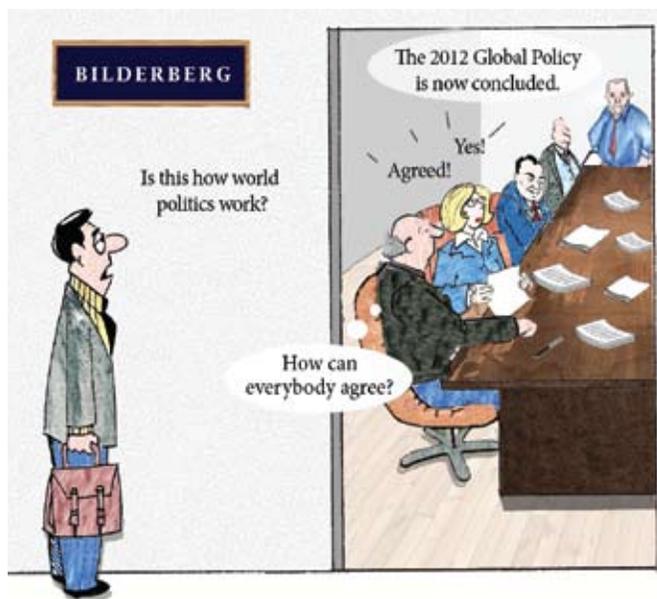


Shaping Global Political Realities: The Workings of Transnational Elite Networks

By Ian N. Richardson, Andrew P. Kakabadse & Nada K. Kakabadse



Over the past two decades, there has been a dramatic change in the way international politics is conducted. Gone are the structural certainties of the Cold War and, in their place, are more fluid, and somewhat more unpredictable, patterns of international cooperation. Determined, in large part, by the demands and effects of rampant globalization towards the end of the twentieth century, these more dynamic patterns of cooperation are anchored in a significantly more ambiguous, and malleable, conception of legitimacy than was previously the case. Evidence of this is to be found in practically all global policy domains where talk of the need to establish an “international consensus” is to be found.

Legitimacy

In the absence of a global regulatory framework, *international consensus* has become a euphemism for legitimacy as a basis for action in world affairs – implying, as it does, some kind of transcendental common sense or moral code. But look beyond the platitudes of consensus formation in the global setting and we discover that, far from simply emerging, consensus is given form by subtle, and ever present dynamics of power. It is not some kind of objective truth or realization waiting to be discovered; it is instead the negotiated, amplified and persuasive assertion of the motivated and powerful. To exercise control over how legitimacy is constituted is, in large part, to

determine the capacity for, and nature of, individual and collective forms of action in world politics. In short, *international consensus* is an inherently political outcome and the strategic management of legitimacy is, unquestionably, the real power play in contemporary world politics.

But what mechanisms exist to facilitate the rather nuanced processes of consensus formation underpinning these conceptions of legitimacy in the global political arena? In what sense are they distinct from the more formal instruments of international political engagement? And critically, how are they capable of transcending the tendency towards protectionism that characterizes the consistent failure of more formal collective action initiatives in world affairs? Our research in the field of transnational policy elites, which includes interviews with members and attendees of the most prestigious of Atlantic networks, Bilderberg, suggests that elite networks are a key mechanism for the creation, maintenance and dispersal of powerful policy consensus or narratives. Certainty in this world, such as it is, is a product of how our elites think and, importantly, our acceptance of their disseminated logic. It is the collective ability of the transnational elite to reinforce or challenge assumptions related to the nature of world problems; in essence, to define the terms of reference for the rest of us, which increasingly holds the key to unlocking the capacity for global economic, political and societal change. And while this ability may, for the most part, be unconsciously exercised, it is important to understand that it is in no way an accidental consequence of elite interactions. There are underlying forces that play a considerable role in determining the shape and tenor of elite collaboration and consensus – forces that are far from random or accidental in their effects¹.

Elite networks are a key mechanism for the creation, maintenance and dispersal of powerful policy consensus or narratives. Certainty in this world, such as it is, is our acceptance of their disseminated logic.

The Nature of Elite Networks

To understand how certain worldviews and paradigms gain legitimacy within the transnational elite community, we must first understand that elite networks are not uncontaminated

Elite policy networks are subtly contested arenas in which power relations are critical to our understanding of eventual consensus and legitimacy. The apparent lack of conflict is not evidence of absence of power relations; it is, perversely, evidence of their very existence.

spheres of intellectual endeavor. The suggestion that a transcendental policy consensus might mystically emerge from the fusion of enlightened elite minds is, frankly, naïve in the extreme. Despite appearances to the contrary, members of the transnational policy elite do not represent a homogeneous collective with little of substance to divide them. Elite policy networks, primarily business and political in nature, are subtly contested arenas in which power relations are critical to our understanding of eventual consensus and legitimacy. The apparent lack of conflict that epitomizes elite interactions is not evidence of a lack of difference or absence of power relations; it is, perversely, evidence of their very existence - something that makes more sense when we consider the discreet codes of conduct and mechanisms of compliance at work in such settings. As one long standing member of Bilderberg's steering committee noted, "[the debate] was never heated. It's an extremely urbane and sophisticated lot of people after all. I mean they're not the sort of people who are going to make a fuss. They'll probably go out muttering if they disagree 'did you hear what that fellow said, absolute rubbish', but they wouldn't say so in the forum".

Elite policy networks are not immaculately conceived; they are the product of design. The dynamics of power that inform that design, and emanate from it, are of critical importance to an understanding of ongoing bias within elite policy communities. In the first instance, historical, cultural, ideological and social biases are amplified through such things as selection processes, norms, rules and rituals. Bilderberg's selection process, for instance, begins and ends with its steering committee members - people at the heart of the network. They are ultimately responsible for deciding who is suitable for entry and, more disparagingly, who

is considered "dull" and replaceable in the interests of dynamism. Observance of the rule of non-disclosure, and other unwritten codes of elite conduct, are pre-requisites for network consideration and inclusion. As is the idea that newcomers should "sing for their supper" - a wide-spread belief demonstrating the degree to which new entrants are tested by established members of the network. For new entrants to the most elite policy networks, the pressure to perform and be accepted is palpable, even for those with considerable levels of personal power and influence. Here, an organizer of, and participant in, several elite policy forums recounts his first experience of one of the more prominent transnational policy networks - the Council on Foreign Relations (CFR):

"I looked them up and found they were a really terrifying, prestigious organization. The previous speakers had been the President of Turkey and the Deputy PM of India. I completely panicked and spent the whole of the next week with friends trying to think of something to say and, boy, was I relieved when it was over [...] I've always respected them but I've never been back, never done anything [with them]".

Added to these, more institutional, determinants of alignment and consensus in transnational elite communities are even more discrete mechanisms of individual compliance. These insidious "third dimensional"² forces have the effect of impairing the capacity for reason among elite participants by instilling or reinforcing an illusory sense of what is natural³ or common sense. They are effective in the elite context because of the unspoken desire, among aspirant members, to become fully actualized within the network. The seductive lure of elite membership should not be underestimated - even at the very highest of levels - although, clearly, it varies by individual. Its appeal is intimately

related to the participant's own sense of self-esteem, since to be accepted is an affirmation of one's worthiness, and to be rejected is to have somehow failed to make the grade - an experience that elite individuals are unaccustomed to and frequently unwilling to acknowledge. In the following interview extract, for instance, an otherwise well respected member of the policy elite provides a rather defensive explanation of why he had not become a more embedded feature of the Bilderberg network:

"Once I'd been there, quite frankly, I thought it wasn't what I thought it was going to be. I wouldn't be concerned if I was never invited again. Of course, there's a higher concentration of important, influential people than there might otherwise be, but I've met these people in many other forums and events [...] I personally didn't get much out of it but I'm sure others did. I'm not good at networking".

The desire to impress at the "top table", and be seen as worthy within such communities, is a significant one for new entrants. Determining sources and currents of enlightened thought, and revealing one's own disposition towards such thinking, is a critical first step towards demonstrating network suitability. Of course, participants are expected to go further than this, but the largely unconscious identification of enlightened frames of reference, coupled with the motivation to be accepted, leads to a subtle adaptation of individual preferences. The emphasis here is on the word subtle. These adaptations are rarely absolute since the forces that bring them about, in anything other than fictional accounts, are never more than partially effective⁴. This is one of the reasons that elite participants are unwilling to concede that their preferences have been adapted by network membership despite providing significant evidence to the contrary in our interviews.



Here, for instance, one Bilderberg attendee describes how he considers himself beyond the influence of such things while, at the same time, describing precisely why he adjusts his thinking to the prevailing logics and consensuses of the network:

“All my life, I’ve been my own man. I hate to repeat other people’s ideas. I try to seek out my own mind. Even if they had such an idea in the back of their minds, it wouldn’t do too much to me because I love to play my own game and speak my own mind rather than being told [what to think.] But, of course, if it’s snowing outside you cannot have summer inside; there is an enormous interaction in the way of thinking”.

Members of elite networks uniformly deny that their opinions are shaped in any way, but ask them what they have learned or taken away from these groups, and we discover a significant influence of the impact of elite networks. Desperate to ingratiate themselves’, aspiring members of elite policy groups - among them many representatives of the media - defer to the dominant logic and personalities of the network. And, equally keen to impress upon others what they’ve learned, and who they have been fraternizing with, they unconsciously dispense this wisdom within their own networks and constituencies.

Members of elite networks uniformly deny that their opinions are shaped in any way, but ask them what they have learned from these groups, and we discover a significant influence of the impact of elite networks.

Shared Values Shape Global Mindsets

Elite policy networks are biased at source and, consciously or otherwise, have the effect of amplifying their biases. It’s not possible to say with absolute certainty whether such bias is consciously reinforced by organizers, or whether it’s a product of prevailing elite structures and external influences, but our research suggests it to be largely unconscious in its form and effects. The difficulty, here, is compounded by the fact that transnational elite members consider themselves to be enlightened rather than, in any way, partisan in their thinking. This is partly indicative of the degree to which liberal internationalist, and economic globalization, frames of reference have become the starting point for elite rationality. It is also, however, indicative of the degree of self-delusion that exists in the elite community.

An obvious example of the difficulty of determining conscious or unconscious intent for elite actions is provided by the grooming of the next generation of world leaders. In 1974, Time Magazine ran an article entitled “The World: Kissinger’s Old Boy Network”⁵ in which Henry Kissinger’s continuing commitment to students of his International Seminar at Harvard University was described. The article explained how alumni of the class were granted access and time with Kissinger while he was US Secretary of State. It also described

how each year he had handpicked 40 students from around the world to take part in the course – individuals he believed would go on to great things in their respective careers. As it happened, he picked well. Many of his alumni went on to occupy leading roles in governments around the world. More recently, and in a similar vein, the World Economic Forum initiated its “Global Leadership Fellows” programme enrolling 25 young people annually – individuals with the “drive to be ahead of conventional thinking, [people with] impeccable intellectual and moral integrity, and the unconditional commitment to serving the Forum’s mission and its communities”⁶. It also launched its Young Global Leaders Programme, a global community of 750 “exceptional”⁷ and “rigorously”⁸ selected under-40s designed to build “a next-generation leadership community that is mission-led and principle-driven, while being inclusive but merit-based”⁹.

Leaving aside the question of why the World Economic Forum should see itself as a legitimate custodian of such interests, there exists a more general question of what we are to make of this activity. Is it simply driven by a genuine interest in cultivating a generation of more adept and qualified leaders than the last? Or is it a manifestation of deliberate ideological intent – is the existing generation of world leaders ensuring compliance to its wishes by seductively coopting the next generation? The reality, we believe, is both of the above. The mechanisms of compliance are very real and elite policy structures are certainly deterministic. But, for the most part, they are unconsciously so. That is to say, those ultimately responsible – those at the heart of the network – are so convinced of their transcendental objectives, and so convinced of the enlightened nature of their worldview, that they fail to recognize it as inherently partisan. Moreover, they see it as a personal responsibility to engage others in its enlightened cause. They are doing what they do in the largely unquestioned belief that it makes good sense to do so – evidence, perhaps, that even those at the heart of the network are in service of forces that they can neither perceive nor resist.

In our book, Bilderberg People¹⁰, we demonstrate how those at the center of the elite network are critical to our understanding of power and consensus in transnational elite communities since it is obvious, despite the protestations of organizers, that they represent a club of individuals with shared values – a club that undoubtedly influences the collective perception of common sense and enlightened thinking within the extended elite community. It is important to note that acknowledging the influence of those at the heart of the transnational elite network has significant implications for how we define the nature or extent of the global power elite. Do we, as some suggest, come up with arbitrary definitions of what constitutes power and influence and then attempt to attribute a number? Or do we accept that a smaller number of individuals at the center of the most elite of transnational policy networks wield disproportionately high levels of influence? Evidence provided by those interviewed for our book suggests that a smaller

**Elite transnational networks and the
consensuses they reinforce, cultivate, and
disseminate, are critical to our understanding
of progress and change in world politics.**

number – no more than a few hundred people – represents the real core of influence in transnational policy circles but, admittedly, there are problems with attaching too much credence to anecdotal accounts of this kind. What we do know is that the networking activity of a relatively small number of individuals – “a few dozen cosmopolitans”¹¹ if you like – is creating goodwill and links between disparate clusters of elite network activity. The pattern of such networking is undoubtedly driven by the demands of economic globalization but is viewed by members of the elite, as creating the grounds for political, and not just economic, rapprochement. At the same time, we must recognize that personal interest – however defined – is as critical to an understanding of the motivation of elite participants as any sense of global civic mindedness.

Transnational elite networks are as relevant today as they were at any point during the Cold War period – and, given the lack of structural certainties, arguably even more so. Our research demonstrates that they are an integral part of a system of world politics that exists beyond any formal conception of constituencies or processes. They facilitate communication primarily between transnational business interests and internationalist political elites and their focus, not always conscious, is related to the structural challenges of globalization. Elite transnational networks, and the consensuses they reinforce, cultivate, and disseminate, are critical to our understanding of progress and change in world politics. Where the traditional instruments of international relations stall, informal elite networks are able to establish narratives for re-engagement, since, rather than simply smoothing the edges of an otherwise brittle system of international engagement, they have the capacity to transcend some of the more immediate and parochial demands of national interest. Their influence is extremely soft, at times imperceptible, and rarely absolute. It is inextricably interwoven with the more formal processes of international policy formation and should be seen, in some sense, to form part of its whole.

The provided description of power and consensus formation in elite circles is, like the output of the networks themselves, nuanced, idiosyncratic and difficult to disentangle from other forms of influence. Nevertheless, we challenge those who see collaboration, consensus and legitimacy as emerging transcendently from the fusion of pragmatic and enlightened elite minds. By identifying discrete dynamics of power within the elite context we demonstrate how members of the elite are drawn into networks and align their preferences with those they consider to be legitimate within such settings. This process is unconscious but results in the prevalence

of a particular brand of consensus – one that is undoubtedly in service of the forces of economic globalization and, in the case of Bilderberg, one that reflects a peculiarly Atlantic flavor.

**This article is based on extracts from the recently published book *Bilderberg People: Elite Power and Consensus in World Affairs* (Routledge, 2011) by Ian N. Richardson, Andrew P. Kakabadse and Nada K. Kakabadse*

About the authors

Dr. Ian Richardson is Assistant Professor of Strategic Management and Political Communication at Stockholm University Business School, and Visiting Fellow at Cranfield University School of Management. His research interests include: global governance, business/political elite interactions, public affairs and political marketing. Ian was previously a business leader in the European media and internet sectors, and he continues to advise organizations in the sector.

Dr. Andrew Kakabadse, Professor of International Management Development, Cranfield and Visiting Professor at US, Australian, French and Chinese universities. His research covers boards, top teams, government and policy design. He has published 39 books, over 200 articles and 18 monographs. Andrew has consulted and lectured in the UK, Europe, USA, China, Japan, Russia, Georgia, the Gulf States and Australia. He has held positions on a number of boards. www.kakabadse.com

Dr. Nada Kakabadse is Professor in Management and Business Research, University of Northampton, Business School and Visiting Professor at US, Australian, French, Kazakhstani and Chinese universities. She has co-authored nineteen books and has published over 150 scholarly articles. Her current areas of interest focus on leadership, strategy, boardroom effectiveness, governance, CSR/ethics and ICT impact on individuals and society.

Notes

1. For a fuller description of this argument see Lukes, S. 2006. Reply to comments. *Political Studies Review*, 4(2): 164-173.
2. Based on Steven Lukes's typology of power. See Lukes, S. 1974. *Power: a radical view*. London: MacMillan Press.
3. See Lukes, S. 2005. *Three dimensional power*. In S. Lukes *Power: a radical view* (2nd Ed.) Basing-stoke: Palgrave Macmillan.
4. *Ibid.*
5. The world: Kissinger's old boy network (1974, Apr 1). *Time*. Retrieved Nov 10, 2010 from <http://www.time.com/time/magazine/article/0,9171,904044-1,00.html>
6. See comments made by Professor Klaus Schwab in *WEF Global Leadership Fellows Programme Brochure*. Retrieved on Jan 4, 2011 from http://www3.weforum.org/docs/WEF_GLF_Brochure_2008.pdf
7. See WEF The Forum of Young Global Leaders. Retrieved 4 Jan, 2011 from <http://www.weforum.org/young-global-leaders>
8. *Ibid.*
9. *Ibid.*
10. Richardson, I. N., Kakabadse, A. P. & Kakabadse, N. K. (2011) *Bilderberg People: Elite Power and Consensus in World Affairs*. Routledge, Oxon.
11. See Carroll, W. K. & Carson, C. (2003). Forging a new hegemony? The role of transnational policy groups in the network and discourses of global corporate governance. *Journal of World-Systems Research*, 9(1): 67-102. p97.