of Commerce after the First World War. In the decades following the Second World War, 'a transnational historic bloc of internationally oriented capitalists, liberal statesmen, and their allies began to construct the institutional framework of a globalizing capitalism' (Rupert, 2002: 154). Since the early 1970s, in a context of rapid globalization of capital, global policy groups have proliferated, with the founding of the World Economic Forum's forerunner, the European Management Forum, in 1971 and the Trilateral Commission in 1972. Such groups are crucial elements in a transnational historic bloc – an assemblage of elite policy-planning organizations, transnational corporations and global-governance institutions – that has promoted and consolidated a hegemonic project of neoliberal globalization (Gill, 1995).

One important component of this bloc is the network of overlapping memberships among directors of the world's leading corporations and transnational policy boards. In connecting centres of corporate power to centres of policy formation, these networks serve several functions for corporate elites. Most obviously, interlocks between corporate boards and policy boards enable business interests to be represented and promoted, whether through communications media or through lobbying governments. Like other 'cat-nets' that facilitate collective action (Tilly, 1978: 63), corporate-policy board networks mobilize corporate directors as *a social category capable of political action*. By the same token, such networks serve to integrate corporate elites, fostering a common 'culture' – a shared worldview among elites (Domhoff, 2006), anchored in the priorities of corporate sponsors but often reaching into other fields through participation of media and political elites on policy boards (Gill, 1990; Stone, 2001).¹

In representing, promoting, mobilizing and integrating the global corporate elite, the transnational corporate-policy network constructs a politically 'organized minority' (Brownlee, 2005), intervening on various fronts in a struggle for hegemony that takes place on the contested terrain of global civil society (Carroll, 2007; Gill, 1990). The policy boards themselves are sites for specific kinds of strategic activities by the corporate elite:

- They are venues for discussion, strategic planning, discourse production and consensus formation on specific issues (Carroll and Carson, 2003; van der Pijl, 1998).
- They are places where responses to crises of legitimacy are crafted, as in the Trilateral Commission's initiatives around the 1970s 'crisis of democracy' (Gill, 1990) or the more recent responses to the global environmental crisis, which started attracting attention in the 1990s (Hocking and Kelly, 2002).
- They are advocates for specific projects of integration, often on a regional basis, as in the championing of European integration in the 1980s by the European Round Table of Industrialists.²

- They often provide bridges connecting business elites to political actors (heads of states, politicians, high ranking public servants) and elites and organic intellectuals in other fields (international organizations, military, media, academia) – as in the annual Bilderberg Conference (Gill, 1990; Wilford, 2003) and the World Economic Forum's annual and regional summits and permanent workshops (Graz, 2003; Pigman, 2007).

Although an extensive research literature has mapped national networks in which leading corporate directors participate on the boards of major policy-planning organizations (e.g. Burris, 2005; Carroll and Shaw, 2001; Domhoff, 2006; Maman, 1997), the transnational network remains largely uncharted. Recent studies of the global network of interlocking corporate directorates have reached conflicting conclusions on whether transnational corporate interlocking proliferated from the mid-1970s to the mid-1990s (see Carroll and Fennema, 2002, 2004; Kentor and Jang, 2004). It is clear, however, that since the mid-1990s transnational corporate interlocking has increased while national corporate networks have waned (Carroll, 2008, 2009). But these analyses of purely *corporate* interlocking reveal nothing of the tendencies in interlocking between corporations and transnational policy boards. Case studies of the Trilateral Commission (Gill, 1990), the European Round Table of Industrialists (van Apeldoorn, 2002) and the World Economic Forum (Graz, 2003; Pigman, 2007) have explored the ties to corporate elites that were integral at each organization's foundation, and that have been subsequently reproduced over time. But these investigations map only the immediate social circles of singular policy-planning boards, not the global network as a whole.

In a study of the elite network of five global policy groups and 350 corporations as of 1996, Carroll and Carson (2003) do provide an analysis of interlocks between corporations and global policy groups. They report that:

- The network is primarily carried by a few dozen cosmopolitan corporate directors, some of whom serve on multiple policy boards;
- The policy boards are heavily interlocked with each other and with large corporations domiciled mainly in Europe and North America; and
- Corporate-policy board interlocks make a dramatic contribution to global corporate-elite integration, pulling the corporate directorates closer together and integrating the lifeworlds of leading directors.

This study builds on Carroll and Carson's efforts, but extends the time frame to year end 2006, enabling an analysis of structural changes in the most recent decade of continuing corporate globalization amid growing economic disorder. To improve coverage of relevant organizations, we enlarge the

population of corporations from 350 to 500 in each year while expanding the policy-planning bodies from five to 11. Also, whereas Carroll and Carson considered policy boards with 'global' mandates, we include four transnational business councils, with more regionally focused political agendas. The latter may promote regional (e.g. North American or European) solidarities among business leaders that fall well short of, and could even conflict with, the 'global' project that has been ascribed to an emergent transnational capitalist class by writers such as Robinson (2007).

The elite network of interlocking board memberships, among both the policy boards and the world's largest corporations, is the object of this investigation. Two sets of questions orient this article:

1. How does the recent trajectory of the transnational corporate-policy network speak to claims about the formation of a transnational capitalist class? Does the development of the network indicate a process of structural consolidation, with policy boards becoming more integrative nodes in the global corporate power structure?
2. How does *regionalism* figure in the structure of the global corporate-policy network? Does the pattern of interlocks support hypotheses about the end of American hegemony (Go, 2007; Went, 2002), the continued dominance of an Atlantic ruling class (van der Pijl, 1984), the rise of corporate Europe (Balanyá et al., 2000), or some other scenario?

To answer these questions, we explore the ways in which policy boards furnish sites for integrating diverse corporate interests into a consensus while potentially differentiating those interests in ways that could promote regional rivalries.

Eleven Transnational Policy Boards

All 11 of the policy boards selected for this study satisfy three selection criteria, i.e.:

- They are transnational in their projects – they deal with international political-economic issues immediately relevant to the interests of corporate business.
- They are transnational and corporate in their makeup – they are composed primarily or very extensively of directors and executives from large corporations domiciled in a variety of countries.
- They were active in either or both 1996 and 2006.

The 11 organizations comprise a judgement sample that includes two strata: (1) *global policy groups* and (2) *transnational business councils* (see Table 1).

Table 1 *The 11 Transnational Policy Boards*

| | No. of directors | | Agenda priorities | Organizational form | Core membership | Geopolitical reach |
|--|------------------|------|--|---|--|--|
| | 1996 | 2006 | | | | |
| 1: <i>Global policy groups</i> | | | | | | |
| International Chamber of Commerce Est. 1919 Paris headquarters | 27 | 25 | Corporate self-regulated, global laissez faire | International business organization; government lobbyist; linking to locals (national committees) | 7000 corporations from 130 countries | Global: corporations and regional committees worldwide, including the Americas, Europe, the Middle East, Africa and the Asia-Pacific |
| | 112 | 135 | Economic order among 'heartland' states | Secretive policy-planning and elite consensus-seeking forum | 130 national and international corporate, govt, military and academic elite; no set membership | North Atlantic 'heartland'; draws elite representation from Western Europe and North America |
| Bilderberg Conferences Est. 1952 Geneva origin; office in Leiden (Netherlands) | | | | | | |
| Trilateral Commission Est. 1972 Washington, Paris & Tokyo headquarters | 304 | 413 | Economic order among 'Triad' states | Policy-planning and elite consensus-seeking forum; research task forces; discourse producer | 350 national and international corporate, media, academia, public service and NGO elite | 'The Triad'; draws elite representation from North Atlantic, Japan, ASEAN |

Table 1 (Continued)

| | No. of directors | | Agenda priorities | Organizational form | Core membership | Geopolitical reach |
|--|------------------|------|--|---|---|---|
| | 1996 | 2006 | | | | |
| World Economic Forum Est. 1971 (1987) Geneva headquarters | 55 | 47 | 'Global' economic order | Combined elite transnational business organization, and policy-planning and consensus-seeking forum; research task forces; discourse producer | 1000 top transnational corporations | Global; draws elite representation from Western Europe, Central and Eastern Europe, Africa, North America, Latin America, Asia and Oceania |
| International Advisory Board of the Council on Foreign Relations Est. 1995 New York headquarters (CFR) | 35 | 33 | Strategic orientation of US foreign policy | CFR: policy-planning and consensus-seeking forum, discourse producer, task forces; <i>Advisory board</i> : Advisory function to CFR | CFR: US citizens; 250 corporate members (US and foreign firms); <i>Advisory board</i> : 33 corporate and political elites from around the world | Global; Advisory board draws elite representation from Western Europe, Central and Eastern Europe, Africa, North America, Latin America, Asia and Oceania |
| World Business Council for Sustainable Development | 116 | 185 | 'Global' environmental and economic reform | Combined elite transnational business organization, and policy-planning and | 206 corporations (by invitation) | Global; draws elite representation from Western Europe, |

Table 1 (Continued)

| | No. of directors | | Agenda priorities | Organizational form | Core membership | Geopolitical reach |
|--|------------------|------|---|--|---|--|
| | 1996 | 2006 | | | | |
| Est. 1995 Geneva headquarters | | | | consensus-seeking forum; research task forces; discourse producer | | Central and Eastern Europe, Africa, North America, Latin America, Asia and Oceania |
| UN Global Compact (Board) Est. 2000 New York headquarters (UN) | n/a | 19 | Promotion of corporate social and environmental responsibility | Combined elite transnational organization; national or regional communication networks | Board composed of representatives from business (12), labour (2), NGOs (4) and the UN (2) | Global; draws elite representation from Western Europe, Central and Eastern Europe, Africa, North America, Latin America, Asia and Oceania |
| <i>2: Transnational business councils</i> | | | | | | |
| <i>Europe</i> | | | | | | |
| European Round Table of Industrialists Est. 1983 Brussels headquarters | 56 | 57 | Economic integration in Europe; European corporations' global economic position | Combined elite regional business organization, and policy-planning and consensus-seeking forum; lobbying; working groups; discourse producer | Corporate chief executives and chairpersons of major European-owned TNCs from industrial and technology sectors | European Union |

Table 1 (Continued)

| | No. of directors | | Agenda priorities | Organizational form | Core membership | Geopolitical reach |
|---|------------------|------|---|--|--|------------------------------------|
| | 1996 | 2006 | | | | |
| <i>Europe and Asia</i> | | | | | | |
| EU-Japan Business Round Table Est. 1995 Brussels & Tokyo headquarters | 26 | 50 | Strengthening economic ties between EU and Japan | Combined interregional business organization, and policy-planning and consensus-seeking forum; lobbying; task forces; discourse producer | 50 EU and Japanese (about half from each) corporate executives and directors | European Union and Japan |
| <i>North Atlantic</i> | | | | | | |
| TransAtlantic Business Dialogue Est. 1995 Washington headquarters | 68 (see note 3) | 33 | Economic integration and trade liberalization between the US and EU | Combined elite interregional business organization, and policy-planning and consensus-seeking forum | 31 US and EU CEOs/ chairs | United States and European Union |
| <i>North America</i> | | | | | | |
| North American Competitiveness Council Est. 2006 Ottawa, Mexico & Washington, DC headquarters | n/ a | 33 | Economic integration and trade liberalization in North America; North American corporations' global economic position | Combined elite regional business organization, and policy-planning and consensus-seeking forum | 33 corporate executives total; 10 members nominated by each of Canada and Mexico, 13 nominated by US | North America (Canada, US, Mexico) |

The seven global policy groups pursue wide, 'global' political agendas and seek to incorporate social forces beyond the capitalist class per se. Within this category, we can note a historical stratification, ranging from the International Chamber of Commerce (ICC) – created by investment bankers who claimed the identity of 'merchants of peace' after the First World War – to the UN Global Compact (UNGC) – formed in 2000, with strong input from the ICC. The other five groups were formed in the intervening years, with the pace of group formation quickening over the 20th century. The annual Bilderberg Conference (BC) was first convened in 1952; the Trilateral Commission (TC) was established two decades later; the World Economic Forum (WEF) emerged in 1987 out of a Western European forum of business leaders; the International Advisory Board of the Council on Foreign Relations (CFRIAB) and the World Business Council for Sustainable Development (WBCSD) were both created in 1995.

As Table 1 shows, the global policy groups differ extensively in size, agenda priorities, organizational form, core membership and geopolitical reach. On the first factor, the TC comprises a large senate, while the board of the UNGC is more seminar-sized. Here, group size refers to the set of individuals on which we have based our network analysis of overlapping memberships. These sets vary by organizational form. For the BC, an annual meeting with no fixed membership, we include those who attended the BC in spring 1997 or 2007. For the TC, the CFRIAB and the WBCSD, each composed of individual members, we include all members. For the ICC, WEF and UNGC, whose members are organizations, not individuals, we include the top directorate, which is comprised exclusively or (in the case of the UNGC) primarily of business leaders.³

These seven groups also vary in the geopolitical reach of their constituencies. While five of them serve self-consciously 'global' constituencies, the BC, formed in the era of the Cold War (Wilford, 2003), is based in the North Atlantic heartland of 'the West', although its project has always been broadly one of global governance within an Atlanticist frame. The TC is certainly global in its political vision, but from the start its constituency, encoded in its very name, has been the Triad – the affluent countries of North America, Western Europe and Japan (although since 2000 the third leg of the triad has been extended to include an array of Asia-Pacific developing countries, alongside Japan, Australia and New Zealand).

All seven global policy groups seek to incorporate interests other than corporate capital into their projects. This is particularly evident in forum-type groups such as the BC, TC and WEF, whose meetings bring business leaders into dialogue with political leaders and intellectuals (Gill, 1990; Graz, 2003; Pigman, 2007). Much the same process occurs at the CFRIAB and on the board of the UNGC, as political leaders (in the first case) and labour and

NGO leaders (in the second) rub shoulders with the corporate leaders who comprise most of the membership. The ICC, the most free-market oriented policy group (Carroll and Carson, 2003), restricts membership to capitalists but incorporates other interests through joint ventures with United Nations agencies, including the Global Compact (Hocking and Kelly, 2002). Similarly, although the WBCSD is structured as a business council – the CEOs of major corporations interested in sustainable development – its project to green global capitalism by facilitating firms to become ‘eco-efficient’ (Rowe, 2005) seeks to persuade publics concerned about the growing ecological crisis worldwide (see Livesey, 2002).

The seven global policy groups differ in priorities and practices, and in the policy and media networks they access. They thus bring a division of labour to the task of global policy formation. The WEF, WBCSD, ICC and TC are large and complex organizations that address not only their constituents but transnational publics, via publications, press releases and websites. Bilderberg Conferences, in contrast, are held *in camera* to encourage frank discussion, and no public statement is issued at their close. These five groups (including Bilderberg) have pursued wide agendas for global neoliberal governance. The CFRIAB’s project is more focused. It advises the Council on Foreign Relations about US foreign policy issues; hence its global vision is US-centred and its voice carries only within the CFR, a major American think tank with extensive ties both to US corporate capital and to Washington’s policy elite (Dye, 1978; Paretsky, 2004). Finally, the UNGC’s project is one of moral reform. A ‘public-private partnership’ between the UN and corporations, it promotes 10 ethical principles concerning human rights, labour standards, environmentalism and anti-corruption. The least neoliberal of the seven, the UNGC represents a tendency, since the mid-1990s, for global policy groups to incorporate ‘civil society’ into their processes and visions (Carroll and Carson, 2003; Soederberg, 2007).

The four transnational business councils are, with the exception of the European Round Table of Industrialists (ERT), quite recent inventions (see Table 1, part 2). These organizations transpose, onto a transnational field, the highly successful model of national business councils, which in the 1970s and 1980s spearheaded neoliberal transformation in the Anglo-American countries (Langille, 1987; Useem, 1984). Each is composed of a few dozen CEOs or chairs of leading corporations domiciled in the given zone. Two of the councils promote the economic integration of Europe (ERT) and North America (the North American Competitiveness Council, NACC), respectively. The other two promote the transregional integration of the North Atlantic (the TransAtlantic Business Dialogue, TABD) and of Europe and Japan (EU–Japan Business Round Table, EJBRT).⁴ As with nationally based business councils, these boards are less involved in

reaching out to 'civil society' and more strategically focused on specific state agencies and policies that directly affect the interests of corporations. They pursue an agenda of 'free trade' that presses for deregulated markets and investor rights, but add to this a focal concern with transnational policy harmonization as a means of reducing frictions to the circulation of commodities and capital (Beder, 2006).

Not only are the transnational business councils more instrumentally focused, they also differ from the global policy groups in promoting the conditions for robust accumulation *within regional political spaces* (see Table 1, part B). The regional character of each transnational business council identifies it with a complex of affiliated states, and with the political partitioning of global economic space. All four business councils were founded with close involvement of the interested states⁵ and maintain close advisory relationships with state agencies mandated to advance the project of regional economic integration. Indeed, each business council advises the relevant intergovernmental initiatives, typically by holding its annual summit shortly before the annual summit of political leaders, and forwarding recommendations to the latter.⁶ These strong regional inflections may carry implications for the process of transnational capitalist class formation. As others have noted (Bierling, 2006; Ruigrok and van Tulder, 1995), the dynamic of regional integration – seeking competitive advantages within regional blocs – may be at odds with scenarios that attribute a homogeneously 'global' project to the transnational capitalist class (as in Robinson, 2004).

Together, the 11 policy boards make up a complex organizational ecology (Hunt and Aldrich, 1998) that divides the labour of policy formation among interdependent types and specializations, and that makes innovative use of new organizational forms. Over the latter decades of the 20th century, each group came to occupy a *distinct niche* in an emerging organizational ecology that has amounted to a political mobilization of transnational capitalists.

Method and Data

Data for membership on the policy boards were obtained from the organizations themselves, via websites and annual reports.⁷ Data for the corporate board memberships were assembled in two steps. First, the population of corporations was determined by designating the 'Global 500' corporations (G500), at year end 1996 and 2006. We established this list using the Fortune Global 500 as a starting point. Each July *Fortune* magazine publishes a list of the 500 largest corporations in the world, ranked by total revenue, in US\$. For each firm listed, financial data from the previous year are also provided, along with additional information on country of

domicile and industry branch. This publication has the advantage of providing a consistent time series, and offers good coverage of the entire range of industries and corporate domiciles. However, a drawback of Fortune's ranking by revenue is that it favours industrial and commercial capital over financial capital, with the consequence that firms with vast assets, whose revenue is made up of interest and dividends will be overlooked (Carroll and Fennema, 2004). To compensate, we stratified the selection of firms so that in each year our G500 consists of the 400 largest industrial or commercial firms, ranked by revenue, and the 100 largest financials, ranked by assets. This procedure is consistent with that used by Stokman et al. (1985). It differs from probability sampling in that the G500 does not represent a larger population of firms, but constitutes the population of the world's major corporations at a given moment. An interesting substantive issue, which we consider briefly later, is how the changing composition of the G500 reflects shifts in the global structure of corporate power (see Carroll, 2008, 2009).

In a second step, we established the list of directors for each G500 corporation from the corporate annual reports produced by firms after each fiscal year, available from official corporate websites or from the Mergent Online database.⁸ Differences exist among national corporate governance systems, especially between the German two-board system, where a management board is accountable to an independent supervisory board, and the more widespread Anglo-American model of a single board on which sits the top management alongside a number of outside directors (see Scott, 1997). In this study, we followed previous practice (Stokman et al., 1985) and considered the German dual boards as a single entity.

All board data were verified for ambiguous cases. The name list was sorted alphabetically by surnames and given names, revealing multiple affiliations for certain individuals. All ambiguous cases were then cross-checked so as to minimize false positives (identical names that refer to different persons) as well as false negatives (different spellings of a person's name, causing interlocks to go undetected [Carroll, 1986]).⁹ The resulting 'clean' file of corporate and policy-board affiliations was analysed using the social network software UCINET (Borgatti et al., 2002).

Findings

A Global Corporate-Policy Elite

Like other networks of overlapping memberships, the corporate-policy network has a dual structure: it exists as both an interorganizational network of interlocked boards and as an interpersonal network

of individuals who meet each other on boards. We present our findings at each of these levels, focusing first on the individuals who comprise a global corporate-policy elite. This elite includes members of what Carroll (2009) calls the global corporate elite – individuals who direct two or more G500 corporations – as well as individuals who belong to multiple policy boards or who sit on one G500 corporate and one policy board. These are the people whose organizational affiliations create the corporate-policy network. In this section we show how these affiliations became more transnational and more focused on the policy boards in the decade under investigation.

Individuals vary greatly in the number of corporate and policy-board affiliations they maintain. Over the decade, the total number of individuals with one or more board membership fell by 27.3 percent, to 6785 in 2006 (see Table 2). The drop was particularly sharp among those directing only one G500 firm, reflecting a worldwide decrease in the average size of G500 corporate boards since the mid-1990s, associated with the move to more efficient corporate governance (Carroll, 2004).¹⁰ Given the increasing number of organizations in the transnational policy field (and the increasing size of the TC and WBCSD), it is not surprising that the number of individuals sitting only on one policy board increased by over 50 percent, to 650.

Our interest, however, is in the board members who in serving on multiple boards create the interorganizational network that constitutes the corporate-policy elite. This elite (represented in bold type in Table 2), which shrank by 11.3 percent to 887, can be divided into several social types. The largest stratum – the pure corporate interlockers (category *c* in the table), who direct only companies – decreased by approximately one-fifth, as did corporate interlockers who sit on one policy board (category *g*). However, the ranks of other members of the elite who sit on policy boards expanded. These include, in 2006, 32 ‘pure policy wonks’ (category *d*) – members of multiple policy boards who do not direct any G500 firms¹¹ – as well as the 138 individuals who belong to one corporate and one policy board (category *e*). The most well-positioned players in the network, numbering 27 in each year, are those who sit on multiple corporate *and* multiple policy boards (category *h*). The elite network, then, is composed of several kinds of interlockers, from pure corporate types to pure policy wonks. Although its membership is heavily weighted in the direction of corporate interlockers (reflecting the vastly greater number of corporations compared to policy boards in the global corporate power structure), the composition of the network is shifting. In the most recent decade the complement of pure corporate interlockers has diminished (from 75.7 percent to 68.9 percent) as the complement of individuals affiliated with policy boards has grown (from 24.3 percent to 31.1 percent).

Table 2 Policy-Board Memberships and Corporate Directorships, 1996 and 2006

| | A | B | (B-A)/A |
|---|-------------|------------|--------------|
| | 1996 | 2006 | % change |
| Patterns of affiliation | | | |
| <i>a</i> 1 corporate board | 7921 | 5248 | -33.7 |
| <i>b</i> 1 policy board | 419 | 650 | +55.1 |
| <i>c</i> 2+ corporate board | 757 | 611 | -19.3 |
| <i>d</i> 2+ policy boards | 26 | 32 | +23.1 |
| <i>e</i> 1 corporate board and 1 policy board | 109 | 138 | +26.6 |
| <i>f</i> 1 corporate board and 2+ policy boards | 9 | 22 | +144.4 |
| <i>g</i> 2+ corporate boards and 1 policy board | 72 | 57 | -20.8 |
| <i>h</i> 2+ corporate boards and 2+ policy boards | 27 | 27 | 0 |
| Total: members of the corporate-policy elite | 1000 | 887 | -11.3 |
| Grand total | 9330 | 6785 | -27.3 |

As recent research has shown, the global corporate elite is itself composed of different national and transnational segments. In their study of the global corporate elite between 1976 and 1996, Carroll and Fennema (2002: 414) conclude that across those decades 'the process of transnational class formation did not fragment national corporate networks but occurred in tandem with their reproduction'. Directors whose corporate affiliations are entirely with firms domiciled in a single country are *national networkers*. Those who interlock across national borders, i.e. who direct G500 corporations domiciled in different countries, are *transnationalists*. It is the latter who create a *global* corporate network. In a study of global corporate interlocking that employed the same database and timeframe as this one but did not examine policy-board affiliations, Carroll (2009) reports that the complement of transnationalists in the global corporate elite grew while the number of national networkers declined.

Consequently, the composition of the corporate-policy network shifted after 1996. As the ranks of national networkers sitting on policy boards thinned from 58 to 43, the contingent of corporate transnationalists with positions on policy boards grew from 31 to 38. By 2006, nearly half of the corporate interlockers with policy-board affiliations were transnationalists. In effect, *the corporate-policy board elite has become more cosmopolitan*, in two respects:

1. Among corporate interlockers, policy-board membership has shifted towards the transnationalists, who come to comprise a larger segment of the global corporate elite; and
2. A growing elite segment is made up of individuals with one or more transnational policy-board affiliations.

As national corporate networks become sparser, transnational corporate networkers and members of transnational policy boards (including pure policy wonks) play a more prominent role in elite integration.

Still, in 2006, corporate networkers continue to comprise four-fifths of the elite, and thus merit further investigation. Our distinction between national networkers and transnationalists reveals a shift in composition towards the latter, but it does not indicate how the elite is distributed spatially across the world system. It is instructive to categorize the corporate networkers according to the domicile of the firms they direct. Carroll (2009) reports that the vast majority of global corporate networkers are affiliated with corporations based in Europe or North America, and that most transnational interlocking occurs either within Europe or across the North Atlantic. The lines in Figure 1, which show the number of corporate networkers in each category of Carroll's typology, reflect this predominance of North Atlanticists in the global corporate elite.

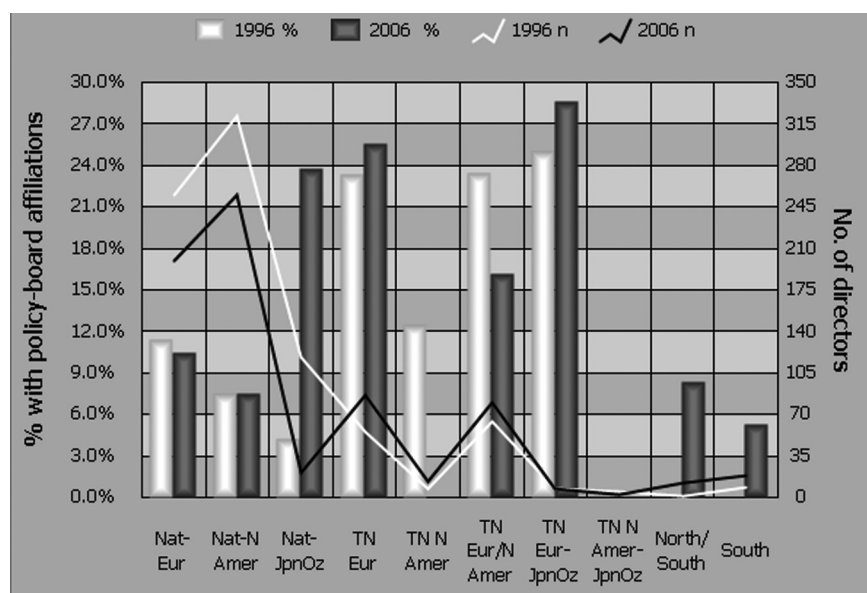


Figure 1 *Typology of Corporate Interlockers: Global Policy-Board Affiliations*

Key: Nat-Eur: G500 directorships in one European country; Nat-N Amer: G500 directorships in either Canada or US; Nat-JpnOz: G500 directorships in either Japan or Australia; TN Eur: G500 directorships in multiple European countries; TN N Amer: G500 directorships in both Canada and US; TN Eur/N Amer: G500 directorships in both Europe and North America; TN Eur-JpnOz: G500 directorships in both Europe and Japan/Australia; TN N Amer-JpnOz: G500 directorships in both North America and Japan/Australia; North/South: G500 directorships in both the Triad and the rest of world; South: G500 directorships in one non-Triad country.

The key question for this study is, to what extent do these regional categories of corporate networkers participate on policy boards? The bars in Figure 1 show participation rates for different types of corporate networkers. Overall, the participation rate increases slightly (from 11.6 percent to 12.1 percent), but varies greatly across the types. Among the numerically large categories (directors of firms based in Europe or North America), *it is transnationalists based in Europe or spanning the North Atlantic who participate extensively on policy boards*. European transnationalists, whose ranks grow during the decade, stand out as the most heavily engaged stratum: one in four of them serves on a transnational policy board. For North Atlantic transnationalists (another growing segment of the global corporate elite), the trend for the rate of participation on the policy boards is downwards, from 23 percent to 16 percent. National corporate networkers, whose ranks thin across the decade, do not participate heavily on the policy boards, with the exception of those based in Japan/Australia.¹² Finally, there is some modest evidence that elites active in the Global South are becoming integrated into the network. In 1996, only a handful of G500 corporate directors were affiliated with firms domiciled outside the Triad, and not a single one of them participated on a transnational policy board. By 2006, the global corporate elite includes a small contingent with North–South corporate affiliations or with affiliations only in the South, and a few of these corporate directors sit on policy boards.

Mapping the Inner Circle

Up to now, we have identified a corporate-policy elite that is becoming more cosmopolitan but that tends to be based either in corporate Europe or in the space that spans the North Atlantic. We now consider the individuals at the centre of the corporate-policy network: the 27 directors who sit on multiple corporate and policy boards. A good deal of the entire network is carried by this inner circle.¹³ Two-mode sociograms in Figures 2 and 3 show a predominance of Europeans and of European firms. The American-based firms and directors cluster at the left margin of each sociogram. They tend to belong to the Trilateral Commission and to attend the Bilderberg Conferences.

In either year, there are only a few non-North Atlanticists in this inner circle. In 2006, two of them were based on the North Atlantic's doorstep, in Mexico; the third was based in Japan:

- Ernesto Zedillo, credited with leading the neoliberalization of Mexico, sat on two US-based corporate boards and on three policy boards, including the CFRIAB;
- Lorenzo Zambrano, chair of Cemex, also served on the board of IBM and was North American deputy chair of the TC and a member of the WBCSD;

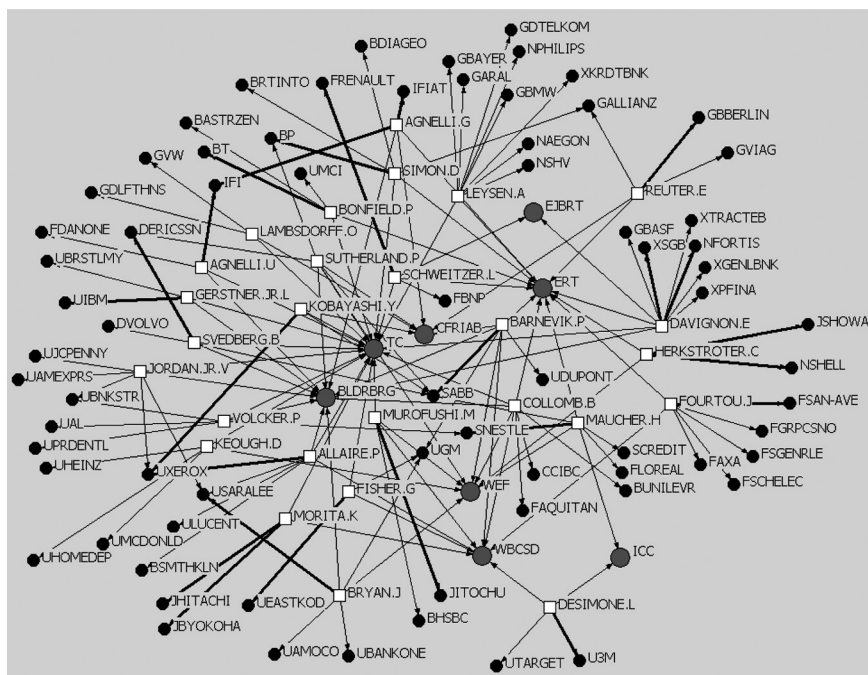


Figure 2 Twenty-Seven Key Players and Their Organizational Affiliations, 1996

Note: First letters of corporations' names represent country of domicile, as follows: U = United States; C = Canada; L = Latin America; B = Britain; D = Scandinavia/Finland; F = France; I = Italy; N = Netherlands; S = Switzerland; X = Belgium; J = Japan.

- Yotaro Kobayashi, former chair and current director of Sony Corp, also directed Japan Telephone and Telegraph and was Pacific Asia chair of the TC, a member of the CFRIAB and a member of the EJBRT.

Several directors in this inner circle show trans-Atlantic affiliations of one kind or another, but most of them are based in Europe. At year end 2006:

- Klaus Kleinfeld, CEO of Siemens until his ouster in a corruption scandal in April 2007 (Sims, 2007), also directed Bayer and US-based Alcoa at year end 2006 and belonged to the TC, TABD and ERT;
- Bertrand Collomb, chair of Lafarge until his retirement in May 2007 and a director of British-Dutch Unilever, was also in 2006 chair of the WBCSD, a member of TABD, the TC, the ERT, the EJBRT and a Bilderberg attendee;
- Sir Mark Moody-Stuart, former CEO of Shell, chair of Anglo-American Corp and director of British-based HSBC and US-based Accenture, sat on the UNGC, TC and WBCSD;

- Peter Sutherland, chair of BP, former director-general of the WTO, a director of the Royal Bank of Scotland, European chair of the TC, member of the ERT and the WEF Foundation Board, a Bilderberg attendee;
- Marcus Wallenberg, chair of Skandinaviska Enskilda Banken and a director of Ericsson, Electrolux (all three of which his family controls), AstraZeneca and Stora Enso Oy; he was until 2008 chair of the ICC and a member of the TC;
- Anne Lauvergeon, CEO of the French nuclear energy firm Areva (not large enough for the G500), a director of Suez, Total and UK-based Vodafone, a member of the TC and WBCSD, a director of the UNGC and a Bilderberg attendee.

These examples reveal a tightly interwoven inner circle of corporate and policy board affiliations, consisting predominantly of male European business leaders. At year end 2006, 25 members of the inner circle were men, and 14 had exclusively European G500 corporate affiliations, compared to five whose G500 affiliations were exclusively North American and four who had affiliations on both sides of the Atlantic.¹⁴ Moreover, of 60 corporations represented within the inner circle, 42 were based in Europe, 13 were based in North America, four were based in Japan and one was based in Mexico. Our sociograms, of course, leave out the 32 'policy wonks' who serve on multiple policy boards but do not direct G500 corporations. In this sense, we underestimate the extent to which the network of individuals is integrated at its core, through the affiliations of the global corporate elite's organic intellectuals.

The individual-level analysis presented above suggests that the network of high level capitalists is indeed transnationalizing as its members become more actively involved in policy-planning groups. A tightly connected inner circle of multiple interlockers active on policy boards carries the bulk of the network. As we shall now see, an analysis of interorganizational relations suggests similar conclusions, and at the same time sheds light on the regional structure of the network.

Regionalism in the Interorganizational Network

Our second research question highlights the spatial organization of the corporate-policy network. By geo-coding the organizations by their domiciles, we can map the network in space. A key issue is how the policy boards are embedded in the network of corporate interlocks. Figure 4 shows a spring-embedded solution for 2006, which iteratively determines the optimal location of points in a two-dimensional space, such that distances between points in the space approximate distances between points in the network (Freeman, 2005: 251). Five major sectors of the corporate-policy

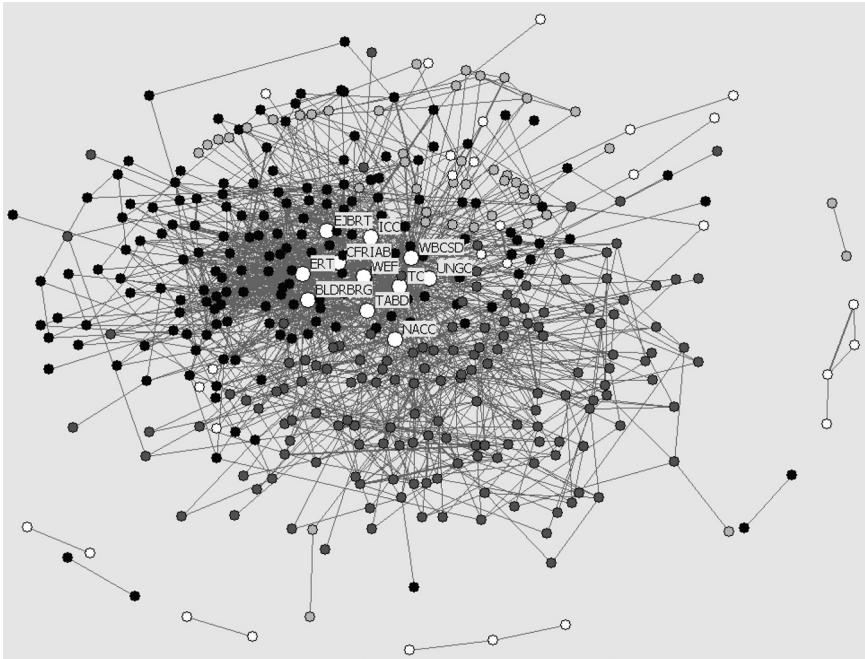


Figure 4 *Interorganizational Relations, 2006*

Key: White (large circles): policy boards; black: Europe; dark grey: US and Canada; light grey: Japan-Australia; white (small circles): rest of the world.

network are distinguished: (1) the policy boards, (2) corporations based in Europe, (3) corporations based in North America (the US and Canada), (4) corporations based in the core Asia-Pacific countries (Japan and Australia) and (5) corporations based in the semi-periphery (rest of world).¹⁵ Given their profuse ties to one another and to many corporations, it is not surprising that the policy boards are clustered at the centre of the network. What is more interesting is that

1. The algorithm clusters the network into its two main geopolitical regions – Europe and North America – which occupy adjoining territories in the space, indicating both the coherence of each regional network and the many interlocks that span across them;
2. Even at year end 2006, companies based in the Global South had little to no involvement in the network; and
3. *The policy boards tend to cluster on the European side of the social space, with the exception of the NACC, which understandably lies in the North American zone.*

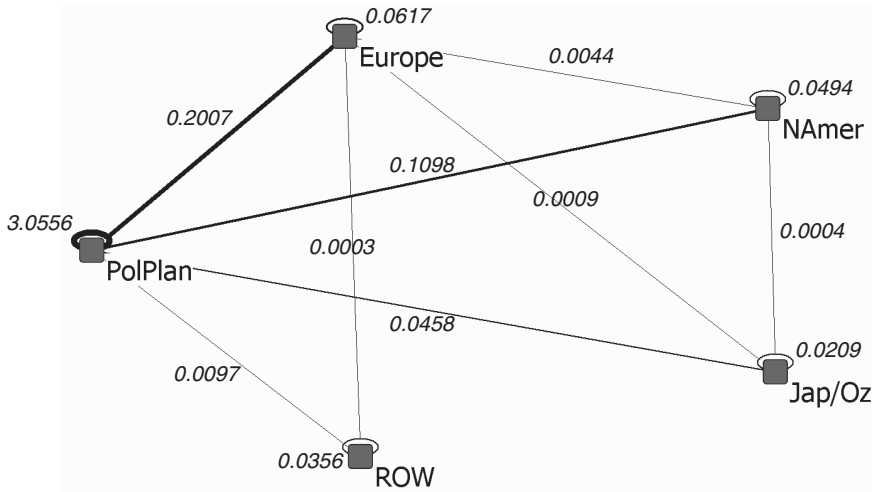


Figure 5 Weighted Sectoral Densities, 1996

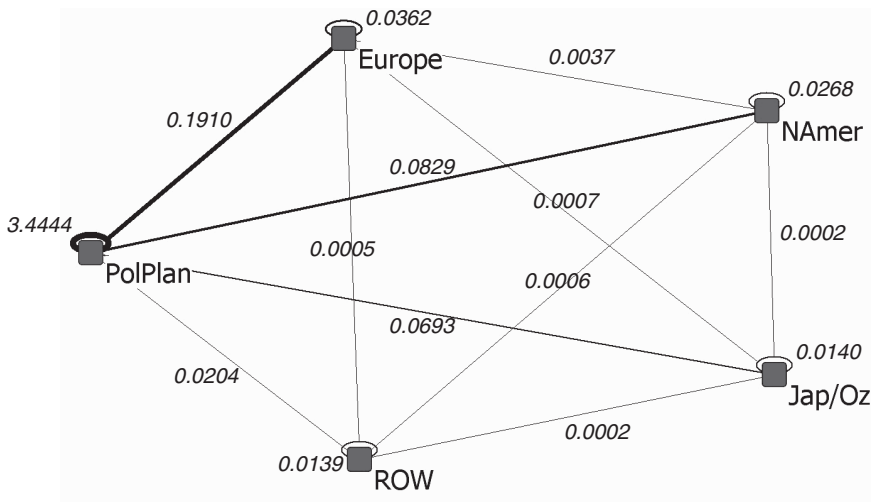


Figure 6 Weighted Sectoral Densities, 2006

Firms based in Japan hook into the network largely through their directors' participation on three policy boards: the TC (eight firms), WBCSD (14 firms) and EJBRT (16 firms). The 45 interlocks between Japanese

corporate boards and the policy boards compare with only 11 interlocks between the former and all other G500 firms, confirming that the policy boards play a crucial role in integrating Japanese business leaders into the global elite. The tendency by 2006 for policy boards to gravitate towards Europe is consistent with Carroll's (2009) finding of a 'shift toward Europe in elite organization', partly as a consequence of the increasing transnational integration of corporate Europe.

It is illuminating to pursue this line of analysis one step further. In Figures 5 and 6 Europe's relative prominence is evident in the pattern of weighted densities (the mean number of interlocks per pair of organizations) between and within segments of the network.¹⁶ In addition to the four regionally defined segments (the three regions of the Triad plus the semi-periphery), we consider the set of policy boards as a distinct network segment. As a segment, the policy boards are more tied to corporate Europe than to other regions, in both years. The weighted density linking North American firms to the policy boards is less than half that of European firms in 2006. Corporate Europe is also the most internally integrated region, followed by North America, and it is only between Europe and North America that we find any evidence of extensive transregional corporate interlocking. Even so, the Asia-Pacific core segment and the semi-periphery do show increased interlocks with the policy boards over the decade. What stands out, however, is a two orders-of-magnitude gap between the integration of policy boards with each other and the integration of the most cohesive regional segment of corporate boards (Europe). In 2006, the 11 policy boards shared on average nearly 3.5 members; in the same year, European corporate boards shared a mean of 0.0362 members. In this sense, the policy-board network provides a *hard core* of politically active and socially cohesive cadre to the global corporate elite. This hard core is primarily active within European corporate capitalism. When we consider the firms with more than five interlocks with policy boards, we find that in 1996 76 percent were based in Europe, with the rest in North America. By 2006, 80 percent were European, the other 20 percent North American by domicile.

A Core-Periphery Structure?

Our analysis of regionalism in interorganizational relations suggests that the network has a core-periphery structure, with the key policy boards constituting its core. We tested this hypothesis by fitting a continuous core-periphery model to the value matrix of board interlocks. This factor-analytic procedure identifies a single vector on which nodes in the network are assigned coreness scores, such that the product of the vector and its transpose comes as close as possible to reproducing the original value matrix (Borgatti and Everett, 1999). The correlation between values

Table 3 Organizations Ranking Highest in Coreness, 2006

| Rank 06 | 96 | Name | Coreness | City of head office | Country of domicile |
|------------|-----|---|----------|------------------------|------------------------|
| 1 | 1 | Trilateral Commission | .681939 | Wash./Paris/Tokyo | Triad |
| 2 | 2 | Bilderberg Conference (Spring 2007) | .419438 | Leiden | Netherlands |
| 3 | 3 | European Round Table of Industrialists | .313872 | Brussels | EU |
| 4 | 4 | World Business Council for Sustainable Development | .251819 | Geneva | Switzerland |
| 5 | 201 | TransAtlantic Business Dialogue | .160462 | Washington, DC | USA |
| 6 | 8 | EU-Japan Business Round Table | .135937 | Brussels/Tokyo | EU/Japan |
| 7 | 6 | CFR International Advisory Board | .132661 | New York | USA |
| 8 | 5 | World Economic Forum | .096194 | Geneva | Switzerland |
| 9 | 23 | Allianz Aktiengesellschaft Holding F | .084015 | Munich | Germany |
| 10 | 84 | Suez SA | .077541 | Paris | France |
| 11 | 66 | Siemens AG | .067988 | Munich | Germany |
| 12 | 96 | TOTAL SA | .064875 | Paris | France |
| 13 | 46 | Bayer AG | .061361 | Cologne | Germany |
| 14 | | Assicurazioni Generali F | .059956 | Trieste | Italy |
| 15 | 102 | International Chamber of Commerce | .058925 | Paris | France |
| 16 | 348 | Alcoa, Inc. | .056269 | New York | USA |
| 17 | | Lafarge SA | .055795 | Paris | France |
| 18 | 11 | BP | .053166 | London | UK |
| 19 | 24 | BNP Paribas F | .053113 | Paris | France |
| 20 | 289 | ConocoPhillips | .050834 | Houston | USA |
| 21 | 18 | American International Group F | .050280 | New York | USA |
| 22 | 14 | Unilever Plc | .050171 | London | UK |
| 23 | | UN Global Compact | .049617 | New York | USA |
| 24 | | E.ON AG | .049593 | Dusseldorf | Germany |

Table 3 (Continued)

| Rank | 96 | Name | Coreness | City of head office | Country of domicile |
|------|-----|---|----------------|---------------------|---------------------|
| 25 | 52 | Thyssen Krupp AG | .047361 | Dusseldorf | Germany |
| 26 | 81 | Deutsche Lufthansa AG | .042881 | Cologne | Germany |
| 27 | 55 | Citigroup F | .041932 | New York | USA |
| 28 | 62 | Royal Dutch/Shell Group | .041710 | The Hague | Netherlands |
| 29 | 234 | ABN AMRO Holding NV F | .041080 | Amsterdam | Netherlands |
| 30 | 170 | British American Tobacco plc [BAT] | .039699 | London | UK |
| 31 | | North American Competitiveness Council | .039689 | Ottawa/Mexico | N. America |
| | | | | Washington, DC | & Mexico |
| 32 | | Hochtief AG | .037563 | Dusseldorf | Germany |
| 33 | | Vodafone Group plc | .036302 | Berkshire | UK |
| 34 | 129 | Akzo Nobel | .035003 | Arnhem | Netherlands |
| 35 | 44 | Commerzbank AG F | .034419 | Frankfurt | Germany |
| 36 | 219 | Sony Corporation | .034157 | Tokyo | Japan |
| 37 | | Accenture Ltd | .034038 | Bermuda | Bermuda |
| 38 | 37 | Groupe Danone | .031982 | Paris | France |
| 39 | 82 | Saint-Gobain | .031722 | Paris | France |
| 40 | 32 | Rio Tinto plc | .030847 | London | UK |
| 41 | 30 | Deutsche Bank AG F | .030557 | Frankfurt | Germany |

generated by the model and the actual values (here the number of interlocks) in the network gives a measure of fit. The increase in this correlation from .497 in 1996 to .596 in 2006 indicates that across the decade the corporate-policy network became arrayed more along a core-periphery dimension. In Table 3 the core members of the network as of year end 2006 are listed, including 11 policy-planning groups and 30 corporations. Together, the coreness scores of these 41 boards account for 58.6 percent of the total coreness of the network of 511 organizations; the 11 policy boards alone account for 35.5 percent.

Most of the policy-planning boards rank at the centre of the network, both in 2006 and in 1996, and the most central four retain the same rankings across the decade, providing the network with institutional stability. Among the global policy groups, the TC, BC and WBCSD stand out as especially central. Among the transnational business councils only the ERT is comparable to these most central policy groups. Three policy boards are somewhat removed from the network core – the ICC (ranked 15), UNGC board (ranked 23) and NACC (ranked 31). In the first decade of its existence, the TABD moves from the periphery of the network to the core.

Among the corporations positioned in or near the network core, the predominance of European capital is palpable. Only four of the 30 firms are based in the USA, one (Accenture) is domiciled in Bermuda to avoid taxes (though it is effectively an American corporation), one (Sony) is based in Tokyo and the rest are domiciled in Europe, including eight based in Germany, six in France, five in Britain and three in the Netherlands. Also worth noting is the intermingling of large financial institutions (indicated by an F) and industrial enterprises at the core of the corporate-policy board network. Eight corporations remain among the most central 30 firms across the decade, signalling continuity in the presence of politically active directors on their boards. Seven of these are European (namely Allianz, BP, BNP Paribas, Unilever, Groupe Danone, Rio Tinto and Deutsche Bank); the eighth (the insurer American International Group) is based in the US.

The coreness measure points again at the central position that European firms occupy in the corporate network, at the same time as it shows that policy-planning groups constitute the very heart of the network.

Policy Boards as Brokers: The Structure of Mediations

Brokerage analysis can shed further light on the role policy boards play in pulling corporate directors onto common ground around shared political projects. Structurally, *a broker brings together parties who are not directly linked to each other*. In social structures where actors are divided into segmented groups, brokers occupy key mediatory positions (Gould, 1989: 547). This is very much the case in the global corporate interlock network. It

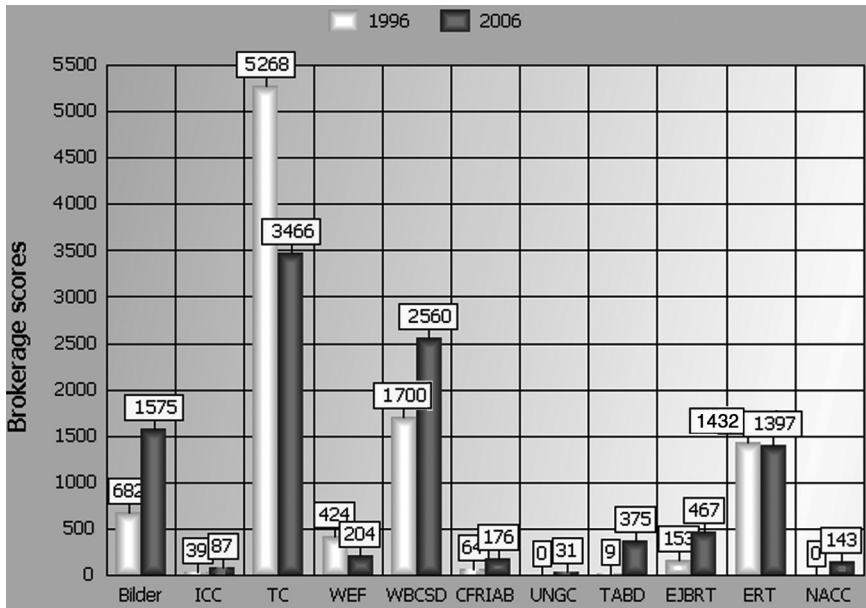


Figure 7 Total Brokerage Scores for Transnational Policy Boards, 1996 and 2006

continues to be divided into (thinning) national corporate networks, spanned by a (growing) number of transnational interlocks (Carroll, 2009; Carroll and Fennema, 2002). Brokerage analysis can assess the structural impact that policy boards have in mediating elite relations within and across macro-regions, thereby providing an additional layer of social and political organization for the global corporate elite.

The brokerage scores in Figure 7 show the total number of instances in which each policy board mediates between pairs of non-interlocked organizations in the network. There is large variation among groups, but except for the TC and WEF, most groups register increases in brokerage, some of them spectacular (e.g. Bilderberg, WBCSD). The two inter-regional business councils, the TABD and EJBRT, also show sharp increases. Although the TC remains the leading mediator, its total volume of brokerage shrinks by 34 percent. This is due to a contraction, from 151 to 114, in the number of G500 firms whose directors are Trilateral Commissioners, which implies a 42 percent decline in the number of intercorporate relations that could be brokered by the TC.

Of particular interest is the pattern of mediation that ensues from the participation of G500 directors on the policy boards. Do liaisons mediated by policy boards cut across the major regions of the world

Table 4 *Distribution of Intercorporate Relations Brokered by Policy Boards*

| Domicile of firms | 1996 | 2006 |
|--|-------|-------|
| Both in core North America | 11.3 | 7.6 |
| Both in core Europe | 27.3 | 36.2 |
| Both in core Asia-Pacific | 3.1 | 2.3 |
| One in core North America, one in core Europe | 32.1 | 31.2 |
| One in core North Atlantic, one in core Asia-Pacific | 26.0 | 16.7 |
| One in semi-periphery, one in core or semi-periphery | 0.083 | 6.0 |
| Total | 100.0 | 100.0 |
| N | 9590 | 9838 |

system – fulfilling a function of global integration? To assess the extent of inter- and intraregional brokerage we partitioned the corporate-policy network into the same five sectors as in Figures 4–6. Focusing purely on instances of intercorporate brokerage by policy boards, we categorized each relation by the region of each firm's domicile. It is clear in Table 4 that the policy boards mainly broker two kinds of intercorporate relations: (1) those between firms based in Europe¹⁷ and (2) those between firms based on each side of the North Atlantic. Considering the three regions of the Triad, the policy boards broker a growing proportion of relations between firms based in Europe, but a declining proportion of relations in core North America and in core Asia-Pacific. And although the proportion of mediations between the North Atlantic and the Asia-Pacific core drops substantially, companies domiciled on the semi-periphery become more linked into the global business community through the policy boards. By 2006, 6 percent of all intercorporate relations mediated by the policy boards include one or two firms based in the semi-periphery. As a structure of policy-board brokerage, the network has been gravitating towards Europe. However, since the policy boards are themselves diverse, generalizations of this sort have to be tempered by examination of each board's location in the structure of mediations.

In Figure 8, we display the regional brokerage profiles for each of four key global policy groups. The graphs indicate the percentage distribution of intercorporate brokerage relations across several regional categories. Three of the four groups are heavily engaged in trans-Atlantic liaisons. The WBCSD also brokers such relations but is even more extensively engaged in mediating relations between North Atlantic and core Asia-Pacific corporations. The 14 Japan-based and three Australia-based firms whose boards interlock with the WBCSD in 2006 are thereby linked at one remove to the 37 European, 18 American and four Canadian corporate boards that also interlock with the WBCSD. In contrast, the TC plays a reduced role in

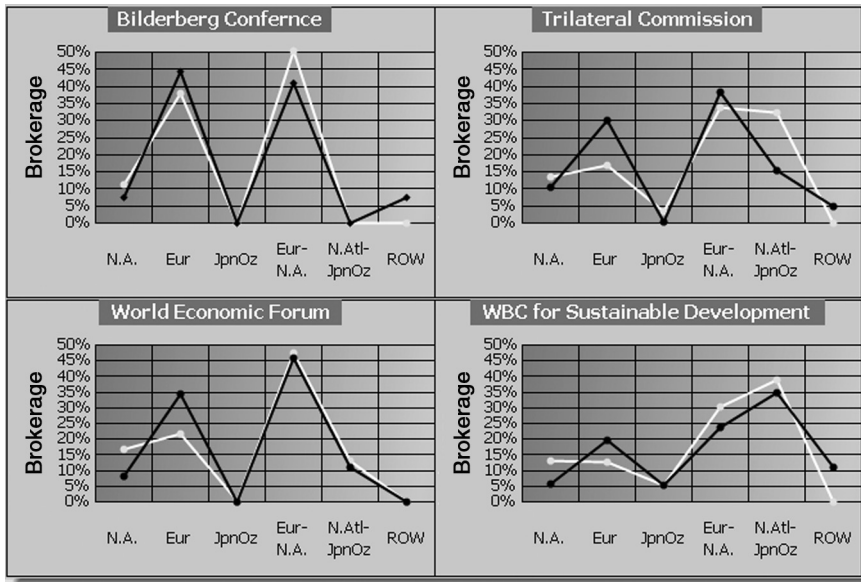


Figure 8 Intercorporate Brokerage within and between Regions: Four Global Policy Groups

Key: White line: 1996, black line: 2006. N.A.: within North America; Eur: within Europe; JpnOz: within Japan/Australia; Eur-N.A.: between Europe and North America; N.Atl-JpnOz: between North Atlantic and Japan/Australia; ROW: rest of world.

brokering relations between companies based in the Asia-Pacific core and those based in the North Atlantic, as the number of Japanese G500 firms with directors on the TC falls from 20 to eight. All four groups broker more ties within Europe than within North America, and this tilt towards Europe increases over the decade. *Corporate Europe*, already the most cohesive region in terms of corporate interlocking (Carroll, 2009), is rendered even more integrated by virtue of policy-board brokerage.

Finally, with the exception of the WEF, the key global policy groups have, since 1996, developed mediations to the Global South (rest of world), suggesting that a process of elite integration of the semi-periphery has been underway. In particular, the TC and the WBCSD pull together regionally diverse segments of the corporate elite.¹⁸ By 2006 the WBCSD is the most diversified broker, as 11 percent of its mediations involve semi-peripheral companies and 40 percent involve firms based in the Asia-Pacific core.

The transnational business councils manifest quite diverse brokerage profiles, underlining the specificity of their regional political projects (see Figure 9). As one might expect, the two interregional business councils,

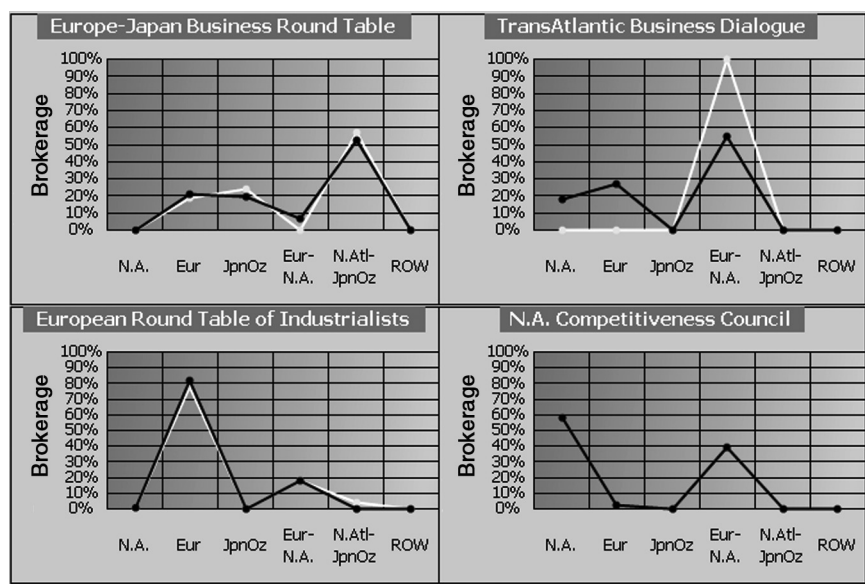


Figure 9 *Intercorporate Brokerage within and between Regions for Four Transnational Business Councils*

Key: white line: 1996, black line: 2006. N.A.: within North America; Eur: within Europe; JpnOz: within Japan/Australia; Eur-N.A.: between Europe and North America; N.Atl-JpnOz: between North Atlantic and Japan/Australia; ROW: rest of world.

both of which dramatically increased their volume of brokerage between 1996 and 2006 (see Figure 7), primarily mediate relations across the specific regions they strive to integrate; secondarily, they broker relations between companies based in one or the other of the regions. The intraregional business councils primarily integrate their respective regions, although both show a tendency collaterally to contribute to North Atlantic integration. Most of the ERT's mediations occur within Europe, and most of the NACC's occur within North America, but both councils also create liaisons between firms based in Europe and firms based in North America, precisely because some council members hold corporate directorships on both sides of the Atlantic. For instance, in 2006, 39 percent of the NACC's brokerage was between European and North American firms. In endeavouring to build a more competitive North America, a good deal of what NACC brings to the table is capitalists whose European contacts and knowledge of European capitalism is very likely integral to that regional project. At least within the Euro-North American heartland – the most integrated zone of global capitalism – the regional business councils appear to internalize the transregional character of corporate business:

they are not vehicles for regional economic closure, but actually contribute to transregional integration of the global corporate network.

Discussion

Returning to our research questions, in the first place, network analysis points towards a process of structural consolidation through which policy boards have become more integrative nodes in the global corporate power structure. The corporate-policy network, already well developed in the mid-1990s, has become denser and more extensive in its range of organizations.¹⁹ As national corporate networks have thinned and transnational interlocks have proliferated, transnationalists have come to play enhanced roles in a network increasingly focused around the policy boards.

The corporate-policy network is highly centralized, at both the level of individuals and that of organizations. Its inner circle is a tightly interwoven ensemble of politically active business leaders; its organizational core includes the Trilateral Commission, the Bilderberg Conference, the European Round Table of Industrialists and the World Business Council for Sustainable Development, surrounded by other policy boards²⁰ and by the directorates of leading industrial corporations and financial institutions based in capitalism's core regions. While coreness is a major organizing dimension, specific groups, with their specific projects, occupy distinctive positions in the network. The global policy groups differ from one another in their brokerage profiles, as do the more regionalized transnational business councils. Although in principle the latter could furnish a structural basis for cleavage and possibly rivalry, as in Europe vs North America, there is no clear evidence of this. Instead, as corporate interlocks span national borders, the capitalists that staff regional business councils tend towards cosmopolitan corporate affiliations. The different organizational forms, constituencies and network positions of the policy groups and business councils add up to a complex organizational ecology, unified by a neoliberal consensus yet differentiated by regional and other issues and interests. With Carroll and Shaw (2001: 211), we might infer that such an organizational ecology provides a rich discursive field and 'offers possibilities for nuanced debate and diverse action repertoires, all within the perimeters of permissible neoliberal discourse'. To the extent that the network embodies the leading edge of a transnational capitalist class, we can, in concordance with Robinson's (2004) analysis, discern in this formation an increased capacity to act as a class-for-itself.

Turning to our second query – the regional question – our findings suggest a process of transnational capitalist class formation that is regionally uneven. There is certainly support for the idea that a North Atlantic ruling class remains at the centre of the process. The transnational

corporate-policy network continues to be carried by an elite inner circle of well-connected persons and organizations, *centred in Euro-North America, but weighted increasingly towards Europe.*

The shift towards Europe is a major finding of this study. Partly it reflects a shift in corporate capital's locus of control. In the decade under study, the number of G500 firms based in Western Europe (growing from 170 to 192) expanded as the number of firms based in the US (including Bermuda, declining from 167 to 154) and in Japan (declining from 124 to 69) contracted. Partly it reflects sharpening differences in business systems, with (continental) Europe holding to a regime of organized capitalism, tendentially on a pan-European basis, while the US, already in the 1980s, embraced a 'shareholder capitalism' organized more around the stock market than around extra-market relations such as interlocking directorates (Carroll and Fennema, 2002: 414; Davis and Mizruchi, 1999). The upshot has been a consolidation of corporate Europe as the US corporate network lost its centre, while Japanese capitalism stagnated in the wake of the Asian financial crisis of 1997 (Ikeda, 2004). Within the network of corporate and policy-board affiliations, the shift towards Europe is evident in several respects:

- Policy boards are increasingly staffed by pan-European transnationalists, who predominate in the network's inner circle;
- The ERT – a major vehicle of European integration (van Apeldoorn, 2002) – is itself quite central in the global network;
- With the exception of the North American based NACC, the policy boards tend to be ensconced on the European side of the network's social space;
- Corporate Europe, the most socially integrated segment of the global corporate network, is also the most densely tied to the policy boards;
- A large and increasing number of firms at the core of the network is based in Europe;
- The transnational policy boards broker a growing complement of relations between European firms, adding further to regional cohesion.

The tilt towards Europe, however, is not the whole story. We also find a modest increase in participation of corporate elites from the Global South. This reflects the growing number of G500 firms based in the semi-periphery: the world outside the Triad hosted 23 G500 firms in 1996, but 58 in 2006. In light of this growth in southern-based corporate capital, the increased participation by directors of these firms in the corporate-policy network is unspectacular.²¹ Insofar as the network comprises a key component of a transnational historic bloc, that bloc remains, at its higher reaches, overwhelmingly centred upon the North Atlantic.²²

In the current global economic crisis, the form and content of the corporate-policy elite are at stake. Bankruptcies, mergers and acquisitions will transform the roster of the world's largest corporations. The partial nationalization of some of the world's top financial institutions, in progress at the time of writing, could lead to governance changes affecting board composition and directorate interlocks. The very neoliberal discourse that, since the 1980s, has sustained a transnational consensus has lost its lustre as the perils of deregulated capitalism become painfully obvious. Future research will need to track the recomposition of corporate capital, the reconstruction of the corporate-policy network and the discursive shifts that may attend the political-economic sea change currently in motion. Through it all, the existence of a cohesive network will offer to the transnational capitalist class and its organic intellectuals strategic resources in the struggle to protect what was won in the last three decades: investor rights, trade freedoms, low corporate taxation and other key elements of neoliberal globalization. If, as French president (and at the time EU president) Nicolas Sarkozy declared in autumn 2008, 'a certain idea of globalisation is drawing to a close' (Samuel, 2008), if 'a new form of capitalism' (Taylor, 2008) is in the offing, we can predict with some confidence that the global corporate-policy elite will play an influential role in framing the contours of the new regime.

Notes

1. For empirical evidence of the influence of national and transnational policy-planning organizations on agenda-setting and policy-making, see among others, Domhoff (2006), Gill (1990), Graz (2003), Hocking and Kelly (2002), Paretsky (2004), Stone (2001) and van Apeldoorn (2002).
2. Van Apeldoorn (2002) details how the European Constitution was designed largely on the basis of a document produced by the ERT.
3. Namely, the Executive Board for the ICC, the Foundation Board for the WEF and the board of directors for the UNGC. At the time of writing, the UNGC claimed '5600 participants, including over 4300 businesses in 120 countries around the world' (United Nations Global Compact, 2008). A global policy group not included in this study but of great importance in the mobilization of neoliberalism is the Mont Pelerin Society, which has been from its inception in 1947 composed primarily of right-wing intellectuals, not business leaders (Plehwe and Walpen, 2006: 37).
4. Note that the third relation constituting the 'Triad' – that between the US and Japan – is missing from our sample. We researched the Japan-US Business Council and the US-Japan Business Council, which are parallel organizations. Although these groups hold an annual joint conference, they do not function as a single transnational policy board. Moreover, in contrast to both the TABD and EJBRT, there was no apparent state involvement in the inception of these

groups, nor is there an ongoing institutional mechanism through which these groups influence regional state policies.

5. The EU in the case of the ERT, the parties to NAFTA and to the North American Security and Prosperity Partnership in the case of the NACC, the US Department of Commerce and the European Commission in the case of the TABD, the European Commission and the Japanese Ministry of Economy, Trade and Industry in the case of the EJBRT.
6. In addition to its annual meetings preceding the US–EU Summit, the TABD also meets yearly just prior to the WEF, with the objective of influencing its proceedings.
7. For the BC, which has no fixed membership, we relied on published lists of those attending the conferences in spring 1997 and spring 2007, available at www.bilderberg.org/1997.htm#USA and www.bilderberg.org/bilderberg2007.pdf.
8. For further details on sources of corporate attributes and directorate data, see Carroll (2009).
9. Sources for cross-checking individual directorships included the Lexis-Nexis database (www.lexisnexis.com), Forbes People Tracker (www.forbes.com/cms/template/peopletracker/index.jhtml), *Business Week's* Company Insight Center (investing.businessweek.com/research/company/overview/overview.asp), as well as www.google.com
10. The mean board size for our G500s dropped from 20.3 in 1996 to 14.1 in 2006. As corporate boards have become 'leaner', the extent of directorate interlocking within each national business community has weakened. However, interlocks across national borders, particularly in the North Atlantic, have proliferated. See Carroll (2008, 2009) for further discussion and analysis of this issue.
11. Some of these may well direct non-G500 firms. All of our estimates of structural integration are in this sense conservative. See note 19.
12. In 1996 and in 2006, five national networkers based in the Asia-Pacific core countries participated on the policy boards, but in the interim the contingent of national networkers in this region of the core shrunk from 117 to 21. Another very small category (numbering seven in 2006) – transnationalists who direct firms based in both Europe and Asia – show quite high participation rates in both years.
13. Our use of the term 'inner circle' is inspired by Useem (1984), who includes in the inner circle of the capitalist class all directors of multiple large corporations. However, our criterion for the inner circle is more stringent. We define the global corporate-policy elite as all those who sit on at least two major boards, whether corporate or policy. For present purposes, the inner circle of this elite includes those who serve on at least two corporate boards *and* two policy boards, comprising the hard core of the network.
14. One inner circle member in 2006 had corporate affiliations in Mexico and the US; another (Carlos Ghosn, CEO of Renault and president of its affiliate Nissan) was the only G500 director with corporate affiliations spanning the Triad.

15. The numbers of corporations domiciled in each of the four regions shift somewhat over the decade. G500 firms in North America decrease from 176 to 173; those based in Europe increase from 170 to 192; those based in Japan or Australia decrease from 131 to 77; and those based outside the Triad jump from 23 to 58. G500 companies in the last category tend to be domiciled in China (0 in 1996, 16 in 2006), South Korea (11 and 13), India (1 and 5), Russia (1 and 5), Taiwan (1 and 5), Brazil (3 and 4) and Mexico (1 and 4). See Carroll (2009) for a fuller analysis of the global corporate elite's changing regional accumulation base.
16. Whereas unweighted densities give the proportion of pairs of boards that are interlocked, weighted densities take into account how many board members are shared, an important consideration in assessing the degree of social integration within and between different segments of the network.
17. The ERT makes a major contribution to corporate Europe's prominence, accounting for 1028 of Europe's 2617 intercorporate mediations in 1996 and 1102 in 2006. This contribution reflects a reality of sociopolitical integration within the European business community. However, even when we leave the ERT out of the analysis, corporate Europe still accounts, in 2006, for 29.0 per cent of all intercorporate relations brokered by the policy-planning boards.
18. Among the global policy groups not shown in Figure 8, the ICC moves over the decade to an entirely European set of intercorporate mediations; the CFRIAB shifts from a Euro-North American profile to a more diverse profile that includes links between the North Atlantic and the core Asia-Pacific as well as links involving the Global South; and the UNGC brokers relations centred in Europe but including the Global South and the North Atlantic.
19. On this issue of structural integration, it is well to note that other links besides those examined here contribute to elite cohesion. Friendships, kinship ties and common club and other memberships all contribute to elite integration. Moreover, directors of corporations not large enough to qualify for the G500, and executives who do not sit on G500 directorates, are not considered here, even though some of them may serve on the policy boards. Our findings provide conservative estimates of elite cohesion.
20. A limitation of this study lies in the differing organizational forms of the policy-planning bodies. In some cases, such as the TC, ERT and WBCSD, the policy boards are coextensive with the group itself; in others (e.g. the WEF and ICC), the organizations greatly exceed the boards we have included in our network analysis. The WEF, for instance, brings together thousands of corporate and other elites annually, with extensive participation from the Global South. Our analysis of its Foundation Board underestimates the WEF mediatory and integrative contribution to transnational neoliberalism's historic bloc.
21. In 2006, just two corporate interlockers directing firms domiciled in the semi-periphery participated in the corporate-policy network, namely Ernesto Zedillo and Lorenzo Zambrano, both of Mexico (see Figure 3). Another seven individuals directed single G500 corporations based outside the Triad while sitting on policy boards.

22. This historic bloc is, of course, more than an elite network of peak organizations. It includes the practices and relations through which transnational corporate interests are articulated to institutions of global governance (such as the World Bank) and to aligned national and local organizations (Carroll, 2007: 52; Robinson, 2004: 75–7).

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