

GOOD INTENTIONS

Norms and Practices of Imperial Humanitarianism

The New Imperialism, Volume 4

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Front cover image: According to the official caption, this is US Navy Hospital Corpsman 2nd Class Porfirio Nino, from Maritime Civil Affairs Team 104, practices speaking Kinyarwanda, one of the official languages of Rwanda, during a civil observation mission in Bunyamanza, Rwanda, August 7, 2009. (DoD photo by Senior Chief Mass Communication Specialist Jon E. McMillan, US Navy. Public domain.) This particular photograph was also used as the lead image for 2011 presentation by AFRICOM titled, "United States Africa Command: The First Three Years". On the image the following words were superimposed: "Umuntu Ngumuntu Ngamantu' I am a person through other people. My humanity is tied to yours.~ Zulu proverb"

Back cover image: According to the official caption, these are US Airmen assigned to the 23rd Equipment Maintenance Squadron, 75th Aircraft Maintenance Unit "downloading" an A-10C Thunderbolt II aircraft during an operational readiness exercise at Moody Air Force Base, Georgia, August 4, 2009. (DoD photo by Airman 1st Class Joshua Green, US Air Force. Public domain.)

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CHAPTER 6

Life, Liberty and the Pursuit of Wage Labour: The American Legislative Exchange Council and the Neoliberal Coup



Mathieu Guerin

A challenge in studying the new imperialism lies in overcoming the expectation of features belonging to archetypal empires, for example: colonies, military might, state infrastructure, technological and economic superiority, or national identity and the demographics of a corresponding citizenry (Magdoff, 2003). Here, Harry Magdoff proposes that we examine monopoly capitalism, because it characterizes the contemporary global system (Magdoff, 2003, pp. 91–92). In parallel with this proposal, David Harvey argues that the rise of neoliberal hegemony in the early 1970s endowed the American empire with the “financial orthodoxy” of free market enterprise, a timely way to assert itself around the globe (Harvey, 2003, p. 62). The proliferation of neoliberal values and the advent of Americanization (imperialistic cultural capitalism) are historical contingencies of today’s global state of affairs (Harvey, 2003, pp. 62–74), and the oligarchs that head the monopolies that create and manage this dominance are thus themselves a key part of contemporary empire. This assumption proves valid in light of evidence that the corporate imperium, like the nation-state, imposes its interests on both domestic and foreign policies.

In the domestic arena, some of the corporate engines that are vital to the exercise of US soft power are information-technology corporations like Google, Twitter, Yahoo, and Facebook. These corporations encourage their extravagantly paid employees to purchase expensive homes in San Francisco, a short chartered bus ride to their campuses in Silicon Valley. The new technocratic San Franciscans have caused the cost of rent to skyrocket, forcing mass evictions and displacing people from their homes with the non-violent and legal power of money-capital.

Following Magdoff and Harvey, this chapter begins with an inquiry into the inspiration, operation, and impact of the American Legislative Exchange Council (ALEC). ALEC is an organization which facilitates the implementation of US state laws at the hands of global corporations (Center for Media Democracy [CMD], 2014/4/5). The front page of the CMD's website dedicated to investigating ALEC states in bold text:

“Through the corporate-funded American Legislative Exchange Council, global corporations and state politicians vote behind closed doors to try to rewrite state laws that govern your rights. These so-called ‘model bills’ reach into almost every area of American life and often directly benefit huge corporations”. (CMD, 2014/4/5)

ALEC identifies itself as nonpartisan, although its affiliation with oil giants and the NRA, as well as its arduous labouring against environmental sciences and activism, reveal a clearly conservative agenda (CMD, 2014/4/5). I ask how imperialism functions in our time, one where corporations not only circumscribe and permeate the nation-state infrastructure through organizations like ALEC, but also co-opt it to change policy and thus to impose their vision of society without necessarily resorting to military or police violence.

Imperialism without Colonies

An important aspect of corporate imperialism is its ability to permeate national boundaries. In principle, capital does not owe its allegiance to any flag, nor is its power directed against any one nation. However, as Adam Hanieh argues, although “the capitalist world order...is based upon exploitation and extraction of profit,” the nation-state serves an important role in the neoliberal ideal (Hanieh, 2006, p. 187). He explains that:

“[The capitalist world order’s] inability to meet real human needs means that the existing social order always generates opposition and therefore must be maintained by force....The state is critical in ensuring that the conditions are right for capital accumulation”. (Hanieh, 2006, p. 187)

ALEC epitomizes this role for the nation-state, by literally putting corporate representatives and government legislators together in the same room. The Powell memorandum of 1971 serves as an empirical record of neoliberal frustration in the face of broad opposition on behalf of the existing social order and marks a pivotal moment in the emergence of the corporate imperium.

The Powell Memorandum

On August 23, 1971, corporate lawyer Lewis F. Powell Jr. sent a confidential memorandum entitled “Attack on American Free Enterprise System” to the Chairman of the US Chamber of Commerce Education Committee (Powell, 1971). The memo deplored a perceived attack on “the American economic system” by what was ostensibly the entirety of the American intelligentsia, media and the majority of the political scene (Powell, 1971, pp. 1-3). The memo inveighed against the discourse that criticizes “American business,” and it vilified such public figures as Ralph Nader, Charles Reich, and William Kunstler, while lauding the socio-economic diagnoses of Milton Friedman

and Stewart Alsop (Powell, 1971, pp. 4–6). Powell wrote in this regard:

“The most disquieting voices joining the chorus of criticism, come from perfectly respectable elements of society: from the college campus, the pulpit, the media, the intellectual and literary journals, the arts and sciences, and from politicians....these often are the most articulate, the most vocal, the most prolific in their writing and speaking”. (Powell, 1971, pp. 2–3)

Powell called for an aggressive attitude on behalf of American business, prescribed counter-measures to be pursued, and denounced businesspeople apathetic to public criticism, albeit conceding that no business person is trained to retaliate against “propaganda, political demagoguery, or economic illiteracy” (Powell, 1971, p. 7). The author’s gun-related metaphors revealed much about his outlook as he continued by writing: “The foregoing references illustrate the broad, *shotgun attack* on the [free enterprise] system itself. There are countless examples of *rifle shots* which undermine confidence and confuse the public” (Powell, 1971, p. 7, emphasis added). With a tone of urgency, Powell claimed:

“The overriding first need is for businessmen to recognize that the ultimate issue may be survival—survival of what we call the free enterprise system, and all that this means for the strength and prosperity of America and the freedom of our people”. (Powell, 1971, p. 10, underlining in the original)

Clearly, when he wrote “our people,” Powell was referring to what he believed was the American public. Yet the intelligentsia, media and politicians against whom he was mobilizing in this memo were the intellectual lifeblood of the American public. They represented competing beliefs and values in the American intellectual and political spheres. The polemic that was the object of Powell’s frustration originated from these discursive spheres, which largely represented the social order of the early 1970s in

the US, and which Powell intended to shirk, supersede, and “defeat” rather than engage. This attitude, in combination with his characterization of the American people as duped by propaganda and demagoguery and as economically illiterate, exposed a belief that is common in colonial and imperialistic ideologies. Specifically, the ideal of divine providence, or a contemporary equivalent of a “manifest destiny,” wherein it would be the corporate world’s responsibility to help the American people improve themselves and it would be the American people’s duty to obey. The following statement from the memo characterizes today’s corporate modus operandi:

“The day is long past when the chief executive officer of a major corporation discharges his responsibility by maintaining a satisfactory growth of profits, with due regard to the corporation’s public and social responsibilities. If our system is to survive, top management must be equally concerned with protecting and preserving the system itself. This involves far more than an increased emphasis on ‘public relations’ or ‘governmental affairs’ – two areas in which corporations long have invested substantial sums”. (Powell, 1971, p. 10)

Reneging on any sense of corporate responsibility is a fundamental feature within the neoliberal narrative, where human needs are to be met by the market, and where the importance of human needs are secondary to capital accumulation – and this is also a fundamental contradiction, since capitalists impoverish the workers whose incomes are needed to purchase commodities (Hanieh, 2006, p. 190). The passage above was thus a call to reverse the power relations between the corporate and social order. Where corporations putatively foster economic growth which is deemed to be beneficial to the social order (for example, by providing tax revenue for the state, increasing employment rates, and increasing the standard of living), Powell’s aim was to politicize American business and for corporations to take action against the public (represented

by the intelligentsia, the media, and politicians). Powell provided several strategies to the Chamber of Commerce to the end of implementing this reversal. The strategies in question target specific aspects of public life, and are organized under the headings *What Can Be Done about the Campus*, *What Can Be Done about the Public*, *The Neglected Political Arena*, *Neglected Opportunity in the Courts*, and *Neglected Stockholder Power* (Powell, 1971, pp. 15–28). Notably, Powell encourages the Chamber of Commerce to intervene in the staffing of colleges and universities, to monitor and evaluate the “quality” of textbooks and of national television programs, to monitor “news analyses,” and to pay for advertisements aimed at “the overall purpose of [informing] and [enlightening] the American people” (Powell, 1971, p. 24). In light of what Powell’s marshaling of corporate force meant for the American populace, as well as the subservience it envisioned for the state, it is apt to call what is being staged in the Powell memo as a non-violent coup d’état.

According to Bill Moyers, the Powell memo was the inspiration behind the establishment of lobbying groups and think-tanks such as the Heritage Foundation, the Business Roundtable, the Manhattan Institute, Americans for Prosperity, the Cato Institute, and of course, the American Legislative Exchange Council, inaugurated by Paul Weyrich only two years after the memo had been circulating in the corporate world (Moyers, 2011/11/2).

The American Legislative Exchange Council

ALEC’s website reports that the council was founded in 1973, by “a small group of state legislators and conservative policy advocates [who] met in Chicago to implement a vision” (ALEC, 2014a). The top of the webpage showcases three pillar values of the group: “limited government, free markets, and federalism” (ALEC, 2014b). The webpage divulges very little information on the organization and its activities, and no information at all on its corporate members. As I searched for information on ALEC, I was sys-

tematically referred to the Center for Media and Democracy itself, or to a source which lead back to it in very few steps. It is worthy of note how secretive ALEC has been in the past 40 years, as well as the story behind its public exposure.

In 2011, ALEC came into the American media spotlight via the shooting of 17 year old Floridian Trayvon Martin (Nichols, 2012/3/21). According to John Nichols, ALEC was impressed by Florida's now infamous "Stand your Ground" law when it was enacted in 2005: "ALEC members introduced, advocated for and passed not just 'Castle Doctrine' laws (which allow for the violent defense of homes) but 'Stand Your Ground' laws (which extend home-defense principles into the streets)" (Nichols, 2012/3/21). The extensive media coverage throughout the aftermath of the killing eventually turned up the passing of similar laws based on ALEC's model bills in 16 states (Nichols, 2012/3/21). In the spring following Martin's death, an ALEC insider contacted Lisa Graves, executive director and editor-in-chief of the Center for Media and Democracy, with the intent of making all of ALEC's current model bills available to the CMD (Moyers, 2012/9/28). This instigated the launch of an investigation at the Center for Media and Democracy that continues to focus exclusively on ALEC. In a following episode of the Bill Moyers and Company show entitled "United States of ALEC," Lisa Graves comments on what she originally found in the leaked files:

"Bills to change the law to make it harder for American citizens to vote, those were ALEC bills. Bills to dramatically change the rights of Americans who are killed or injured by corporations, those were ALEC bills. Bills to make it harder for unions to do their work were ALEC bills. Bills to basically block climate change agreements, those were ALEC bills". (Moyers, 2012/9/28)

The CMD stresses that ALEC is much more powerful than a lobby or a front group, and argues that ALEC's ac-

tivities in fact render “old-fashioned lobbying obsolete” (CMD, 2014/1/23). According to the CMD, ALEC is almost entirely funded (more than 98%) by corporations and corporate foundations (CMD, 2014/1/23). Moreover, the CMD indicates that “the organization boasts 2,000 legislative members and 300 or more corporate members” (CMD, 2014/1/23). These legislative members and representatives of corporations sit together behind closed doors to discuss and vote on model bills designed by one of eight ALEC Task Forces (CMD, 2014/1/23). Legislators return to their respective capitals, with ALEC’s model legislature in hand, and proceed to implementing the model bills into state law (CMD, 2014/1/23). In the words of the CMD,

“ALEC boasts that it has over 1,000 of these bills introduced by legislative members every year, with one in every five of them enacted into law. ALEC describes itself as a ‘unique,’ ‘unparalleled’ and ‘unmatched’ organization. We agree. It is as if a state legislature had been reconstituted, yet corporations had pushed the people out the door”. (CMD, 2014/1/23)

The last sentence of this statement quite exactly echoes Powell’s call to forfeit corporations’ social responsibilities. More data reminiscent of the Powell memo can be found on ALEC.org, specifically concerning ALEC’s task forces. The structure of the organization is its division into eight task forces, each with its own focus on particular aspects of life. The task forces bear titles that correspond to the headings by which Powell organized his prescriptive strategies to the Chamber of Commerce in 1971: *Civil Justice; Education; Health and Human Services; Tax and Fiscal Policy; Commerce, Insurance, and Economic Development; Communications and Technology; Energy, Environment, and Agriculture*; with the curious addition of *International Relations* (ALEC, 2014b). ALEC explains that the role of its task forces may be to “commission research, publish issue papers, convene workshops and issue alerts, and serve as clearinghouses of information on free market policies in the states” (ALEC, 2014b). The influence of the Powell memo on the “vision”

of ALEC is salient in the design of its operations. It intends to accord the corporate world, or what Powell referred to as “American Business” in 1971, the tools to do its “duty” of educating the public to improve itself, and to coerce the people to obey by changing their rights.

There are hundreds of corporations, corporate trade groups, special interest groups, law and lobbying firms, and government groups whose affiliation with ALEC is minutely documented and published by the CMD (CMD, 2014/1/23). To give a sense of the scale and power behind ALEC, however, I find it helpful to highlight the membership of at least a subset of its corporate affiliates.¹ I have chosen only a few and organized them according to sectors which best represent their pertinence to everyday life (see Table 1).²

Table 6.1: Current or Recent Corporate Members of ALEC by Sector	
Media	AT&T, AOL, Comcast Corporation, DirecTV, FedEx, News Corporation, Time Warner Cable, Verizon Communications Inc., Wall Street Journal, Washington Times
Energy and Agriculture	ExxonMobil Corporation, BP America Inc., Chevron Corporation, PG&E, Peabody Energy, Shell Oil Company, EnCana Corporation, Dow Chemicals, Monsanto
Information Technology	Dell Inc., Enron Corporation, Facebook, Google, eBay, IBM, Microsoft Corporation, Yahoo!, Hewlett Packard, Sony, Northrop Grumman
Everyday Consumer Products	Johnson & Johnson, Kraft Foods Inc., Coca-Cola, Wal-Mart, VISA, Pepsi, McDonald's, Nestlé USA, Ticketmaster, Coors Brewing Company, Reynolds American, Home Depot, JC Penney, Scantron
Finance, Banking and Insurance	Bank of America, State Farm Insurance, Geico Insurance, Prudential Financial
Pharmaceutical and Industrial Conglomerates	Koch Industries, GlaxoSmithKline Pharmaceutical, Takeda Pharmaceutical, Roche Diagnostics Corporation, Honeywell, General Motors Corporation, Chrysler Corporation, Ford Motor Company, General Electric

The CMD also publishes actual ALEC model bills totaling in the hundreds and makes them available to be downloaded and read by anyone. Model bills may concern such topics as voter, worker, or consumer rights, the privatization of education, crime and the privatization of incarceration institutions, health, environment, energy, agriculture, national government power, or taxes. Between these topics, ALEC's specialized task forces, and the list of corporations I have divided into sectors, it should be clear that ALEC is Lewis Powell Jr.'s vision of a neoliberal coup, of engulfing the American public in a corporate imperium, and of "the rich man's burden" to educate people as to their own improvement via the free enterprise system.

ALEC's Agenda: International Relations, Policies for the Keystone XL Pipeline and Cybersecurity

Given that ALEC operates mainly via the legal infrastructure of state-levels of government, it is not surprising to find them in support of federalism and implicated in taking power from Washington to place it in the hands of state-level governments. This is explained by John Nichols as follows:

"If you really want to influence the politics of this country, you don't just give money to presidential campaigns, you don't just give money to congressional campaigns. The smart players put their money in the states. It's state government that funds education, social services, and it taxes. And so, the smart donors can change the whole country without ever having to go to Washington, without ever having to go to a congressional hearing, without ever having to lobby on Capitol Hill, without ever having to talk to a President".
(Moyers, 2012/9/28)

One of the task forces that ALEC has developed is named "International Relations". This suggests that ALEC

intends to circumscribe the national-level power of Congress and of the President while maintaining an agenda with foreign nations, allowing it to operate simultaneously on the planes of domestic and foreign policy. ALEC's website thus explains:

"The members of the International Relations Task Force (IRTF) believe in the power of free markets and limited government to propel economic growth in the United States *and around the globe* and that these guiding principles *are just as relevant overseas* as they are in the States [*sic*]." (ALEC, 2014c, emphasis added)

The central object in this statement is "economic growth". As David Harvey argues, over-accumulation is a problem that is inherent to the logic of capitalism, and one that has led to a variety of imperialistic *modus operandi* in the past (Harvey, 2003, pp. 162-182). The geographical expansion of capitalism, for example, constitutes a solution to this problem by availing the system of new opportunities for investment, production, and consumer bases (Harvey, 2003, p. 139). This geographical expansion can be achieved via coercion by armies or colonizing forces, but also via more consent-oriented methods such as the co-option of existing state mechanisms governing social relations and relations of authority (Harvey, 2003, p. 146). ALEC's initiative to develop a task force to focus on foreign policies indexes their espousal of this solution to the problem of over-accumulation which follows exactly from the logic of capital as it is outlined by Harvey.

The key initiatives of this task force, according to ALEC's webpage, are to "increase exports, safeguard intellectual property rights, promote the nation's security and restore the Constitutionally-designated balance of power between the states and the federal government" (ALEC, 2014c). The policies put forth by the IRTF are typically designed in collaboration with another task force. Examples of model bills produced by the IRTF are entitled, "Resolution for Reform of Counterproductive Export Control Policies"; "Resolution in Support of the Keystone XL Pipeline";

and, “Statement of Principles for Cybersecurity; and Federalism Education Requirements for Public Attorneys” (ALEC, 2014c). I will briefly discuss the “Resolution in Support of the Keystone XL Pipeline” as well as the “Statement of Principles for Cybersecurity,” two of the model policies from this list which deal with more timely and popular issues.

The model bill designed in support of the Keystone XL Pipeline is a cooperation between ALEC’s *International Relations and Energy, Environment and Agriculture* task forces, the latter of which has welcomed the membership of BP America Inc., Chevron Corporation, Dow Chemical Company, ExxonMobil Corporation, General Motors Corporation, Koch Industries, and Shell Oil Company, to name the predominant players. Formatted with a blank space in which to insert the name of the state for which it is destined, the model policy lists no less than ten “whereas” statements before finally arriving at two resolution statements (ALEC, 2014d). In sum, the “whereas” statements cover the assumption that the US relies and will rely on the petroleum industry, the statement that national security is threatened by the US’s dependence on “difficult geopolitical relationships,” and the speculation that the construction of the Keystone XL Pipeline will yield jobs and economic growth for years to come (ALEC, 2014d). The resolution itself simply states that the legislative body supports the continued and increased development of the pipeline and urges Congress to approve the project, a seemingly innocuous resolution (ALEC, 2014d). However, the CMD published a list and description of 17 related model bills, now passed into law, which were designed by the *Energy, Environment and Agriculture* task force, aiming to repeal pollution protection, to oppose public health safeguards, to criminalize environmental protection, and to encourage the disavowal of climate change. The bills listed and explained in CMD’s publication are nowhere to be found on ALEC’s website.

In light of the Snowden leaks published in June 2013, it is noteworthy that Facebook and Google had a hand in de-

signing the “Statement of Principles for Cybersecurity” as members of ALEC’s *Communications and Technology* task force. The statement was approved by the ALEC Board of Directors on January 9, 2014 (ALEC, 2014e). The very first principle of this policy states that:

“While recognizing government’s important role to protect its citizens, the state and the U.S. governments should exercise leadership in encouraging the use of bottom-up, industry-led, and globally-accepted standards, best practices, and assurance programs to promote security and interoperability. We must also collaborate with trusted allies both to share information and to bolster defenses”. (ALEC, 2014e).

This curious statement leaves the reader wondering who, if not the technocracy, the NSA and their allies, is referred to by the words “trusted allies”. Moreover, the statement begins with a disclaimer concerning the government’s role to protect its citizens, which logically entails that the following part is expected to override that role at some point. In other words, the statement suggests that “the US government’s exercise of leadership” to “promote security and interoperability” jeopardizes the safety of its citizens.

The principles that follow in the model bill emphasize the ability to respond to “new technologies, consumer preferences, business models, and emerging threats,” and to “enable governments to better use current laws, regulations, efforts, and information sharing practices to respond to cyber bad actors, threats, and incidents domestically and internationally” (ALEC, 2014e). In addition, cybersecurity measures are intended to “help consumers, businesses, governments, and infrastructure owners and operators” manage risk with respect to their “assets, property, reputations, operations, and sometimes businesses” (ALEC, 2014e). The mention of economic entities such as consumers, businesses, assets and property suggest that these principles have in fact to do with more than security; they have to do with securing capital and securing the

profitable task of risk management for the technocracy and this, as revealed by the disclaimer, at the expense of citizens' protection.

The final principle clearly places the responsibility to enact this policy in the hands of currently existing corporations (such as those involved in the creation of this very statement):

"Partnerships between government and industry has [*sic*] provided leadership, resources, innovation, and stewardship in every aspect of cybersecurity since the origin of the Internet. Cybersecurity efforts are most effective when leveraging and building upon these existing initiatives, investments, and partner-ships". (ALEC, 2014e)

In the end, this policy seems to be a legally recognizable statement that secures the capital of information technology corporations, that legitimates their actions, and that praises their role "since the origin of the internet" which, as is now popular knowledge, was created by the US military. This statement arguably constitutes an attempt to "enclose the commons" (Harvey, 2003, p. 148), and to procure control over the degree and manner of enclosure in question. Shedding light on the intentions underlying the IRTF's "Statement of Principles for Cybersecurity," Harvey explains that, "wholly new mechanisms of accumulation by dispossession have opened up" (Harvey, 2003, p. 148), and I claim that ALEC's conception of cybersecurity in this statement constitutes the corporate imperium's creation of an opportunity to instill such a mechanism.

Corporate Imperialism in Silicon Valley

In her article about the battle for the soul of San Francisco, Rebecca Solnit discusses how, throughout the last decade, San Francisco has succumbed to a phenomenon that is arguably beyond gentrification. The labour force created by the technocratic corporations that operate out of Silicon

Valley is moving into the San Francisco area and causing the cost of living and housing to skyrocket (Solnit, 2014/2/20 and Doucet, 2014/1/8). Solnit proposes that, “2013 may be the year San Francisco turned on Silicon Valley” (Solnit, 2014/2/20). Trust in the technocratic giants – Google, Facebook, Yahoo – wavered in June 2013 as Edward Snowden blew the whistle on the clandestine relations between Silicon Valley and the NSA (Solnit, 2014/2/20). The souring public perspective of information technology corporations is only aggravated by the fact that Silicon Valley is effectively buying San Francisco. Isabeau Doucet summarizes the dire state of property value and eviction in San Francisco:

“City public health officials estimate that someone earning minimum wage would need to work more than eight full-time jobs to be able to afford a two-bedroom apartment downtown....Home prices have risen by 22 percent in the past three years while evictions under the Ellis Act have gone up 170 percent in the same period. A time-lapse info-graphic produced by the anti-eviction mapping project shows the city being pockmarked by 3,678 no-fault evictions from rent controlled apartments in the past 16 years with 2013 an 11-year high”. (Doucet, 2014/1/28)

In 2013 and continuing into 2014, protests erupted in certain neighbourhoods with protesters blocking the private buses that take Facebook, Twitter, Google and Yahoo employees to and from work each day (Solnit, 2014/2/20). Ironically, tenants and tenant organizations can be found on Facebook under the banner of the San Francisco Anti-Displacement Coalition where they organize to combat evictions and rent increases. While technocrats are eager to set trends and to identify as one of the counterculture currents for which San Francisco is recognized, “the corporations doing this are not the counterculture, or the underground or bohemia,” Solnit adds, “only the avant-garde of an Orwellian future” (Solnit, 2014/2/20).

The Technocrat's Money, the Caveman's Brawn

What seems to be going on in San Francisco is an unchallenged affront to property rights. People who have lived in the same property, sometimes for their entire lives, are finding their right to that property revoked via the power of capital. As a result, they are forced out of the community they know as their home. They are not being displaced by a violent or terrorizing use of repressive force, but by the quiet co-option of existing legal institutions and economic apparatuses. This usurping only requires the rise of property values, which is effortlessly achieved by the superior wealth of employees of the technocracy, this wealth bestowed via the concentrated money-capital of Silicon Valley's corporate cluster of Google, Facebook, Twitter, and Yahoo. In other words, it is the power of capital, accumulated and redistributed by the corporate imperium, which achieves the function of repression and subjugates tenants and property owners in the San Francisco area.

The evicted tenants are forced out from a property for which they were already buying the right to use, the use of which was therefore already commodified and secured as capital. This phenomenon, described by Solnit as "beyond gentrification," is occurring as an effect of Silicon Valley's over-accumulation of capital. It follows the logic of "accumulation by dispossession" as discussed by Harvey (Harvey, 2003, pp. 145-152). At the moment of eviction resulting from tenants' failure to compete with the technocracy's exorbitant wealth, the technocrat's over-accumulated capital is immediately available to "seize hold" of the newly appraised real estate. In Harvey's work on the new imperialism, "accumulation by dispossession" is a phenomenon that is explained in an international context (Harvey, 2003, pp. 180-182). I argue that this exact phenomenon is happening in San Francisco, practiced domestically by imperialistic corporations who are subjugating certain niches of the American class structure, thereby creating a market for over-accumulated capital.

In terms of property rights, the neoliberal narrative would maintain that the evicted tenants or dispossessed owners simply lost the right to their property because a denser concentration of wealth (in this case that of technocrats) has the right to take it from them. The logical conclusion is that evictions *are not an affront to property rights*, but rather the result of proper interactions between rights and capital, a vision in which property rights (and by analogy rights in general) go to the highest bidder. As this narrative goes, every individual is out to accumulate capital, and the measure of this accumulation corresponds to one's right over the rights of others. The resulting schema is analogous to Foucault's notion of governmentality, whereby "power" consists of one's power over the power of others, although "power" becomes conflated with "capital" within the neoliberal ideology (Ferguson & Gupta, 2005, and see Foucault, 1991). The logic of "one's capital over the capital of others," the free enterprise logic that Powell envisioned as permeating all aspects of society, concentrates privilege and serves the most privileged.

What do rights protect if procedural guarantees legitimate, via legal infrastructure and the institution of the market, a person's loss of their property due to their inferior wealth? What is the difference, aside from the implicit rather than explicit role of violence, between being forced out of one's home by the police enforcing a wealthier person's "right," or by the soldiers of an army imposing the will of an imperialistic state, or, for that matter, being forced out of one's cave by a stronger caveman? The neoliberal ideal, which is the reigning ideology of the corporate imperium, equates capital with power. In San Francisco, the technocrat's money is equivalent to the policeman's gun, the soldier's rifle, or the caveman's brawn.

Here, I am not seeking a more just or egalitarian version of property rights, which is a flawed notion by virtue of being designed *by* and *in favour of* the most dominant and exploitative sectors of society. Rather, I simply wish to illustrate how, under the logic of free-enterprise, capital mobilizes state infrastructure (legal institutions and eco-

conomic mechanisms) and comes to repress and subjugate, in and of itself, in the interest of capital. Moreover, the situation in San Francisco epitomizes the “immanent drive of capital to...establish a disciplinary system that maximizes the extraction of wealth from those who produce it” (Hanieh, 2006, p. 190), which operates in parallel with ALEC’s direct intervention in state legislature. As it is corporate imperialism rather than gentrification, Silicon Valley’s non-violent colonization of San Francisco exposes the neoliberal narrative’s inherent contradiction with respect to human interests, and demonstrates its rapacious appetite for privatization at its most insidiously repressive.

The Orwellian Future

In order to tether the foregoing discussions of ALEC itself and of the situation in San Francisco to a more common context, it is useful to revisit a passage from the Powell memorandum. Recall how the author preached that corporations no longer ought to seek the accumulation of capital “with due regard to the corporation’s public and social responsibilities” (Powell, 1971, p. 10). As I argued when discussing the Powell memo, the move to protecting and preserving the free enterprise system in lieu of benefiting society entails a reversal of power wherein corporations use the state to carry out their will over people. The development of ALEC’s law-making ability (alarmingly boasting a 20% success rate) is an indicator of the actual implementation of this reversal. The technocracy’s exorbitant purchase of San Francisco real estate, which is accompanied by the co-option of the state’s legal institutions and law enforcement measures as evidenced by mass evictions, indexes an effect of the neoliberal logic that underpins the reversal in question. As the narrative goes, if it serves the corporate world to evict people from their homes, then so it should be. And, strangely, if it serves the corporate world to archive and trade information with a government agency such as the NSA, then so it should be. In this narra-

tive, the social order, people, humans, only exist to serve free enterprise. In the following section I discuss what this reversal signifies in theoretical terms for the corporate imperium's subjects.

The Circuit of Capital Revisited

Adam Hanieh claims that Marx's notion of the circuit of capital captures the commodities of labour power and means of production, which constitute the "basic capitalist *social relation*" by which "workers are employed by capital in order to produce a commodity" of greater value than the commodity employed at the outset of the production process (Hanieh, 2006, p. 178). As Hanieh remarks,

"the neoliberal view asserts that the purpose of production under capitalism is exchange, and that our individual consumption choices drive this production. The reality is exactly the opposite: the aim of capitalist production is the accumulation of profit and it is production that shapes our consumption choices". (Hanieh, 2006, p. 177)

The "basic capitalist social relation" which Hanieh invokes importantly encompasses the individual as labourer, but in the socio-economic climate of oligopoly, financial engineering, and massive outsourcing of labour, it must also represent the predictions about human behaviour that become formalized in risk calculation and transformed to the end of financial speculation. In the engineering of demand that ensues from this socio-economic climate, which effectively includes an attempt to take consumption choices into consideration, prices no longer *only* correspond to a cost of labour and raw materials required to produce commodities, be they for computer operating systems, cell phones, utilities, information, or even a soft drink. In other words, the circuit of capital should also represent the individual as an idealized *consumer*.

Where accumulation of profit trumps competition, purchasing power is no longer a "vote" coveted by com-

peting businesses, but instead takes the form of a “contract” which affords the consumer an access fee to a product distributed by the sole provider, or in another light, a *rent* to an oligarchic lord. American citizens (who constitute a large majority of the consumer basis of the corporate empire) are no longer employed to the sole end of production, but rather to earn the wage that will enable them to purchase goods produced predominantly by outsourced labour. Moreover, the marketing, advertising and retail industries constitute massive sectors of employment in America which are entirely devoted to the facilitation of consumption. The institutionalization of this facilitation is reminiscent of (and perhaps, finds its roots in) the ideologies underpinning Fordism as discussed by Antonio Gramsci in 1934 (Gramsci, 2000). That the internet is slowly but surely growing as a retail service itself only shows how a more systematic and tireless performance trumps human endeavour in the logic of maximizing consumption.

Imperialistic corporate capitalism aims to produce a subject that believes in the accumulation of capital, but who is never in a position to actually accumulate any. Not only by labouring, but crucially by *consuming*, the individual is coerced and subserviently perpetuates the accumulation of profits by oligarchic overlords, much like in the feudal era preceding modern civilization.

The Corporate Imperium, the Standardized Consumer, “Improving” the Human Condition

The idea of a corporate imperium raises questions concerning the status of the consumer, who constitutes both a foundational component of globalized capitalism and the object of the corporations’ powers of subjugation. In *Seeing like a State*, James Scott reveals the diffusion of the influence of states over all aspects of life as they tended toward modernity in the course of the last few hundred years (Scott, 1998). In his conclusion, he attempts to draw together certain points that tie together all of his case studies:

“The power and precision of high-modernist schemes depended not only on bracketing contingency but also on standardizing the subjects of development. Some standardization was implicit even in the noblest goals of the planners”. (Scott, 1998, p. 345)

Lewis Powell Jr., Milton Friedman, and Paul Weyrich each qualify as “visionary intellectuals and planners” whose neoliberal schemes depend on standardizing the subjects of capitalism (Scott, 1998, p. 342). Whether their actions, “far from being cynical grabs for power and wealth, were animated by a genuine desire to improve the human condition,” or otherwise, the neoliberalism that they embodied and that persists today via organizations like ALEC conflates “grabs for power and wealth” with “improving the human condition” (Scott, 1998, p. 342). This conflation is in danger of legally permeating all aspects of life for which organizations like ALEC have a “task force”. ALEC represents the emergence of a consumerism girded by laws which are designed by the same corporate imperium that benefits from said consumerism, which is, *de facto*, a transgression of the notion of the rule-of-law by which all members of society are bound on equal terms by a common set of rules (see Greenwald, 2011).

In the Powell memorandum, the reversal of corporate and social responsibilities ultimately has the effect of homogenizing the American public: on the one hand as the oppositional force of neoliberal hegemony, and on the other by subordinating it to the free enterprise system as a vehicle for capital. If a person represents an opportunity for the superior production and extraction of capital, that person is more valuable. If an algorithm can squeeze profits out of stocks better than a human can, it is also valuable and becomes subjugated by the imperium. If beavers could purchase lumber, corporations would seek their patronage. In this way, the standardization of subjects is extreme in the case of the corporate imperium, in which life is relegated to a vertex in a network of capital, and a human is

simply a path by which the accumulation of profit can be maximized.

Conclusion

The emergence of a corporation-oriented rule-of-law, embodied in the American Legislative Exchange Council, is tantamount to the emergence of a social order which operates on the basis of free enterprise logic without impunity, which is to say “without recognizing human needs”. This is empirically salient, for example, in ALEC’s proliferation of legislature akin to that which legitimated the killing of Trayvon Martin, ALEC’s devotion to climate change disavowal, and ALEC’s espousal of (and foundation upon) neoliberal ideologies which would encourage Silicon Valley’s nonchalant take-over of the San Francisco area. ALEC constitutes an organization by which the corporate imperium, emerging out of the established imperial state of the US, comes to practice a domestic imperialism that operates primarily with respect to capital, and secondarily with respect to other modalities of imperialism such as ethnicity, beliefs, and so on. It achieves this by permeating and co-opting the existing imperial state’s infrastructure and altering the rights of individuals via legal apparatuses, and through the violence of dispossession ensuing from the free enterprise logic of neoliberal orthodoxy.

Notes

- 1 Each of these corporations are or were recently members of ALEC. I include certain members that have reportedly cut ties with ALEC because I only wish to demonstrate the breadth and scale of this organization via its typical membership, not to produce an up to date list of current members, their task force affiliations, financial contributions, or level of involvement within ALEC, which would be beyond the scope of this paper (for a detailed account, see CMD, 2014/1/23).

- 2 Information for this table was compiled from (CMD, 2014/1/23).
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