# The Freedom of the Internet as a Threat to the Global Power Establishment - The End of Free Interactive Information and Participation?

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# Abstract

The main goal of this project is to study how the internet as a new means of mass communication might have an effect on the relation between the established global power and the people. In the project the relations between power and people, control and freedom, and Corporatocracy and democracy are examined. Some of the main assumptions that will be identified are how the power is exercised from a national to a global level, how the control of the media assists the social control and denies freedom to people and how the Corporatocracy is a reality in the western countries. These assumptions derive from the main assumption that the power is sustained thanks to the people's belief in the current system. Yet, in this project it is found that this happens only because the communication networks are manipulated by the corporatocratic elite. Therefore it is argued that the internet is the only independent media with potential enough to disable the social control. In order to give a clear view of this issue, first, the power relationship between the corporatocratic power and the people will be explained, as well as the global capitalist structure that makes the Corporatocracy possible. This will be done using the theoretical framework provided by the theories of Transnational Capitalist Class and Communication Power. This theoretical framework will be complemented with other theories, such as Chomsky's approach to the manipulation and control of public opinion. Second, the current corporatocratic establishment will be explained as well as the way in which the financial networks exercise their power from the top of the system. This will be analyzed in order to highlight the lack of democratic values in the corporatocratic structure, especially when it comes to the key freedom defined in this project as the freedom of speech. Third, the importance of the independence of the media in a democratic system and how that is contrary to the corporatocratic system will be analyzed, and it will be shown how this creates a struggle between the people and the power. The main findings of this project are that the internet is currently at the center of that struggle due to its condition as a free media. This threatens the corporatocratic power, which exists due to its ability to manipulate public opinion. Furthermore, the project identifies two possible future paths for the western countries. Either they became true democracies because of the social movements' efforts towards this or the Corporatocracy will succeed in controlling and manipulating the internet, further weakening the democracy.

**Keywords:** Corporatocracy, Transnational Capitalist Class, Global Power Establishment, True Democracy, Communication Networks, Manipulation, Selfcommunication networks, Social Movements.

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# 1   Introduction

In the globalized world we currently live in, there are some facts that used to have some unclear connotations for people. It is a world in which the freedom has not been increased as much as one might think when comparing this world order with the European feudal period. Nevertheless, the western countries have advanced in technology, in recognition of certain rights and freedoms as well as in other social aspects. It is commonly agreed that the rights of the people are nowadays more respected (Ishay, 2008). However, it can be argued that the rights of the people have not improved that much in our present society, concretely if focusing on the right to information and freedom of speech. The inexistence of these rights have simply been covered by the complexity of the system and by the manipulation of the media and its increasing influence (Monts, 2010).

The control of the mass media is a major point in order to understand the world we live in. If an average person stops his life routine for a while and asks himself who is behind the media, this person would probably discover something surprisingly unknown, because the media is today mostly in the hands of few corporations, and in some countries this sector has an oligopolistic[1] structure (Compaine and Gomery, 2000). The ones controlling the media has a great power, mass media has always been considered to be one more of the powers generally associated with a democratic state. On the one hand, it is widely perceived that the media is somehow influenced by national political parties in most of the democratic states (Hassan, 2004). On the other hand, some authors argue that it is the media that, as a part of a powerful corporation, controls politics though the huge funding they grant to both sides in the elections (Roper, Holtz-Bacha & Mazzoleni 2001). With regards to this, in this project it is believed that both the media and the political parties respond to a higher economic power, which manages these two entities in a way so that they automatically control each other. Thus, some scholars argue that the few media corporations in control of the media sector thereby may have a huge impact on public opinion. Finally, the very fact that there is only a small ranch of

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[1] Oligopoly is a market structure in which the ownership distribution is highly concentrated in the hands of a few firms (Hall & Lieberman, 2012). "A market can have very many firms and still be consider an oligopoly market, as long as the top few firms sell a large share of the output in the market" (Hall & Lieberman, 2012:328).

corporations, the diversity of information offered to the public is largely reduced (Compaine and Gomery, 2000).

In the development of mass communication media many things appear to have changed over time. Initially, in the middle ages, the period which is considered the starting point for the development of the mass media, information was delivered in paper format channeled by the church and political institutions to the people. Many things have changed since then, this was in the middle age when messages targeting everyone were transiting through the church and through political institutions. The information transmitted was merely about obligations and religious awareness. It was done without the use of any media as we understand it today, but it was reaching almost everyone. This situation changed when the independent media appeared in the form of printing, because it came with new ideas that alarmed the church and the state, since they were afraid of losing control over society (McQuail, 2010). In this paper it will be argued that this story is somehow being repeated nowadays, when the established media feels threaten by a new and more independent form of communication, the internet. The fast development of the media over time shows its dynamic nature and it is the basis for understanding the current trends in contemporary society (Frieden, 2001).

The mass media has always been a key issue in the process and act of achieving control over society (Chomsky, 2002). The influence the media has over numerous segments of the public opinion together with the value it has for commercial purposes make the media sector very attractive to the elite in power. This control can be exercised by corporations or directly implemented by the government (Grolier Multimedia Encyclopedia, 2012). When the power is exercised by corporations, it can be argued that we do not have a true democratic system. Some authors call this system *Corporatocracy*. Corporatocracy is increasing its presence nowadays through the current accumulation of power in all the crucial sectors of the democratic states (Sleeter, 2009). This is a relatively new phenomenon, having its commencement in the peak of the globalization process. This power has been taken by influencing governments internationally, following the flow of globalization (Levine, 2011:16). Some scholars go even further when arguing that it is actually the financial elites who own the corporations, and this means that they therefore are the ones who have the last word in the decision making process, meaning that they are the ultimate power (Kivel, 2004). Under both hypotheses, it can be argued that the mass media responds to their owner's

interest more than to its initial purpose as a public interest servant. In response to this, when it comes to the internet regulations and control as a mass media, it seems to be a more difficult media to control than the classic ones. This is because it offers a easy access for everyone for diffusion, such as the news ways for social relationships and interaction through the social networks.

In the current world situation, when a systemic economic and financial crisis is challenging all of us on a global scale, the small elite in power is perpetuating in their place (McKenzie, 2011). The economic power has the control over the media. They create public opinion in correlation to their interest and they even own most of the media sector. Some authors consider the media to be the fourth power. On the other hand, some scholars view the media as a mere part of a single power with different tools (Compaine and Gomery, 2000). In this sense, the media would then be one of the tools to control some aspects of society as a whole. In order to spot a clear perspective of the current manipulation in the western countries, in this project the role of the mass media will be considered a tool of the elite in power to control public opinion, containing social changes and distorting undesired ideologies.

The democratic countries have the intrinsic obligation of assuring free media in their states. Nevertheless, in most of these countries the ownership concentration in the sector is rising. In some cases, such as in the United States, it is even becoming an oligopoly (Grolier Multimedia Encyclopedia, 2012). As an alternative, the internet channels are emerging as another way for distributing information to the public. On the internet, one can encounter independent agencies and independent reporters who try to compete in unbalanced conditions with the vast media corporations. The rise of the audience to these sources of information shows that there is a demand in society and probably a lack of true and full information in the mass media (RT, 2011).

It can be argued that the internet is an incredibly big source of information even though sometimes it does not comply with the copyright standards or it has a relatively weak source support. This situation is a comparative disadvantage for the small information agencies that are less competitive and trustworthy than corporative media.

It can be argued that the media plays the role of transmitting the adequate messages in order to get a public opinion corresponding with the policies and actions that the ruling group has in mind, and this is a way of controlling society. In order to keep this strategy

functioning, the economic power needs to have a large mass of people with the smallest amount possible of critical thinking (Chomsky, 2002). In this way, the media provides every kind of pre-composed answers for the different collateral damages of the system (Goldberg, 2002). Nevertheless, it can be argued that in a democracy, the power depends on the legitimacy that people give to the power. Thus, the more the people are conscious about the current ruling power, the more this consciousness can represent a threat to the continuation of the current corporatocratic establishment. In this regards, the history shows that the people tend to fight more for their rights if they find out they are being manipulated.

To assist the aim of improving the protection of our rights and to increase the levels of freedom in the western countries, the following **problem formulation** is suggested:

**From a transnational corporatocratic perspective, this paper aims to clarify the anticipatable control and manipulation of the internet, in order to release the rights and freedoms of the people from manipulation in the western countries.**

To help answering this problem formulation, the following **core questions** need to be addressed:

Is the current transnational regulation of the internet responding to the corporatocratic interest?

Is the nature and the evolution of the internet threatening the current control of the media sector as well as the interest of the Corporatoocracy?

Is the Corporatoocracy using its influence on governments to promote regulations and limitations of the internet, so it will end up controlled and censured?

## 2   Methodology

This project has been divided into three main parts, all orientated to answer the problem formulation, so that the reader can understand both, the current global corporatocratic ruling powers and the relatively new situation that has emerged together with the development and expansion of the independent media mainly with regards to the internet. In order to do this, it is indispensable that the ruling powers are identified as such, and that their ways for controlling society are clarified. This will be done in order to be able to treat this as the main hypothesis of this project.

In the first part of this project the two main theories of the Transnational Capitalist Class and the Communication Theory of Power will be described. This is done with the intention of clarifying a theoretical framework in order to be able to describe some of the concepts, such as the corporatocratic system we live in. All this will be done taking into account that in this project it is believed that the people are being manipulated and that true democracy is far from a reality nowadays in the western so-called democratic nations. With regards to this, the United States will often be taken as an example, both because it is a western country and because it has the most powerful corporations. Throughout the project it will be kept in mind that we may live in a world in which the people in power want to have the control. This will be one of the main assumptions of this project.. Subsequently, the concept of Corporatocracy will be studied as the system in which the transnational capitalist class performs its power and composes the system structure. In this way, the problems of having an economic system in which important sectors are owned by, or linked to the biggest corporations, will bring us to the point when an oligopolistic system will be treated as the main source of the current decrease in democratic values in the present system. As an example of this accumulation of power, this project will be focused on the media sector. Moreover, this part of the project will be dedicated to determine the beginning, the evolution and the extent of these ways of controlling society by using the media and how this threatens both the freedom and the rights of the citizens in the western countries.

In the second part of this project, the theories described in part one will be applied to the current world system, analyzing how the power is distributed today, how the power is executed and which tools are used for this purpose. After that, the analysis will be focused on the media sector, which has been pointed out as one of the most important

sectors in achieving control over society. In this case, the analysis will be focused on how this control is executed nowadays in the western countries. With regards to the internet, this media will be considered the only one that has a clear independence from the corporate influence, in other words. Thus, the fact that it is the most independent media has some inherent implications for this project, because when analyzing this media, while others such as television, radio or newspapers have a certain control from the corporations, this media is seen by the power as a threat to the continuation of the establishment due to the difficulties involved with controlling this media. Furthermore, in this analytical part, when talking about the internet, the social networks phenomenon will play an important role. This is especially the case when analyzing how it might affect and threaten the present governance of the world economic elite and how governments are already limiting this new way for exercising the right to information and the freedom of speech. Also in this part of the project the recent rise of independent media on the internet as well as the current waves of protesters organized thought the social networks in the western countries will be examined. In relation to this, this project tries to anticipate the problems and implications related to the expected increase of control and manipulation on the internet. The reason for explaining these new regulations and the current waves of protesters is to give to the reader a sufficient knowledge of these trends on which this inspired. Yet, on the same note, the present political actions towards increasing regulations of the internet will be explained in order to give a clear perspective about how the corporatocratic power is already aware of the current threat that the internet represents for the continuation of the establishment.

Finally, this final section will also comprise of an analysis of the possibility of increasing awareness about the issue and likelihood for the people to avoid the imminent limitation of freedom and the diminution of their rights.

Even though, this paper will be made with the use of some quantitative data, such as statistics of censorship index or percentages of ownership, it will mainly rely on qualitative data, including data on various concepts, such as legitimacy, freedom and control which will be essential in the analytical section. This will be done in this way because the analysis of the elite control, the media control, the internet characteristics and the legislative actions towards censorship needs to have a previous total understanding of the historical background of social control and media control. Furthermore, in order to be able to adequately answer the problem formulation, the

analysis must go beyond descriptive investigation. The analysis of qualitative data, which is based on already conducted research, will assist this aim and help maintaining a highly analytical tone throughout this project.

This project is principally relying on the use of secondary sources, such as books, newspapers and academic articles, accessed through libraries and electronic databases. Also, but to a lower degree, in this project, some primary sources, for example the European internet regulations and the American Stop Online Piracy Act (SOPA) and Protect IP Act (PIPA) laws, will be looked at. These sources are mainly added to the project in order to explain the most recent actions toward the limitations of freedom on the internet in order to eventually be able to identify the intentions and consequences of these legislative actions.

## 2.1 Research Limitations

The conduct of this paper is conditioned, in a large extent, on secondary sources. This means that the content might be relying on biased sources, propagandistic data and sometimes even relying on very uncommon visions of the system we live in. However, this project will have a broad spectrum of sources that together with an open mind will increase the validity of this paper for the reader.

With regards to the research limitations, the literature related to media control and the literature related to social control through the media is very abundant and easily accessible. With regards to the literature about the new role of the internet in our society, the limitations are present because it is a new issue and it is difficult to find relevant sources talking about the problem with a similar perspective to the one this project has. There is as well, little literature on the concept of Corporatocracy as a system of governance, probably because of its recent emergence as a theory. Thus, this project will rely on books and online sources related to the field in order to clarify the current threats to freedoms and rights in the western countries.

# 3 Theoretical Framework.

## 3.1 Transnational Class Theories

**Theoretical Contextualization**

The theoretical and historical origins of concept of transnational capitalist class has its foundation in the work of Gramsci. He talked about ideological state apparatuses and hegemony trying to compose a theory out of it. The work of Gramsci is considered to be mainly connected to Marxism, suggesting "a one-way process, the 'directive centre' assert its hegemony over the intellectuals" (Sklair, 1997:515). While Sklair points out that nowadays it is more accurate to see it as "a dialectical process where distinct groups of intellectuals, inspired by the promise or actual achievements of global capitalism, articulate what they perceive to be its essential purposes and strategies, often with support and encouragement from the corporate elites and their friends in government and other spheres, particularly the media" (Sklair, 1997:515).

Sklair explains that the most notorious economic crises have given the opportunity to the global capitalist project to gain space as a solution to the global economic problems. The point is that the national solutions to the crises do not seem to be able to solve the real problem in a long term, so this may give legitimacy to the existence and growth of a transnational ruling agenda (Sklair, 1997:515).

In a social system without a pure democracy, the ruling class is characterized as having its own maintenance of power as a primary goal. In order to do this, mechanisms such as the police, armies, justice system, religion and others, play an essential role in maintaining the integrity of the social system through social control (1997).

**The Transnational Capitalist Class**

Firstly introduced by Stephen Hymer, the Transnational Capitalist Class (TCC) emerged as the links between those who represent the transnational capital globally. As part of this class one can find owners of the biggest financial institutions and main worldwide means of production. As Hymer argued in the 1970s: "an international capitalist class is emerging whose interests lie in the world economy as a whole and a system of inter-national private property which allows free movement of capital between countries. . . . there is a strong tendency for the most powerful segments of the capitalist class

increasingly to see their future in the further growth of the world market rather than its curtailment" (Hymer, 1979, in Robinson & Harris, 2000:13). The emergence of this transnational capitalist class can be seen in extention to the transnational corporations, in the rise of acquisitions and mergers around the globe, the interconnection of positions in the international corporations and the application of an international financial system. The TCC operates in a global way and is above national and regional politics. It has been argued by many scholars, such as the dependency theorists, that an international bourgeoisie exists and defends its own interests as well as the common interests of the national bourgeoisies in different countries. They are all allied with the aim of achieving their goals as a group on an international scale. Also Gill argued that a "developing transnational capitalist class fraction" (Gill 1990, in Robinson & Harris, 2000:14) is in action. In Sklair's "theory of the global system" (1995 in Robinson & Harris, 2000:3), he argues that the transnational capitalist class is no longer tied to any national or regional competition. He also argues that the TCC brings together the politicians, professionals and bureaucrats from every country. Robinson and Harris seem to agree with Sklair in his view of the transnational class as a group of persons who does not coordinate their conducts according to any national interests anymore (Robinson & Harris, 2000).

**Sklair's Perspective of the TCC**

For Sklair, the Transnational Capitalist Class (TCC) refers to a group of people that has globalizing perspectives and a group that performs in a transnational way. This class has the mission of keeping the interest of the system, on a global as well as on a local level. The concept of the TCC implies that this transnational class (TNC) has links in every region and country around the globe. That is how it takes the main decisions concerning the whole system (Sklair, 2008). Sklair divides the transnational capitalist class into four fractions, claiming that it is composed of fractions, the corporate, the state, the technical, and the consumerist, as follows:

> "Those who own and control major TNCs and their local affiliates (corporate fraction)
> Globalizing state and interstate bureaucrats and politicians (state fraction)
> Globalizing professionals (technical fraction)

Merchants and media (consumerist fraction)" (Sklair, 2008:98)

Even though these categories differ from each other in a functional manner, the people involved in the TNC are able to move easily from one fraction to another. The TNC represents a ruling class or a global power elite. This elite is opposed by those rejecting capitalism and by small capitalists that have small or national businesses, as it threatens them because the TNC manifests itself in a monopolistic way, imposing globalizing conditions on local businesses. Nowadays, there is a lack of defense of national interest in the politics in contemporary politics in western countries, and those having a critical view on globalization are rare. Thus, these small businesses have no support from local politicians, and furthermore, influential economic analysts generally urge them to globalize their businesses if aiming to survive in the system (Sklair, 2008). The fourth fraction is essential for the purpose of this project, the consumerist elites as a part of the transnational capitalist class have a great power due to the control they have over the instruments of mass communication.

In an attempt to describe the members of the transnational capitalist class, Sklair explains that the TCC is made up of members that tend to have national perspectives that are rather "outward-oriented global rather than inward-oriented national" (Sklair, 1997:521). He argues that there is a rising emphasis on free trade coming from the World Bank and from the transnational corporations. Also a shift has been made the past two decades from "import-substitution to export-promotion strategies of most developing countries" (Sklair, 1997:521) in the developing countries which has been motivated by the transnational capitalist class. He argues that this phenomenon is partly due to the incredible growth of university degrees in business studies, giving a high importance to the role of the business schools in the transformation of the world economy and the business environment. The members of the TCC are people of various origins, considering themselves as citizens of the world, tending to share common features with regards to their lifestyles. The mission of each fraction of the transnational capitalist class is to facilitate the matching of the interests of the system at all levels. Within Sklair's vision of the TCC theory, the concept of class means that there is a central group of people making the main decisions, and these decisions flow over numerous communication channels in order to reach every country, region and locality. The transnational capitalist class shares a common interest that always prevails over other sectorial or geographical conflicts. This interest is defined as a wish to maintain

private profit accumulation (Sklair 1997). In this sense, Sklair claims that the internal struggle of the ruling class can be explained in terms of a fight between the globalizers and the localizers. These different groups pursue different goals. The localizers have economic nationalist goals while the globalizers have neoliberal goals oriented to external issues. Sklair argues that the power seems to be moving from the localizers to the globalizers (Sklair 1997).

The transnational class is considered transnational due to a number of different factors. First of all, the members of the TNC have economic interests that are interrelated in a global way, rather than national or local interests. The capital and the ownership of corporations are globalized as well as the control of these entities. Secondly, the control is exercised by the transnational capitalist class by enforcing political control in national and international politics. The TCC also exercises its control in the workplace by the continuously present threat of losing the job, and in a lesser degree, by claiming that certain national economies need a cheaper workforce in order to be competitive in this global system. The control is also exercised in a culture-ideology perspective, by enforcing competitiveness and consumerism which are concepts that are rarely confronted in western societies. Third, the transnational capitalist class promotes free trade under a globalizing perspective which includes the promotion of export orientated development strategies for developing countries. This has been seen especially since the 1980s when this promotion was motivated by the influence of the media, government agencies and by many coalitions of consultancy entities (Sklair, 2008). The perspective of the TCC is especially interesting to this project when it comes to the control of culture-ideology by the fourth fraction, the consumerist elites. The use of the media for controlling purposes is done by the media managers and owners, and the creation of the culture of consumerism is done by the merchants (Sklair, 1997).

Robinson and Harris define the TCC "as a Class-in-Itself and a Class-for-Itself" (Robinson & Harris, 2000:21) because it is a group of people that share a mutual interest and are related under the basis of maintaining social power. In order to define a class, they support their argument with the definition of Marx and Engels, when they identified a class as a "collective position vis-à-vis the means of production and the production process. But they also suggested that the existence of a class was conditional upon its capacity to forge a collective political and/or cultural protagonism, that is, a self-represent" (Robinson & Harris, 2000:21). Thus, the impact of the TCC worldwide

justifies its existence, because its actions are moved by the transnational capital interest but it has a great impact on the societies and on the politics. The TCC also imposes the conditions of the worldwide production and it even has a great influence on the formation of the capitalist social and cultural character worldwide (Robinson & Harris, 2000).

In the view of Robinson and Harris, the TCC is a global ruling class, as it has emerged as the controller of the decision making processes of the transnational state. They argue that the transnational capitalist class is composing a new capitalist system, consisting of different global forces, both political and economic, which is the dominant player over developed countries and developing countries all around the globe. Within this system the politics and policies are depending on the transnational corporations and financial institutions that manage "the supranational economic planning agencies, major forces in the dominant political parties, media conglomerates, and technocratic elites and state managers in both North and South" (Robinson & Harris, 2000:12) countries (2000). Sklair argues that the reason for emphasizing the state fraction of the transnational capitalist class is due to the importance of the state as the center for resisting against the capitalist globalization. The state is also the arena for the struggle for nationalism between economic and cultural nationalists and it is also the center of the crash between globalizers and localizers (Sklair in Sprague, 2009). With regards to the role of the state, Overbeek makes the following affirmation: "In hegemonic state/society complexes political power is based on consent rather than on domination and repression. The state's economic basis is a self-regulating market where social relations are subject to the rule of law; the state plays a facilitating rather than a leading role in social and economic life" (Overbeek, 2004:126-127).

Within Sklair's Transnational Capitalist Class theory the state is in a relative decline if one compares it to the capitalist globalization forces. Arguing that it does not mean that the state has loss the power, however the "globalizers - expressing the interest of the transnational capitalist class of which they constitute the state fraction - or the localizers - expressing the interests of national capitalist or some other group - have seized control of the state and its agencies" (Sklair, 2008:105). Commonly, the globalizers succeed in imposing their power on the states in issues where the interest of the transnational capitalist class is in risk. Following this topic, Sklair claims that in the case of the recent war of Iraq, the TCC interests were not the motive for the intervention, in fact this war

was against the main interest of the transnational capitalist class, which is to have the most quiet and stable market in order to favor consumerism. However, it might be the case if the long term is considered when explaining how the transnational capitalist class acts. Thus, it may be argued that the TCC has a clear interest in the contracts to reconstruct Iraq (Sklair, 2008).

Theoretically speaking, Sklair's view on the transnational capitalist class is an expansion of the classic Marxists, which is claimed to be a Marx-inspired theory however not an orthodox approach. The classic Marxists understand the capitalist globalization in terms of monetary capital, while he argues that in the idea of capitalist globalization other categories of capital, such as political or intellectual capitals need to be included in order to get a complete understanding (Sklair in Sprague, 2009). For Robinson and Harris the TCC abandons the Marxist idea about capitalist class when Sklair refers to it as a merely national class. Under this traditional perspective, Marx assumed that the capitalist class is international because of the fact that capitalism is internationalizing, assuming as well that the states are rivals. This needs to be updated if the globalization reality is taken into consideration. Marx was referring to the concept of internationalization of capitalism in a reference to the mediation of nation-states in the relations between different national groups and classes while the concept of transnationalization refers to a process of increasing political, economic, social and cultural relations getting so far that it can be considered a class that replaces nation-states. In the process of globalization it can be seen how the production has been transnationalized by the delocalization of the means of production. The capital market has been transnationalized, and finally also aspects, such as classes, states, ideologies, culture, and political processes have also became transnational (Robinson & Harris, 2000).

The transnational capitalist class also has a global influence on politics, so it is considered to be a political class in power, a worldwide ruling class. Robinson and Harris claim that the TCC is undoubtedly a dominant economic class but it does not mean that it is a political ruling class. Robinson and Harris argue that a transnational capitalist class follows economic interests but also aims at political aspects, such as the project of globalization. This project is part of the "transnational elite agenda" (Robinson & Harris, 2000:26) that, in the opinion of Robinson and Harris, has created the adequate framework for the development of global capitalism. Therefore, they

believe that it is necessary to refer to the conditions of the transnational capitalist class' objectives in order to give a complete picture of the transnational capitalist class as a ruling actor. The conditions are the transnationalization of the production process and the augment of a transnational state apparatus, and they can be seen asessential institutional and political components of the aims of the TCC. Thus, the political process of the states and the power of the capitalist ruling class are intimately related, as the transnational capital gives room to the economic component of the interests of the TCC, and because the power of the TCC is exercised by the transnational state apparatuses, so that social power when referring to domination is related to the means of production and this power is exercised through state institutions.

One of the premises of the transnational agenda would be that the state institutions must be driven by a personnel that represents the TCC, trying to correlate their actions in different parts of the world. If taking globalization as an example, it has been the goal of the TCC to globalize the world and it has been a consequence of the need for a framework in which the world capitalism can be achieved and the capital is able to transnationalize. In other words, the TCC intends to ensure the continuation of political institutions which are approving its rule and the perpetuation of a global interconnected capitalist system of production (Robinson & Harris, 2000).

## The Global Politics of the TCC

Various transnational political institutions have been created in the recent decades. These institutions seem to have helped to the formation of a transnational state system. The transnational institutions control the policy making processes initiated by the transnational capitalist class and constitute the formation of a transnational state apparatus as an "emerging network that comprises transformed and externally integrated national states, together with the supranational economic and political forums; it has not yet acquired any centralized institutional form" (Robinson & Harris, 2000:27). Some examples of economic forums are the World Trade Organization (WTO), the World Bank, the International Monetary Fund (IMF) and the regional banks. While the United Nations, the European Union, the Group of 7, the Group of 22, the Organization of Economic Cooperation and Development (OECD), are the main political forums. In this sense, Sklair argues that the transnational organizations such as the Bilderberg Group

and the Trilateral Commission Act have a governance function on a global level without any direct involvement of any state (Sklair, 1997). The Bilderberg Group provides links that connect the main political actors worldwide with the business elites, the elites of the media, the military and the elites of international organizations (Gill, 1990 & Wilford, 2003 in Carroll & Sapinski, 2010). Robinson and Harris claim that this global institutions have been instrumentalized by the transnational capitalist class in order to be able to use it to try to enforce their agenda and to form "a new capitalist hegemonic bloc" (Robinson & Harris, 2000:28). While Gill claims those groups or global institutions "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 in Carroll & Sapinski, 2010:502). In this regard, the formation of the trilateral commission in the mid-1970s had remarkable importance. This consequently meant a higher level of political organization of the TCC. The trilateral commission brought together the different fractions of the TCC from various regions of the world. The transnationalized economic elite together with the political and the intellectual elite from Japan, North America and Europe became organized under the rule of the trilateral commission. Another path of organization of transnational elites was the formation of the World Economic Forum (WEF), a forum in which the global political elites meet with transnational corporations most important representatives. Furthermore, it is argued that this global elite composed a consistent plan, the Washington consensus, a global economic and political restructuring plan focused on the principles of market liberalization and aiming to unify the world around the rules in favor of global capitalism (Robinson & Harris, 2000).

The transnational state apparatus counts with the institutions such as the WTO, the IMF and the World Bank for exercising a global power over the world labor, but they are also instruments that suppress national fractions and oppose alternative practices, such as protectionism or fixed exchange rates that are contrary to the interests of the global capitalism. The creation of the Institute of International Finance (IIF) is quite relevant as well. The IIF was created by representatives of the financial sector and is nowadays present in 56 countries, incorporating 300 financial entities. Its functions are various and include features, such as a policy center, lobbying, research and a consultancy center and as a center for transnational finance politics. However, the institution that

represents the TCC the most is the World Economic Forum (WEF). It acts as a planning body of the transnational capitalist class. The bodies composing the WEF are classist, as the requirements for admission are very strict, and only the CEOs representing the highest level of the transnational corporations have access. The representatives of the media group with highest influence worldwide are also part of the composing bodies of the WEF together with selected academics from different fields and key policymakers coming from international organizations as well as from governments of different nations (Robinson & Harris, 2000).

The transnational capitalist class consists of various political and economic forces that constitute the new global ruling bloc, which is conditioned by the current global system of accumulation and production. The political and economic behavior of the global ruling blocs is managed by the logic of global accumulation rather than being ruled by the logic of national accumulation. This is known as the globalist bloc. The globalist bloc, controlling the transnational capital, is managed by the owners and CEOs of the transnational corporations. The globalist bloc includes bureaucratic technicians and administrators from the IMF, the WTO, the World Bank and other transnational state agencies and forums. In order to provide technical solutions and ideological legitimacy some selected intellectuals are also members of the hegemonic bloc, which also includes politicians or charismatic figures. Robinson and Harris argue that there is a social layer acting as an intermediary buffer between the transnational capitalist class and the majority of people which are poor. This layer consists of people that are placed below the transnational elite and who exercise the power in a quasi-symbolic way. This middle class is tame and calmed by the mass consumption style of life. In this way, the transnational capitalist class is a bloc that exercises leadership "through the consent of those drawn into the bloc. Those from this poor majority who are not drawn into the hegemonic project either through material mechanisms or ideologically are contained or repressed" (Robinson & Harris, 2000:40).

The Washington Consensus marked an inflexion point with regards to the globalist consolidation, as it represents the model for economical restructuration with the goal of creating the perfect conditions for the transnational capital to be freer and more mobile (Robinson & Harris, 2000). The Washington Consensus seeks to harmonize industry policies, monetary policies, fiscal policies, and so on. In this way, the program intends to be extended in multiple nations in order to get the requirement of a "fully mobile

transnational capital mov[ing] simultaneously, and often instantaneously, across numerous national borders" (Robinson & Harris, 2000:41). The economic restructuration entails a higher aperture to the world market, a higher deregulation especially in decision making that does not service capital and "privatization of formerly public spheres that could hamper capital accumulation if criteria of public interest over private profit are operative" (Robinson & Harris, 2000:41).

In sum, neoliberalism is the base to form an ideal environment that facilitate the capital accumulation using the globalized circuits. For that purpose, it integrates and subordinates every national economy into the global economy. The Washington Consensus has achieved an ideological hegemony in the world by setting the standards. It symbolizes the common interests of the dominant groups and limits alternative projects. In this way, Robinson and Harris argue that the global capitalist hegemonic bloc, lead by the transnational capitalist class, has emerged from within the framework of the Washington Consensus (Robinson & Harris, 2000).

One of the most representative examples of political action of the transnational capitalist class is the great influence it has on international law. Despite showing itself as useless to prevent illegal actions of international forces against states and peoples, Chimni argues that since the end of the Cold War, international law has been created by the TCC in order to further its interests. These international laws have been enforced by the creation of an embryonic global state, which is composed by international institutions. In this way, the most relevant international laws are the ones applied in the field of human rights and the international economic law. Among these two, nowadays international economic law is having the highest dynamism with regards to changes, mostly with the intention of creating a "unified global economic space" (Chimni, 2006:205). This is intrinsically related to the increasing internationalization of the property rights laws, which is crucial for the creation of the unified global economic space. This is because the internationalization of the property rights implies the starting "of a global property age" (Chimni, 2006:206). Finally, other ways for internationalizing the property rights is the privatization of public utilities, state owned properties, including services such as water, education and health. This is done by interpreting the international monetary law which norms are coming from the financial side of the TNCs (Chimni, 2006). It is crucial for this project to remark the importance

of the property rights, since they play an important role when it comes to the current regulation of the internet internationally.

**The Role of the Corporations From a TCC Perspective**

Within Sklair's divisions of the transnational capitalist class into the four fractions of the TCC (corporate, state, technical, and culture-ideology) the corporate fraction is the one that Sklair considers to be the dominant fraction. However, the corporate fraction also is dependent on the rest of the fractions as they need each other's support in order to have a smoothly functioning capitalist globalization. At the end of the day, the owners of the major corporations are the ones having the control over the rest of the fractions, which depend on the TCC for survival (Sklair in Sprague, 2009).

The corporate power exercised by the TNC has appeared in the literature in very obscure ways due to the intrinsic hermetism that characterizes the relations between corporations and the states. Sklair argues that this relation is often covert and it is in this way that the transnational corporations act as political forces. The TNCs have commonly had relatively high success when approaching the ones at the higher levels of administrative and political power. It is common to see how the consumer elites, corporate executives and globalizing politicians tell the public that their globalizing agenda that is being carried by the transnational corporations is aiming at the best for all. The transnational corporations have also been very successful in communicating the "message that there is no alternative to global capitalism" (Sklair, 2002:155). The TNCs argue that the global capitalism is the only route for thriving and it must be done by ensuring free trade in a free market that is paradoxically controlled by themselves or by allies in international organizations and governments in the same way as other components of the system, such as institutions and processes. It can be argued that the political activities of the transnational corporations imply a serious lack of democratic values, in the processes and in the structure of the main trade and investment agreements. An example of this is the creation of the free trade agreements which have been done following processes that are not entirely democratic (Sklair, 2002).

**The Role of the Media in the TCC - The Consumerist Fraction**

As a part of the hegemonic project of the TCC one can find the global media which is considered a central part of the socialization of the transnational capitalist class, integrating it in the society. The concentration of the media through the succession of numerous mergers is an example of a transnationalized sector. Apart from the clear economic implications of this transnational phenomenon, the media sector is characterized as being a key element to control "the worldwide flow of information and of images" (Robinson & Harris, 2000:31) which are crucial elements in achieving cultural domination. The global media is a group of corporations that play a huge role in building the hegemonic bloc and bringing the transnational capitalist class together with other classes. This is done through producing ideological and cultural bases using the tools of the media. In this regard, Sklair's view of the TCC implies an even a higher role of the media in the transnational capitalist class. Sklair's model considers the media to be an integrated part of the TCC (Sklair in Sprague, 2009).

The TCC socialization depends in a lesser extent on how strong is the cultural and educational cohesion in the society, in order to be able to reproduce itself. This is identified by Robinson and a Harris as a process of transnational socialization which includes an emergent transnational state apparatus that acts as an organic representative of the role of the media, the transnational capitalist forums and the transnational capitalist class. The transnational bourgeoisie is far from being a unified group, however Robinson and Harris claim that the class formation derives from the union of different groups of people that have a common battle against another class, and without the existence of this common adversary class, they would be social competitors (Robinson & Harris, 2000).

One of the fractions described by Sklair in his definition of the transnational capitalist class is the transnational cultural fraction. "The cultural (consumerist) fraction consists of mass media, policy organizations, and merchants who are most directly involved in cultural production such as marketing, public agenda shaping, and other forms of mass communication that advance a consumerist culture that sustains demand for the products of capitalist production" (Smith, 2008:23). Sklair described the cultural fraction, which exercises influence on a global scale through a diversity of civil society groups that contribute to spread the ideas and cultural norms that set the system in

which the people live. These civil society groups are professional and recreational nationally based, but spread globalizing values (Smith, 2008).

The consumerist elites, which is compose by merchants and the media are part of the TNC fraction. About the merchants, Sklair argues that the consumerist elites are very important parts of the global capitalism which is based on consumerism. About the media, he specifies that the members of the media elite normally posses a extraordinary political organization potential since they have the media instruments such as TV, newspapers and other mass media under their own control (Sklair, 1997).

When analyzing the role of the mass media in the consumerist society, Sklair does not differ between the retail sector and the media. He analyzes both as a part of the same apparatus. He justifies this by exposing the fact that the media is clearly linked to the merchants through the necessity to advertise. Sklair claims that the hegemonic power of the transnational capitalist class is increasing gradually on a global scale due to the augmenting globalization of the mass media and consumerism. Consumerism characterizes our society in a way that the social expectations of the people are related to consumption, because consumption is associated with success. This is happening all around the world, having the television and the mass media as relentless projectors of the consuming message. Consumerism is nowadays the ideology of the western society, and it is penetrating more and more in the rest of the world and becoming a very important social activity. The "ideology of mass media consumerism selling spaces meaning of shopping from satisfaction of basic needs for the masses into a form of mass entertainment, a major leisure activity, is one of the greatest achievements of global capitalism" (Sklair, 1997:532). The sources of this change can be in various strategies. One of them is the investments of the large corporations in vast marketing campaigns that promote the virtues of consumerism and global capitalism. "The creation of a culture-ideology of consumerism, therefore, is bound up with the self-imposed necessity that capitalism must be ever-expanding on a global scale. This expansion crucially depends on selling more and more goods and services to people whose 'basic needs' (a somewhat ideological term) have already been comfortably met as well as to those whose 'basic needs' are unmet" (Sklair, 1997:532-533).

When it comes to the culture, the capitalistic consumerist logic tends to unify the different cultures around a common neoliberal ideology. That is why it is common to see politicians taking on roles that tend to conserve the capitalistic model under any circumstances, and their roles are basically tied to this model due to its cultural influences. Furthermore, people who prefer to live in alternative ways are somehow forced to follow the ideology and consume in order to survive (Smith, 2008).

This transnational perspective on the media and how it influences society can be compared to the vision introduced by Chomsky who is recognized as one of the most relevant scholars in this field.


**Control and the Media - Chomsky's Vision**

Noam Chomsky argues that the media has an incredible power over the people and that its influence over society can be explained by describing the role of the media in contemporary politics. He argues that the concept of democracy depends on how free the people is, whether or not they have access to participate in the elections and how free and impartial the means of information are (Chomsky, 2002).

The first identified propagandistic interventions were in the United States when the government achieved to participate in the First World War, creating the "hysterical Red Scare, as it was called, which succeeded pretty much in destroying unions and eliminating such dangerous problems as freedom of the press and freedom of political thought" (Chomsky, 2002:12). This way of manipulating the public opinion has became much more usual and it is currently done in order to get more banal goals. Chomsky states that the state power has learned a lesson from these events, "State propaganda, when supported by the educated classes and when no deviation is permitted from it, can have a big effect" (Chomsky, 2002:13). These techniques for influencing society have been followed up to our days and still exist in contemporary society (Chomsky, 2002).

This way of creating public opinion was defined by Walter Lippmann as a way to "manufacture consent" (Chomsky, 2002:14). He argued that a "revolution in the art of democracy" (Lippmann in Chomsky, 2002:14) was taking place and from that point in history it would be possible to build public consensus on a topic in the part of the public opinion that was previously opposing that topic. Lippmann argued that these techniques

are necessary in a democracy because the common interest is supreme to the public opinion, and both should be managed by an elite of specialized intelligent people (Chomsky, 2002). Chomsky has a clear vision of the consequences that this kind of public opinion manipulation and management have with regards to whom will benefit from this. "It's just a matter of assessing where power is. Maybe there will be a popular revolution, and that will put us into state power; or maybe there won't be, in which case we'll just work for the people with real power: the business community. But we'll do the same thing: We'll drive the stupid masses towards a world that they're too dumb to understand for themselves" (Chomsky, 2002:15-16). Under this perspective, the people that do not belong to the specialized class of responsible. They are just mere spectators of the system. In this regard, Chomsky argues that the the people should take the role of participants rather than spectators, otherwise it would not be a democracy. This is based on a moral principle that it could be extensively argued that "the mass of the public is just too stupid to be able to understand things. If they try to participate in managing their own affairs, they're just going to cause trouble" (Chomsky, 2002:17). Those are the arguments to keep exercising the manufacturing of consent (Chomsky, 2002).

In order to keep running a society under these conditions the ones in power and the ones who belong to the specialized class have installed a mechanism to access the top which allows only those that demonstrate their capacities to serve the interests of the private power. In this way people will never get to be part of the specialized class unless they pass through an "educational system directed to responsible men, the specialized class. They have to be deeply indoctrinated in the values and interests of private power and the state-corporate nexus that represents it. The rest of the bewildered herd just has to be basically distracted" (Chomsky, 2002:19).

Another way to shape public opinion is through "Public Relations" (Chomsky, 2002:22), a practice that was pioneered in the United States. This duty of control was especially important in the 1930's in the United States when two grave problems were raised. One of the problems was "that it was becoming possible for people to organize. People have to be atomized and segregated and alone. They're not supposed to organize, because then they might be something beyond spectators of action" (Chomsky, 2002:23). Chomsky explains how the public relations have been used in the twentieth century to break striking tendencies, to divide the people into different segregations and to set the private business interest as the general interest arguing that the common

interest is shared by the business men with the lower working class. The public relations practice tries to get a population living in a system in which;

> "the specialized class is trained to work in the service of the masters, the people who own the society. The rest of the population ought to be deprived of any form of organization, because organization just causes trouble. They ought to be sitting alone in front of the TV and having drilled into their heads the message, which says, the only value in life is to have more commodities or live like that rich middle class family you're watching" (Chomsky, 2002:27).

According to Edward Bernays' "the essence of democracy" (Bernays in Chomsky, 1989:16) is the "engineering of consent" (Bernays in Chomsky, 1989:16), and the people having the resources are able to engineer consent, those are the ones who hold the power in the business community (Chomsky, 2002).

The "Engineering Opinion" (Chomsky, 2002:30) is another strategy followed by the controlling forces of the governments. Since usually people are pacifistic in majority. The public opinion should be engineered in advance in order to prepare them for the times for which the issues are planned (2002).

The term known as "Parade of Enemies" (Chomsky, 2002:42), described by Chomsky, talks about the distraction of the public with regards to the important problems in domestic matters. The people gets distracted by this strategy, pointing up an enemy such as the Russians during the Cold War, the weapons of mass destruction in Iraq or terrorism nowadays. While people are distracted, the potential social issues that demand improvement, such as the ones in the education system, health system, joblessness, homelessness and crime, are placed on a second level (2002).

When analyzing the strategies for manufacturing consent, the "Selective Perception" (Chomsky, 2002:46), is one of the clearest ones. It means to emphasize the news that correspond to the interest of the power while hiding as much as possible and limiting publication of those news which are critical to the system or contradicting the already created opinion (2002).

The "Representation as Reality" (Chomsky, 2002:35), is a concept used by Chomsky to describe when a government uses the media apparatus and the public relations to transmit a false message. It can for example be a minimization of the number of people

dead in a conflict, the situation in Central America or with regards to the situation in the Middle East (2002).

In Sum, Chomsky argues that the problem of our democratic system is not only focused on the manipulation of the media. He argues that this issue represents a social choice in which the people have to decide whether they want to live in a democracy or in "a form of self-imposed totalitarianism, with the bewildered herd marginalized, directed elsewhere, terrified, screaming patriotic slogans, fearing for their lives and admiring with awe the leader who saved them from destruction, while the educated masses goose-step on command and repeat the slogans they're supposed to repeat and the society deteriorates at home" (Chomsky, 2002:106). He defends the theory that the power is in the hands of the people, and it is only the union of average people who can change this situation of power (Chomsky, 2002).

The mechanisms of propaganda, public relations, opinion creation and selective perception have explained the mechanisms of the influence of power and how the system is able to perpetuate itself. Nevertheless, the study of the social control through the media needs to be explained from a power perspective in order to understand how the power works and how it is exercised globally in the present times (Chomsky, 2002).

## 3.2   Castells' Communication Theory of Power

**Theories of Power**

Manuel Castells gives a definition of power that is very applicable in order to accomplish the main purpose of this paper. He argues that power is related to the relationship between different social actors in a way that there is an asymmetry of influence that creates an unbalanced situation. Castells believes that power is exercised by the empowered actor, who ends up achieving his interests by imposing his power through coercion. "The concept of actor refers to a variety of subjects of action: individual actors, collective actors, organizations, institutions, and networks" (Castells, 2009:10). Even the institutions are considered to beactors with an inevitable human contribution in the essence of their actions, which have became institutionalized with the time. Castells argue that power is a relationship because power can be defined only in terms of a relationship between the empowered and the subordinate actor. In addition

to this, the asymmetry refers to the unbalanced amount of power between both sides of the relationship. Castells believes that it is important to take into account that the relationships are reciprocal and therefore a power relationship in which the power rely entirely on one side cannot exist. This means that the resistance to power is always present to a certain degree. Moreover, Castells identify a constant element in the power relationships which is the subordinate acceptance to the empowerment; this is always present in a lesser extent. So, in this way, the relations of power change when there is higher levels of resistance comparing with the degree of acceptance together with the influence exercised by the empowered actor. When this transformation in the power relation happens, it normally ends up with an institutionalization process that will finally adapt to this new reality. Otherwise the relationship would not be considered a social relationship. When it comes to the exercise of power through the use of violence, he argues that violence is not necessary if the power is asserted by constructing a meaning for the followed interest. Nevertheless, if taking a state as an example, "The more the construction of meaning on behalf of specific interests and values plays a role in asserting power in a relationship, the less the recourse to violence (legitimate or not) becomes necessary" (Castells, 2009:11).

Castells in his analysis of the power brings out the political theory of Habermas, which says that a process of legitimization is crucial in order to have a domination exercised by the state. Since democracy is not a policy but a group of procedures and processes, the democratic system is consider by Habermas as one more of the different procedures to get legitimization.

In this way, the legitimacy of the state depends on how it governs. If it governs following its own interests, legitimacy will be lower and the state will be seen as a mere tool of domination and not as a representative institution. Legitimacy relies mostly on the capacity of civil society to provide consent to the actions of the state. Moreover, the democracy is ensured and the power is legitimized because it represents the interests and the values of the citizens, which is done by the civil society in the public debate. Furthermore, the stability of the institutions depends on their capacity to use the communication networks to generate values and interests into the democratic process (Habermas in Castells, 2009). Castells argues that the power relationships are established through two elements that complement each other. One element is the

capacity of the institutions to communicate meaning and the second element is the "constitutional access to coercive capacity" (Castells, 2009:13).

A path of research different from the perspective represented by Castells is for example the interactive governance theory, described by Torfing, Peters, Pierre and Sorensen. Especially when it comes to the concept of *metagovernance*, which can be defined "as the governance of governance" (Torfing et. al., 2012:4). This concept is based on corporate governance and defines state power as a "form-determined condensation of the changing balance of forces concerned with shaping policy, politics, and the nature of the polity as territorialized political power" (Jessop, 2007:44). Jessop argues that "the legitimacy of the state power depends on its articulations to a political imaginary, that is the capacity of the leading political forces to persuade other forces that the prevailing policies are orientated to the common interests of the imagined political community associated with a given form of state and political regime" (Jessop, 2007:44). The state power has a hidden role of governance which determines the impact of state power. Furthermore, despite the nationalistic impulses of government leaders, it is not necessary to territorialize political power because the common interest is shown to be supreme. Thus, "it is important to consider the relative weight of different modes of governance, including not only the principle of hierarchy that finds its ultimate embodiment in the sovereign state but also the anarchy of the market" (Jessop, 2007:44).

Jessop brings up an interesting point when questioning if our society has been driven to a "private-global" (Jessop, 2007:53) regulatory system instead of the previous "public-national" (2007:53) one. Moreover, Jessop argues that the economy nowadays is based on "the reassertion of a money concept of control more favorable to internationalization and the neoliberal prioritization of shareholder value" (2007:53). He compares the global economic structure when the world was under the hierarchy of Fordism to the present world economic structure dominated by the capital accumulation and shareholder value. Jessop argues that the capital accumulation and shareholder values have had a clear negative impact on society since it has increase the international inequality and it has promote unsustainability in the global economy (Jessop, 2007). Castells and Jessop have different concepts about the power mechanisms in contemporary societies. Nevertheless when it comes to point the social where is the

source of power in the contemporary globalized world, they seem to agree on appointing above the national states apparatuses.

Moreover, Castells argues that the concept of power in the globalized times has different connotations. Castells refers to these special features of power specifying that this power is not located only on a national level, but it has also transcended the borders and became global. This changes the role of the nation-states and their functions.

In the view of Ulrich Beck, globalization has played a crucial role in redefining the power relationships making them transnational. Beck argues:

> "Globalization, when taken to its logical conclusion, means that the social sciences must be grounded anew as a reality-based science of the transnational – conceptually, theoretically, methodologically, and organizationally as well. This includes the fact that there is a need for the basic concepts of "modern society" – household, family, class, democracy, domination, state, economy, the public sphere, politics and so on – to be released from the fixations of methodological nationalism and redefined and reconceptualized in the context of methodological cosmopolitanism" (Beck, 2005 in Castells, 2009:17).

In the same line of this vision of power that is not established within territorial boundaries, the focus must be orientated to the "sociospatial networks of power (local, national, global) that, in their intersection, configure societies. While a state-centered view of world political authority provided a clear indication of the boundaries of society and, therefore, of the sites of power in the context of the global age, to use Beck's characterization, we have to start from networks to understand institutions" (Castells, 2009:13).

Power can be expressed in contemporary times by social networks. Castells describes the digital social networks as potentially global, because they are the means to enact the social movements and because they exceed the boundaries of society thanks to the telecommunication through computers. These networks are characterized by they capacity to transcend national territories and institutions, so the network society is global also because it affects everyone. People are affected in many ways. Some global networks include, among others, following examples:

> "financial markets; transnational production, management, and the distribution of goods and services; highly skilled labor; science and technology, including higher education; the mass media; the Internet networks of interactive, multi-purpose communication; culture; art;

entertainment; sports; international institutions managing the global economy and intergovernmental relations; religion; the criminal economy; and the transnational NGOs and social movements that assert the rights and values of a new, global civil society" (Held et al., 1999; Volkmer, 1999; Castells, 2000a; Jacquet et al., 2002;Stiglitz, 2002; Kaldor, 2003; Grewal, 2008; Juris, 2008 in Castells, 2009:25).

In this way, globalization is understood by Castells as the interaction of a group of global networks characterized by being immensely significant. The networks are expanded all around the world composing a network society which has a globalized social structure while it still maintains human activities local in terms of culture and territorial movements. So, the institutions, organizations and the cultures that already existed before the network society are still the physical environment of the specific society (Castells, 2009).

## The Network Society

The network society has different social structures with different types of social networks that form a multidimensional structure in which the domination is exercised by one of the social networks over the rest. Castells clearly identifies the information networks and technological networks as the dominant ones as they have the capacity to affect the rest, even if society is moved by military interests or capital accumulation interests. On the same line, it can be argued that the most influential tool today is the media, as it has the ability to transform and shape the minds of the people by creating values. This media is the main network that distributes "the primary sources of messages and images that reach people's minds" (Castells, 2009:28) and it is organized in transnational corporations which are driven by the business laws of profit maximization, so they are media businesses influenced by the advertisers who allows the commercialization of the media to exist. The media network, including the internet, could represent a great power even ahead of the state power, since the state power depends on the legitimacy that comes from the people beliefs and this is highly shapeable by the media (Castells, 2009).

For Castells, the structure of power is constituted by the interaction of two processes. The first one refers to the process of exercising the domination, and the second one to the countervailing process that resists the "established domination on behalf of the

interests, values, and projects that are excluded or under-represented in the programs and composition of the networks" (Castells, 2009:47). One of the ways to exercise the resistance consists of limiting the concentration of ownership in the media sector. It is also very important to influence the legislative power to legislate in favor of disengaging the link between the government and the oligopolistic media business. This can be done by limiting the campaign funding and limiting situations, such as the ones in which inappropriate politicians are able to exercise their functions while they still have an interest in a private organization via incomes (2009). "In the network society, discourses are generated, diffused, fought over, internalized, and ultimately embodied in human action, in the socialized communication realm constructed around local–global networks of multi-modal, digital communication, including the media and the Internet. Power in the network society is communication power" (Castells, 2009:53).


**The Communication Networks**

The Communication networks are a very important factor when analyzing social power relationships. The influence comes through the communication channels into the people´s minds and has a direct impact on the people´s conception of the institutions, of the culture and in the end of society. This conception of the reality in which the people live has greater implications when it comes to power because it ultimately defines how power can be exercised and by whom. One example of this is the manipulation of images of violence in the mass media, where both terrorism and counter-terrorism contribute to the creation of a state of insecurity, through which the manipulation of the people gets easier. This generally creates a massive uncritical support to the governments' agendas because they are seen as protectors. The culture of fear is then created by the broadcasting of violence over the media. Nevertheless, the communication networks only constitute the medium for the message to be diffused. The power resides on the creator of the content of the message, so the communication networks are a tool of the power to distribute messages. The traditional mass media shapes the message in order to make it suitable for the audience under a corporate criterion. This is different in the case of the mass self-communication that takes place on the internet, because it is composed by messages in different formats and because most of these messages are not standardized, shaped or filtered. The rise of this type of

communication makes it possible for any message to reach the world, however the most important webs for information belong to the traditional mass media corporations, "because of the importance of branding in the source of the message" (Castells, 2009:419). Moreover, the importance of the internet as a mass communication network is shown in the great interest and attempts that the governments have done in order to control the telecommunication networks by enclosing them into their private property (Castells, 2009).

It can be argued that there is a hierarchy among the ones programming the communication networks in society. "[T]he networked management of the communication networks operates under the conditions of a meta-program that has been designed by someone else from outside the network. This enigmatic "someone else" is the subject of the most determining form of power: network-making power" (Castells, 2009:419-420). This hierarchy has in the top a group of programmers that interact with each other forming a decision-making network themselves (2009). This network-making power is ultimately represented by the financial networks, which are the programmers of the social networks.

The by Castells referred to Network-making power describes the ones that have the capacity to plan the program of the communication network. In the case of the media, the controllers and the owners of the media corporations have the legitimacy to organize the mass communication networks, deciding the content and the format (Castells, 2009).

Castells comes up with a very interesting concept, *the commodification of freedom*, which means that people is getting free access to the information and free communication on "the global communication networks in exchange for surrendering their privacy and becoming advertising targets" (Castells, 2009:421). This has benefited from the expansion of the internet networks. Nevertheless, this can go against the interests of the corporate power, as the people might use the internet to challenge the existing power establishment (2009).

Often the meta-programmers are as well political actors, so they produce the message and at the same time they rely on the ones whose interests they represent such as the military industry, religious organizations or corporations. They have diverse goals and interest but they share a unique protocol of communication directed to conserve the state domination (2009).

In order to have a complete picture of the power relationships in the network society, one must have a clear understanding of the financial network, which is the heart of global capitalism. This becomes clear when the ownership of the communication networks is carefully observed. Even though the states participate and plays a role in the ownership of the media corporations, these communication networks are mainly controlled by corporations that are highly dependent on the financial markets. The financial market are also a network, but this network differs from other networks because it is not controlled or regulated by any "national or international institution of governance" (Castells, 2009:424). This is important because the economy and the political environment face a situation in which the financial markets can become organized in an unregulated world, and therefore, it is able to set standards for financial transactions that are internationally applicable (Castells, 2009).

In sum, global communication networks are dependent on global financial networks which use the multimedia networks to process and operate their messages. The power is constructed around multidimensional networks which are programmed by the empowered actors of each field of society according to their interests. Communication networks are essential for the creation of power in society, as power is exercised by the networks of power through influencing the people´s mind through multimedia networks. However, the political network of power as well as state power play a crucial role in the network society because this is constructed around the state functions and because the exercise of the power depends on the regulations made by political actors and the state. The functions of the state permit the exercising of power. The state uses "the monopoly of violence as the capacity to enforce power in the last resort" (Castells, 2009:427). In conclusion, the state is the network that guarantees the correct functioning of the power networks, while the communication networks make the creation of meaning that support the social power relationships possible (Castells, 2009).

**Social Control and Propaganda through the Communication Networks**

The vision that Castells has of social control and propaganda is that they have typically been the most used form of media politics. The most used way to favor the interests of the government is the fabrication and distribution of distorted messages which misinform the people. Moreover, the censorship has also proven to be an effective

measure to undermine contrary arguments that are against the government's interests. The ways to control society through the media vary in every state, and it depends on the social and legal environment. In order to have a complete picture of the different ways of control in the world, Castells analyzed three different countries with different regimes, China, Russia and the United States (Castells, 2009).

In the case of the US government, the control of the public opinion has happened mostly in times when a decision between war or peace was taking place. The US government has a long tradition of producing intelligence to excuse those decisions and actions. This can be seen in the misinformation that lead to and maintained the US in the Iraq war in 2003, which constitutes as an example of a political propaganda campaign prolonged for years (2009). This is a case of public opinion manipulation in a democratic country, which consisted on a "direct penetration of media networks by the Department of Defense to script the reports and commentaries of supposedly independent analysts working for the networks" (Castells, 2009:265).

In other countries the ways of control of the media are more institutional and directly coming from the government. This formula is present in most of the countries. It is portrayed in the public ownership of the media which implies high control and influence. Other ways of control are the influence over the media owners by pressuring them, the governmental or legal control of the messages and, as a last resort, personalized coercion of journalists and bloggers. When it comes to the internet, the cases of China and Russia shows how the control can be exercised also over the internet (Castells, 2009). However, since the focus of this project is directed to the western societies, Russia and China are not relevant for this paper.


## 3.3   Summary and Applicability of Theories

This chapter has described two main theories which have a common remarkable feature; both of them are relatively recent. While the core of the theory of the Transnational Capitalist Class described in this chapter has been composed during the last decade, the second theory presented in this part, the Communication Theory of Power is even newer. This shows how much up to date these theories are, but also how contemporary the problems are that these theories attempt to solve.

The first main theory, Transnational Capitalist Class, is basically arguing that there is a class formed by a group of people with influence in different states of the world that share a common interest. It has been used three theorists to explain this theory: Sklair, Robinson and Harris. They argue that this class has emerged in consonance with the globalization of finance, the production means, culture, and so on. In the case of Sklair, his theory describes different fractions of the Transnational Capitalist Class, the corporate fraction, state fraction, technical fraction and the consumerist fraction. Each of these fractions has a different role in the global capitalist world we live in. These fractions have different functions in the system but they all serve the interest of the Transnational Capitalist Class. When it comes to the transnational perspective on the media and how it influences society this theory has been compared to Chomsky's perspective. Chomsky gives a very specific description of how the media is manipulated by the state which can be applied to the state fraction.

The second main theory described in this chapter is the Communication Theory of Power written by Manuel Castells in his book Communication Power in 2009. He describes power as a relationship between social actors or social groups also called networks. In this relationship the power is maintained by both sides; the side of the empowered and the side of the subordinated. This new theory explains how the mechanisms of power in our society can be explained in terms of networks. Castells argues that the society we live in is a network society, since we, the people, are interconnected in different networks. Some of those networks are networks of power, which have relationship with other power networks and also with the rest of the social networks. Castells argues that the communication networks play an important role in society because through them the power networks influence the people's mind and they can be used to control and influence public opinion, culture, decision-making processes, and so on. In the other hand Jessop's concepts of *metagovernance* and *privet-global* have been a reasonable complement to Castells work.

These two main theories are obviously related to the purpose of this paper. They serve to explain and analyze the current world situation from a new perspective, having the focus on how the power is exercised in the societies by the transnational networks and how those networks impose their power through weak democratic values. When it comes to the media and its regulation on a harmonized global scale, the Transnational Capitalist Class theory offers the theoretical base to analyze how this is possible and

which interests are behind this. The Castells' Communication Theory of Power presents itself as an adequate framework to analyze the reasons motivating the established power to be afraid of an influential free media, and more concretely, afraid of the increasing dimension of the internet as a free mass communication instrument.

The Corporatocracy represents that the majority of the power exercised in the society has its roots on the corporate fraction of the transnational capitalist class and attempts to satisfy its interest. In the corporatocratic system, the power is exercised through the communication networks that belong to the consumerist fraction that Sklair identified as the owners and controllers of the media corporations. This consumerist fraction includes merchants and media corporations. The merchants are important because the consumerism is the base of the Corporatocracy, but the media is crucial in the analysis because it is essential to hold the power intact. The media is the main focus of this project because it is generally linked to the right to information and freedom of speech in the western countries. Therefore, it is important to keep in mind that the manipulation of the media limits those rights and freedoms that should be central in any so-called democratic regime. When it comes to the free media, in our days, the internet plays the most relevant role, as explained in Castells' Communication Theory of Power, because of the impact that the self-mass communication is having on the recent social movements. Furthermore, both of these theories and their combination give a good understanding of the behavior of the financial elite when it comes to influence governments to act according to the corporatocratic interest. This can be applicable, in most of the western countries to the current regulations of the internet, which essences can only be founded on a decision taken by the transnational capitalist class.

In order to facilitate the understanding of this project, the main topics treated throughout this paper are going to be described in the following points. These include legislations, quotes from people in power, descriptions of the media corporations in the world, and other relevant terms.

# 4     The Perpetuation of the Current Establishment of Global Power

As this project takes the hypothesis of a world in which democracy is not a reality in the so-called democratic states for granted, it is consequently believed that is very convenient to describe the system we live in. First of all, it is essential to describe widely how power is composed in the western world in order to be able to analyze it in a rigorous way. The western democracies are weakening in favor of the private corporate interests:

> "Globalization has led to world spanning corporations competing to become the dominant monopoly in their areas of economic interests. This competitive struggle is carried out by the transnational capitalist class rather than states backing national champions, and reflects the changing character of capitalism. The drive to create a seamless world system of finance and production is inherent to the structural needs of capitalism to seek out markets, resources and labor. This is a drawn out historical process in which individual nation states integrate into global patterns of production and accumulation according to their own conditions and pace. The project is filled with tension and competition, but the common goal is to create a unified system of global capitalism" (Harris, 2012:1).

Harris is describing the current global situation in which the corporations are the main actors and globalization is the framework that allows capitals to move freely around the world. This has created a world in which our lives are influenced by corporate decisions under the umbrella of global capitalism. Thus, the description of the term Corporatocracy is considered to be fundamental to satisfy the purpose of this chapter, to explain how the global power mechanisms preserve the current power relationships. In this project it is believed that the current transnational relationships of power can be called Corporatocracy, as the power relies on the corporate fraction of the TCC.

## 4.1     The Corporatocratic System

The term Corporatocracy was introduced by John Perkins in 2004. In his first use of the term, while describing the global capitalism system, he argued that "[i]n their drive to advance the global empire, corporations, banks, and governments (collectively the Corporatocracy) use their financial and political muscle to ensure that our schools, businesses, and media support both the fallacious concept and its corollary" (Perkins,

2004:viii). Perkins argues that governments, large banks and large corporations are members of a transnational elite (Perkins, 2004). In addition to this, Harvey states that this elite is getting more powerful and more linked which is contributing to the elitist wealth amassing (Ayers, Quinn & Stovall, 2009). The "people vote, but the corporations control, it is a Corporatocracy" (Dimin, 2011:466). "The Corporatocracy doesn't care about families, children, grandchildren, it is today money, of which for them there is never enough" (Dimin, 2011:502).

The Corporatocratic system is made of a transnational network, including the most important corporations and contributors to its interests, mainly driven by money and profit maximization motives but making strategic decisions about national policies in private debates. Among the contributors that support the system the media, think tanks, universities, foundations and private clubs can be found. The Corporatocracy, with the leadership of the financial networks, exercises its control over political networks through bribery, campaign support, highly remunerated job offers, and anything else that may be needed. In cases when the politicians oppose the corporatocratic interest, the politicians might face a massive funding support of the political opponent and "negative coverage in the corporate-controlled media" (Ross, 2012:147). According to Wolin, "[t]he United States has become the showcase of how democracy can be managed without appearing to be suppressed" (Wolin, 2008 in Ross, 2012:148). This has lead the country into a break-down of the democratic institutions, including the welfare system. A democratic system managed by corporatocratic interest aims the "selective abdication of governmental responsibility for the well-being of the citizenry" (Wolin, 2008 in Ross, 2012:148). In the same way, Chalmers Johnson warns the American people in his work: "We are on the cusp of losing our democracy for the sake of keeping our empire" (Johnson in Ross, 2012:148). These authors talk about the empire, referring to the transnational elite, because the Corporatocracy is a global concept. Nevertheless, the main global ruling force belongs to the American part of the Corporatocracy. Ross identifies the right to information as a major threat to the corporatocratic power. It can be argued that the people's power might be exercised to take control of democracy if the majority of the people realize that they live in a Corporatocracy (Ross, 2012).

The term Corporatocracy is going to be used in this project when referring to a global system in which the ultimate power resides in the transnational corporate networks. In a

corporatocratic system the interests of the corporate networks comprise the highest priority for state governance. In this way, the theory of the Transnational Capitalist Class describes the current structure of the Corporatocracy we live in. With regards to this, Harris argues that is not only about the transnational capitalist class it is also that "an emerging transnational state has appeared" (Harris, 2003:330) and even though its form is not centralized it can be seen as a "network that comprises transformed and externally integrated national states, together with the supranational economic and political forums" (Robinson and Harris, 2000:27) "such as the IMF, WTO and World Bank" (Harris, 2003:330). This is related to the concept of global Corporatocracy that is used in this project. Thus, it can be argued that we live in a global corporatocratic state. Furthermore, Harris argue that this state would secure its power and security only by having an army. In fact, it has an army, as the United States' army "fulfills this role for the TCC. Since the TCC controls the U. S. state, and the state controls the military, the military then must act to further the interests of the TCC globally" (Harris, 2003:27). This explains why the army of the United States gets involved into wars that do not comply with its national economic interest, such as Somalia, Haiti and Kosovo. There are examples that clearly show how the US' army serves the corporatocratic interest. Moreover, the invasion of Afghanistan can be interpreted as a corporatocratic interest operation to get oil, as several countries including Argentina, Russia and China among others, expressed their interest in constructing pipelines through that country. Thus, the interest of the transnational capitalist class goes further than national hegemonic intentions; it plays a global role following the corporatocratic interests. "The fact that U. S. military involvement often does not coincide with that country's own economic interests supports the idea that it functions as a global army for capitalism" (Harris, 2003:27). The United States army plays the role of a "rapid reaction force for the global village" (Hasskamp, 1998 in Harris, 2003:28).

Moreover, the way the power is exercised in the present corporatocratic system is defined by Castells in his Communication theory of power. Thus, the Global Corporatocracy is nothing else than the current global governance exercised in a complex and informal way, but following precise methods that responds to the global capitalist values, profit maximization over social justice. Furthermore, even though the financial elites have a huge influence on the corporations by owning a high number of them, when talking about the financial elites in this project they will be considered as

corporations themselves. Therefore they are in the top of the network society, in other words, in the top of the corporatocratic system.

## 4.2  The Financial Elite and Power

As mentioned earlier on in this paper, the financial elite is in the top of the structure of power in the Corporatocracy. This means that today, in most of the western countries, most of the power relies on the CEO's and owners of the largest financial institutions, such as banks and insurance institutions, mainly based in the United States. The power mechanism relies on the dependency that the financial system creates on the rest of the economic actors by giving loans. These actors, governments, corporations and countries need these loans in order to operate. In this way the financial elite maintains itself as the core of the global power elite (Kivel, 2004), and keeps a strict control over its debtors which can be corporations, institutions or entire nations. This is not related at all with the conspiracy theory, but it could be interpreted as economic interest, profit maximization and power maintenance intentions and motivations.

The financial elite is the real dominant power. This argument is based on the huge influence they have over political parties and political leaders through the financial networks. It has been explained in this paper how this mechanisms of power assist the financial elite to control the political arena in a national and transnational way. Nationally, this is done by controlling the funding of the campaign and through the media influence which is able to highlight or hide any argument, any political leader or any movement that oppose the financial and corporatocratic interests.

In a global level, the transnational capitalist class has extended the global power through the transnational corporations which have gotten the application of a new international financial system. This financial system works under the dynamics of the neoliberal economics, which is contrary to protectionism or fixed exchange rates and in favor of global capitalism. Furthermore, it is easily observable that the financial elite has a strong tendency to promote financial globalization, because it has positive implications for its business. However, the more they acquire and expand their business in multiple sector of the economy and internationally the higher their potential for influencing national power. Moreover, it can be argued that the process of globalization

has been promoted and implemented in a very unbalanced way because while all the financial aspects of the economy are globalized the working rights or the production regulations are still a western monopoly. Nevertheless, the property rights seem to have a different treatment in the recent initiatives carried out by the transnational capitalist class, such as the privatization of public utilities and state-owned properties, including services such as water, education or health. This is done by interpreting the international monetary law which norms are coming from the financial networks of the transnational capitalist class (Chimni, 2006).

When it comes to the financial networks, Castells mention them as the core of the power relationships of global capitalism and that it does not respond to any "national or international institution of governance" (Castells, 2009:424). An example of this is the high dependence that the media corporations have on the financial markets, meaning that in the communication networks the highest power relies on the owners of the media corporations which are mostly financial institutions. This fact will be taken into account for further analysis in this project. It is argued that this is possible due to the unregulated transnational framework in which the financial network operates. Furthermore, this transnational framework, the global capitalism standards for financial transactions, has been planned and regulated by the financial network.

The way the financial elite obtains its goals is by the use of the supranational economic planning agencies, which compose the policy lines that will be followed by national governments all around the world. In this sense, the creation, the functions and the results of institutions such as the annual Bilderberg Conference (BC), the Institute of International Finance, the International Chamber of Commerce, the Trilateral Commission (TC), the World Business Council for Sustainable Development, the International Advisory Board of the Council on Foreign Relations and the World Economic Forum (WEF), are very remarkable. These institutions, also known as transnational policy boards, have been created by the financial network or by the transnational capitalist class having the financial elite as the main coordinator. These institutions can be taken as examples of how the financial elite exercises the power on a global level, as these transnational policy boards "deal with international political-economic issues immediately relevant to the interests of corporate business" (Carroll & Sapinski, 2010:504). Some of them are global policy groups and others are transnational

business councils but all of them are composed mainly by executives and directors from transnational corporations.

All these transnational policy boards exercise functions of global policy makers, seeking "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 in Carroll & Sapinski, 2010:509). These transnational policy boards "have pursued wide agendas for global neoliberal governance" (Carroll & Sapinski, 2010:510). These include the western countries that are being analyzed in this project. Nevertheless, when it comes to the right to information, these mentioned transnational policy boards are far from complying with it. Especially in the case of the Bilderberg Conferences which "are held in camera to encourage frank discussion, and no public statement is issued at their close" (Carroll & Sapinski, 2010:510). This is a very important point, since it has a relation with the main analytical purpose of this project, to point out how the power has no interest on giving the right to information to the people. On the contrary, it seems that they intend to limit it every day a bit more.


## 4.3   The Democratic Values Versus Corporatocratic Interests

The final purpose of this chapter is to explain why the Corporatocracy controls the media sector and manipulates the information. Only in these terms is possible to understand how the democratic values struggle with the corporatocratic interest in contemporary western society.

It can be argued that a democratic system is manipulated, "unless there is a serious deliberation among the participants in a democracy" (Le Cheminant & Parrish, 2011:7), this is the people. The best way to avoid manipulation in a democratic system would be to promote active participation of as many people as possible because this would increase the people's rational analysis. In this way the deliberation of policies and politics would take place more commonly. Thus, manipulation is contrary to a healthy democracy because manipulation violates the process of deliberation. Furthermore, it can be argued that manipulation is the corruption of democracy because while

democracy is for the people and it should be an open and transparent process for governance, the manipulation irrupts in the middle of that process, making it dark and pursuing private interests instead of the interests of the people (Le Cheminant & Parrish, 2011).

"The paradox of the contemporary political communications media is that they helped to end authoritarian regimes by fostering political pluralism, thereby helping spread democracy, but within established democracies like the US, they have failed to live up to their potential to improve the quality of democracy" (Gunther & Mughan, 2000:444). Thus, the programmers of the communications networks have played an important role in both upgrading democracy in the past and degrading it in the present.

The way "the media, and especially television, now cover politics - functioning as the "connective tissue" linking elected officials to citizens - can affect the nature of the electoral process, the accountability of politicians to the general public, and hence the quality of democracy" (Gunther & Mughan, 2000:420). This brings us to an important point, the quality of democracy, a democracy which has been undermined by the manipulation in the communication networks (Gunther & Mughan, 2000). Then, if wanting to keep the quality of democracy in an acceptable level in the western countries, these states should promote and assure an as independent and free media as possible. Consequently, a free media and the right to information are essential in the legitimacy of a democratic regime because the people's sovereignty lays at the base of a democracy. But this sovereignty does not exist if the people's deliberations are based on disinformation, and as a consequence of this the power does not rely anymore on the people's minds because they get manipulated by the communication networks. This is what Castells called the creation of meaning in the minds of the people.

In a real "democracy, the broad majority of people participate in making the major political and economic decisions which affect their lives. That is not true in the United States. We have a social structure in which a relatively small number of people are in unelected positions of vast power, and who act as representatives of the ruling class" (Kivel, 2004:21), it can be argued that this situation is extendible to the rest of the western countries. It can be argued that this represents a lack of democratic procedures in the institutions of the Corporatocracy. In correlation to this, it can be argued that as long as the people are not getting veridical information, they are the engine of an

imaginary world created by the media, and not the power of the world they live in. Moreover, if the power resides in the hand of the transnational elites, when analyzing the flow of power in our society, it can be realized that the main obstacle to that flow that transmits the power from the people to the governance are the programmers of the communication networks. Thus, the media represents a curtain that covers the reality from the people. This curtain is the key element in maintaining the current power establishment, but it is also the key element to dismantle it. This means that the communication networks are in the center of the struggle between the movements aiming for a real democracy and the corporatocratic elite.

When it comes to identifying the rights and freedoms that are mostly affected by the manipulation of the media, we encounter the right to information and the freedom of speech. Thus, in order to get a genuine democracy, we need to make a deeper analysis on the right to information as a component of freedom of speech. And as both of them are inalienable components of a democratic system, it can be argued that the undermining of these rights and freedoms consequently leads to an undermining of democracy as a whole. With regards to the right to information, Gurfein argued that "a cantankerous press, an obstinate press, a ubiquitous press must be suffered by those in authority in order to preserve the even greater values of freedom of expression and the right of the people to know" (Gurfein in Chomsky, 1989:2). This reflects the role the media should play in a democratic system. With regards to the freedom of speech, it can be argued that the more concentrated the ownership in the media sector is the less variety of messages are allowed to be published. So, in this way, the freedom of speech can be seen as quite limited in the western countries. An example of this is that most of the times that a journalist wants to publish a message this will have to pass though the filter of the corporation in order to be published, this filter is the programmer. This is because mass communication means have a private owner with private interests and the publications ultimately depend on the financial networks interests. With regards to the fundamental right to information, it can be argued that it builds trust in the power relationship between the citizen and its government, strengthening the weaker position which is held by the citizen. Also it is vital to ensure accountability and transparency in governance. Furthermore, the quality of the participation of the citizens depends on how informed they are. "The practice of routinely holding the information away from the public creates 'subjects' rather than 'citizens' and is a violation of their rights"

(Shrivastava, 2009:1). "The right to information is not only fundamental for an open and democratic society but is a key weapon in the fight against poverty and in accelerating human development" (United Nations Development Programme, 2006:4). Finally, it can be argued that the freedom of speech can only be used by citizens who are properly informed. The right to know allows the citizen to deliberate with complete information, which is indisputable in a participatory democracy.

The only limits to the freedom of speech and the right to information in the so-called democratic countries should be the limits that are expressed in the International Covenant on Civil and Political Rights. This covenant celebrated in 1966 specifies as follows:

> "(a) For respect of the rights or reputations of others;
>
> (b) For the protection of national security or of public order (ordre public), or of public health or morals" (International Covenant on Civil and Political Rights, 1966:19).

These restrictions should be the only ones occurring in the western countries. Nevertheless, these rights and freedoms do not consist in a solely statement in the constitutional paper, it must be also implemented, exercised and respected. Examples, such as the censorship of the publication of the diplomatic cables from Wikileaks, show how this sensitive information is censored even by the most pseudo-independent newspapers (Assange, 2012). It can be argued that in reality, this censorship is just the consequence of the action of the programmers keeping the interests of the state fraction. The right to information must be at the center of our democracies. Otherwise, we are losing the values of democracy from the base of it. In this regards, when a democratic country weakens these rights by manipulating the media, as a consequence of this, the people of this democratic nation lose part of their rights and freedoms and consequently, that nation loses its quality to be called a democracy. Thus, the control that the programmers exercise on the communication networks is making us, the people, a part of a Corporatocracy and is pulling us away from democracy.

# 5    The Power and the Media - A Tool for Controlling Society

After analyzing the elites and the system we live in, this project has the intention of describing how the elites exercise their power and to identify the main tools that they use in order to maintain this power. As mentioned before, the communication networks are crucial elements that provide both influence and control.

## 5.1    The Media Controlled by the Corporatocratic Elite

It is argued that in the case of the United States, 90% of the media is controlled by six corporations (Articleworld.org, 2012). The oligopolistic characteristics of the media sector can be analyzed in terms of its repercussion. The communication networks that have the highest audience are the ones which are controlled by corporations. This detail is relevant, because one might think that a part of the media sector is independent, which is true, but the purpose of this project is to analyze the effect on the public opinion. In this way, it can be argued that the communication networks that massively reach the people are controlled. Though, it is not the purpose of this project to point out the proportions of the oligopolistic control of the media in each country, but to focus on the general tendency towards greater control of the media by few corporations in the western countries.

The most influential communication networks in the western countries are controlled by few national or transnational corporations which at the end of the day are controlled by the financial networks, the programmers. Due to the framework created by global capitalism, the corporations extend their influence to other nations. Moreover, the main distributors or primary sources of information are transnational corporations such as the information agencies, which constitute a global oligopoly. The financial networks have rights to influence these communication networks because they own them financially and in the Corporatocracy the value of the shareholder is higher than the right to information. The financial elites can be identified with the neoliberal ideology, and therefore the core of their business is to satisfy the profit requirements. This is the case even if it is assumed that the people of the transnational capitalist elites are benevolent persons with no personal implications such as power ambition. The mere fact that an oligopolistic media structure exists, in which the media networks with the highest

audience levels belong to private corporations, makes it clear that an appropriate framework to guarantee the correct and impartial distribution of the information cannot be created.

The message is subjected to be manipulated according to private interests. This manipulation is done by the communication networks which are controlled by the financial elites. The communication networks exercise their power mainly over journalists in order to make sure that the message is published according to the corporatocratic interest. In this way, the type of information that can be transferred to the people through the communication networks is controlled (Castells, 2011).

Nevertheless, it is important to highlight that the power resides on the creator of the message, which Castells referred to as the programmers of the communication networks. Since programmers have the network-making power, the content of the media emissions depend on their decisions. Therefore, "programmers and switchers are the holders of power in the network society. They are embodied by social actors, but they are not individuals; they are networks themselves" (Castells, 2011:786). In this way, the process of deliberation of the citizens in a democracy is directly in the hands of the programmers because they have the power to manipulate the message that is being delivered to the public. Thus, the control of the communication networks represents a huge power over the people that can be used for social control. Since the global communication networks depend on the global financial networks, the manipulation of the content of the message respond to the financial interest. An example of this could be the huge importance and devotion the communication networks are nowadays giving to the financial rating agencies, such as Standard and Poor, Fitch or Moody's. This is associated with the fact that it can be argued that the power of these agencies relies on their capacity to spread a positive or negative message about an organization or a state. The coverage of their ratings is ultimately the factor that gives them the necessary repercussion and the power to have an influence on the economy. In this case, by publishing, highlighting and formatting their ratings into information to the public, the communication networks act according to the interest of the financial networks which are the founders and controllers of these agencies.

Other ways of controlling the media are not considered relevant because the practice of these ways is relatively unusual in western societies. Thus, the formulas mentioned in

the theoretical chapter, such as public ownership, internet control or personalized coercion are considered out of the scope of this chapter.

The transnational approach to the control of the media refers to the consumerist fraction as a network of cultural production, which is a similar view to Castells' concept of programmers. The consumerist elite plays an important role when analyzing the control of the media because the media corporations depend financially on the advertising industry. This perspective of the media control is different from the observations that focus only on the ownership, because most of the incomes of the media corporations come from other corporations. Furthermore, it can be argued that this can generate a compensation with regards to keeping the interests of the merchants.

In a corporatocratic system, the control of the media sector is a necessary prerequisite to be able to influence and control public opinion. It can be argued that one of the most important components that changes a democratic system into a Corporatocracy, is when it allows the media to be driven by profit maximizing values instead of having a social purpose.


## 5.2   Control of Public Opinion through the Media

In this point of the project it should be clear how the power is exercised and how the people are influenced. Moreover, after seeing how power is defined as an aspect of the relationship between the empowered social actor and the subordinated one in which there is a mutual recognition of the power through influence and consent respectively. In relation to this, it can be argued that the consent is given thanks to the manipulation of the information, which provokes the manipulation of the public opinion. The control of the public opinion eventually allows for some sort of social control.

Castells argues that the construction of meaning in the human mind is a core element of social power. This is especially accentuated in the network society which appears in our minds through the media (Castells, 2009). As in the case of the United States, the control of public opinion has been done especially before taking part in a military conflict, with the participation of the state and the main corporations. This is a clear manipulation of the message achieving the construction of meaning in the people's minds which leads to the general consent of a previously undesirable action but that

corresponds with the interest of the transnational capitalist class. Another factor that sustains the manipulation of public opinion is the distortion of the people's view on ideologies and the political arena. This makes a correct deliberation process impossible and thereby pulling the system out of democracy. In other words, the manipulation of the public opinion has been conducted mainly to achieve consent for going to war or to perpetuate an undermine democracy.

The consumerist fraction pays more attention to the marketing strategies that create social patterns as well as to the influence it has on ideologies on a global scale. In this way, the creation of culture could be considered a way to change society and increase compliance with the interests of the transnational capitalist class. One of the interests of the transnational capitalist class is to keep running the Corporatocracy.In relation to this the media is used to expand the culture-ideology of the capitalism globally. Society gets persistent messages that drive society into higher levels of consumerism and that homogenize cultures around the planet and promote neo-liberal protocols of governance and ideology (Sklair, 1997). It can be argued that during the current European debt crisis, the media is constantly distributing the message of those who try to present the neo-liberal policies as the only way out. It can be seen how in the southern European countries, the media is publishing messages that recommend greater neo-liberal reforms, as most of those messages are created by the financial rating agencies. Moreover, these financial rating agencies have no analytical economic prestige, however they are very influential. Thus, it can be argued that these messages, created by the financial networks, are being overexposed and over-published. Furthermore, both the actions of the media and the actions of the financial rating agencies probably constitute a strategic move of the financial networks according with its interest. Furthermore, it can be argued that among the consequences of this crisis it can be observed a clear undermine of democratic procedures in the institutions of the European Union. This can be seen in the way these institutions have intervened on the national governance to protect the corporatocractic interests. It can be argued that this has been the case of Greece when in 2011 the prime minister Mr. Papandreu intended to make a democratic referendum in Greece, he was stopped to do so by the European state fraction of the Corporatocracy.

Chomsky considers the communication networks to be a key tool for controlling society and a variable when analyzing the quality of democracy. He focuses on a type of control that is mostly exercised from the state. In this way, propaganda is a major issue in his

analysis of media manipulation (Chomsky, 2002). He refers to the media controlled by the state which is also important because as it has been explained, the transnational capitalist class used the state fraction in order to construct consent in different societies. When it comes to the analysis of Chomsky's perspective with regards to the global Corporatocracy, it is important to understand the current functions of the mechanisms of control.. In this project it is argued that the mechanisms of propaganda, public relations, opinion creation and selective perception are the tools of control available for the state fraction. In this way the corporatocratic interest is reinforced by strategies as public relations, selective perception, propaganda, and so on. In accordance with the theory expressed by Chomsky, some characteristics of this system serve the interest of the state fraction in manipulating public opinion. It can be argued that these components of our system contribute to the corporatocratic social control and global cultural homogenization. This is due to the fact that even if these strategies are not intentionally directed to this purpose, they indirectly influence society. This is done firstly, through the entertainment industry that distracts the public attention into banal issues; secondly, through the usual creation of fake problems to offer designed solutions that would not have been accepted by the public if it would not have been for that problem; thirdly, through announcing an unpopular decision in advance in order to give time to the public to assimilate to it and to perceive it as unavoidable; fourth, through having a poor quality educational system that keeps the people in ignorance so that they are incapable of realizing methods of manipulation; and fifth, through promoting the feeling that the citizens are responsible for the negative situations in order to take away the culpability from the government (Timsit, 2010). It can be argued that these strategies are a compendium of practices that the state fraction tries to impose on western societies. The use of the communication networks is absolutely necessary to carry out such an ambitious programmed manipulation.

## 5.3   The Independent Media

Society seems to be dominated by the influence of the transnational capitalist power. Nevertheless, as Castells argued, the power exists only in terms of relationships, and certain resistance to power is always present. In this sense the independent media can be considered one part of the media sector that is not influenced by the transnational

capitalist power at any level, but also a part of the resistance to power. Thus, the independent media is the only communication network that is not participating in the manipulation of the state fraction, as it is not owned by big corporations and not highly dependent on the advertising industry. Thus, independent media should be "free from state censorship and institutionalized self-censorship" (Kumar, 2006:5).

The media can be considered independent when it is owned by individuals or non-profit organizations. This concept of a free media sets aside options that could have a potential interest in manipulating the messages (Kumar, 2006). It can be argued that a system is more democratic if the independent communication networks have a relevant audience share. The independent media emerges today in the form of magazines, newspapers, radios, televisions and, more recently, on the internet in the form of blogs, social networks, radios, independent websites, and so on. In many cases these independent media share their news in exchange of full credit (Phillips, 2003). It can be argued that this represents a potential alternative to the programmers of the communication networks. Nevertheless, one must take into account that even thought the independent media are on the rise, the focus of this project remains on the major influence of the communication networks on the people.

Anyway, it can be argued that in relation to the quality of democracy, the more independent the media is within a system the more democratic this system is and vice versa. This is partly because a democratic system needs to have as much diversity as possible in order to be able to sustain a pluralist political system that can be representative of the society. Therefore, the independent communication networks are a sign of quality in democratic systems because they allow for a richer deliberation process, because they allow the people to know the reality they live in, keep the working unions informed and active about changes, and help to promote and enrich social movements for change (Phillips, 2003).

Then, it can be argued that an independent communication network, composed by hundreds of independent news sources, exits which contributes to build democracy. Even if the audience of this independent communication network is low in comparison with the corporatocratic media, their impact on society is increasing due to the spreading character of the internet.

It can be argued that a democratic state must promote the independent media if it is aiming to purify democracy. This perspective could "include improving journalistic skills and expertise, promoting the economic viability of independent media enterprises, reforming existing legal and regulatory regimes" (Kumar, 2006:5). However, in order to facilitate the development of the independent media, the democratic states have to play a proactive role to create an adequate framework that allows the free media to thrive. This is because the right to information is directly influenced by licensing laws, and the governmental institutions play a conditional role that affects the development of the independent media, such as the regulation of the telecommunications (Kalathil, 2011). This is important because it is related to the transnational initiative to regulate the telecommunications on the internet.

> "A strong, independent media sector needs the reinforcement of civil society. Complementary independent organizations—such as journalists' unions, professional associations, freedom of the press watchdogs, and media monitoring groups—ensure that governments are not impeding the free flow of information; they also ensure that media organizations themselves are adhering to high standards of professionalism and accuracy, and engaging the public" (Kalathil, 2011:10).

In this regard, it can be argued that since the intention of the transnational state fraction is contrary to any sort of purifying democracy intentions but rather to secure the corporatocratic interest, it is then an issue that should be handled directly by the people. Thus, it is a matter of social responsibility, in which the action may belong to civil society, activism groups, and so on. "In addition to civil society organizations, the public plays an important role in fostering an enabling environment for independent media" (Kalathil, 2011:10). In this paper, the independent media is considered to have a relatively small amount of impact on the construction of meaning in western societies, mostly due to its low audience and power of influence. Under the framework of the independent media one can find bloggers, digital magazines and other sources of free media on the internet with a huge potential diffusion but still far from being really influential with regards to public opinion in cases such as elections or support to military campaigns. This is because their target group is still limited and divided. Nevertheless, it can be argued that this is potentially so high that it represents a threat to the contemporary global establishment of power, the Corporatocracy.

It might affect and threaten the present governance of the corporatocratic transnational elite and it may influence the actions of governments that are already limiting this new

way of exercising the right to the freedom of speech. In relation to this, this project tries to anticipate the problems and implications related to the expectable increase of control, censorship and manipulation on the internet. Also , the possibility of increasing awareness about these issues and how possible is for the people to avoid the imminent limitation of freedom and the diminution of their rights.

# 6    The Internet in the Corporatocracy: a Mutual Threat

As mentioned in the previous chapters, the nature of the internet as a free space and the corporatocratic interests are incompatible mainly because the freedom of the internet allows the people to participate in the creation of the message in a communication network. The history shows that the transnational capitalist class is very attracted to control the communication networks in order to be able to use them in its favor. The internet is a relatively new communication network and because of that it is still unregulated in many aspects. Furthermore, it natures makes it difficult for it to suffer under oligopolistic influence or ownership. Consequently, the point that this project wants to make, is that it can be argued that the internet has the potential to be the main independent communication network and the platform for activism and social movements. This is so important and so attached to the people that it can be argued that it will be a time in which a governance dilemma will emerge: To regulate the internet towards democratic values or towards corporatocratic interests. In this regards, two main forces can be identified, the transnational corporatocratic elite and the people aiming a genuine democracy.

## 6.1    The Potential of the Internet as the Main Free Media

The internet is referred to as the main independent communication network because it has an undeniable potential in terms of growth, a diversified ownership and a relatively high independence from the advertising industry. The free nature of the internet makes it difficult to be changed into a controlled network (Phillips, 2003). This will be analyzed further in this chapter. Moreover, it is the nature of the internet that makes it a true independent communication network. Because it is "versatile, diversified, and openended, it integrates messages and codes from all sources, enclosing most of socialized communication in its multimodal, multichannel networks" (Castells, 2011:780). "The internet user can build from the bottom up and reawaken the democratic spirit of our society" (Phillips, 2003:12). It can be argued that this potential is applicable only to the online media. Therefore there are no other media, such as radio, TV or written press, which can become a relevant independent force. This means that the corporatocratic control over the media only can be threatened by the internet and

this could have huge implications on the legitimacy of the power mechanisms in the network society.

The strength of the internet can already be seen in the contemporary communication networks, as it is interacting and changing the ways through which the information is distributed. This can have an impact on making the rest of the media more democratic. In this sense, Kalathil describes it as follows: "Journalists and traditional news media organization realize that new media forms and applications (websites, blogs, social networking media, cell phone messaging, crowdsourcing, and other innovations) are having a profound effect on their work. New technologies are not simply being incorporated into the rules of the media game, they are changing the rules" (Kalathil, 2011:55). Another characteristic of the internet is that every message has the potential to become a virally diffused message, so the internet is able to reach the public as a whole. This implies that the messages created by people are diffused on a large scale but are out of the programmers control and therefore escape corporatocratic manipulation.

With regard to the internet, Castells argues that it is a communication media that facilitates a different way of constructing meaning in the minds of the people. The internet's "face-to-face communication is a significant part of the communication process. And each individual human mind constructs its own meaning by interpreting the communicated materials on its own terms" (Castells, 2011:780). In this way the process of deliberation is less influenced by the corporatocratic manipulation. The internet user is the programmer of the message and this is distributed by sharing it, something that is defined by Castells as "selfcommunication" (Castells, 2011:780).

In some way this may appear to be a paradoxical situation, because the more "corporations invest in expanding communication networks (benefiting from a hefty return), more people build their own networks of mass selfcommunication, thus empowering themselves" (Castells, 2011:782).

On the internet the main difference with regards to the message is that the people play the role of the programmers and the message is formatted in many different ways. Then, if we assume that we live in a society with people that have democratic values, this must means that the message that the programmers create is based on such values. Consequently, the information in aggregated terms, will not respond to any particular

manipulation. This will enrich the right to information, the deliberation process and the democracy. Thus, the people build their own knowledge and strengthen democracy.

However, at the present, a lot of the information on the internet is still relying on the traditional communication networks, diffusing the messages processed by those networks (Castells, 2011). This, together with the state fraction that attempts to regulate and control the internet, are the main obstacles for the internet to became the main independent communication network. Nevertheless, it can be argued that the rapid growth of the participation on the internet and the effect of the online social networks on public opinion might make the internet a sanctuary of freedom. This is already happening in some segments of the public sphere, such as among intellectuals, activists and people critical towards the system who consider the internet as their network for communication and even for organization, as it has been seen in the social movements pro-democracy such as the Arab Spring, the Spanish *Indignados* and Occupy the World.

## 6.2    The Internet as the Activists' Communication Network

In the last decade the internet has been used for the sake of social mobilization in numerous societies around the world. Focusing on the western countries it can, in accordance with the purpose of this paper, be argued that the main social movements have been organized in the online social networks, such as Facebook or Twitter (Stiglitz in Castells, 2011). This is the case in current social movement pro-democracy that is presently taking place in western societies, especially in the countries where the crisis has had a strong impact on the people. It can be argued that the movement Occupy the World has its origins in Spain during the protest of young people against the low representation of democracy in May 2011. The inflexion point that made this protest famous and transnational is the fact that the protesters were not pointing at any Spanish institution as the culpable. People were protesting against the influence of the global financial elites and their influence on the Spanish political matters. In other words, people were pretesting against the transnational financial networks influence on the state fraction in Spain. The name of the Occupy movement comes from the camps that were installed in the middle of *Sol* square in Madrid. Moreover, this movement became internationally known only when it was notoriously noisy in New York. Before that, most of the international media were using both of Chomsky's strategies: Selective

Perception and Representation as Reality, in order to undermine the effect of the protests and it expansion.

The social movement Occupy the World have a high diversity of goals because of its international nature. Nevertheless, the common objective internationally is to change the corporatocratic system in order to get a more representative democracy. Among other things, these include political reforms, especially with regards to the political parties, national and international institutional reforms, reform of the private creation of money, etc. All directed to achieve a higher equity nationally as well as internationally.

It can be argued that the coverage of this movement by the media in the western countries followed the instructions given by the programmers of the communication networks. While the movement was occurring merely in Spain, in most of the countries the most diffused message was related to the high unemployment that the country was suffering, especially among the young people. While it can be argued that this could be one of the motivations for the enormous amount of people on the streets, the fact is that the media did not reflect on what the people were protesting about. This is an example of the use of the strategy of Selective Perception. This is probably because it was not one of the interests of the transnational capitalist class to have these concepts extended around the globe. Nevertheless, the messages of the movement were transmitted through the online social networks mainly because the Spanish *indignados* created hundreds of street assemblies around the country. These assemblies were connected to few websites and pages on Facebook on which the conclusions of the deliberations were and are published. This means that an alternative communication network was created, in which the programmers are the activist people and the messages are published on the online social networks. Nowadays this movement has expanded internationally and the main references that the mass media is diffusing are merely related to the Occupy Wall Street which is just the New York branch of the Occupy the World movement. This is an example of the strategy Representation as Reality, because the issue is published partially. Yet, it can be argued that the main demands of the movements are still not being broadly published by the media and that the media coverage with regards to this transnational democratic social movement is relatively low.

The role of the media has been destructive with other social movements as well, as in the case of the one labeled as anti-globalization movement. In reality they were

protesters "against the policies that supported one-sided economic globalization without social and political control, and, moreover, against the discourse presenting this specific form of globalization as an irresistible historical trend" (Castells, 2009:339). This is one more example of how the communication networks serve the interest of the corporatocratic interests using the strategies explained by Chomsky.

With regards to the internet as a platform supporting the organization and the diffusion of social movements, Bennett expressed that:

> "various uses of the Internet and other digital media facilitate the loosely structured networks, the weak identity ties, and the issue and demonstration campaign organizing that define a new global politics...It seems that the ease of creating vast webs of politics enables global activist networks to finesse difficult problems of collective identity that often impede the growth of movements...The success of networked communication strategies in many issue and demonstration campaigns seems to have produced enough innovation and learning to keep organizations emerging despite (and because of) the chaos and dynamic change in those organizations...The dynamic network becomes the unit of analysis in which all other levels (organizational, individual, political) can be analysed most coherently" (Bennett, 2003 in Castells, 2009:343).

It can be argued that the importance of the internet in our society is increasing on different levels. The potential influence on the political and organizational levels is the one that has emerged most recently. In this regards, Juris goes as far as to argue that the internet and more concretely the selfcommunication networking should be a social goal: "The self-produced, self-developed, and self-managed network becomes a wide-spread cultural ideal, providing not only an effective model of political organizing but also a model for reorganizing society as a whole" (Juris, 2008 in Castells, 2009:345). Additionally, it can be argued that it is undeniable that the networking dynamics of the internet allows the emergence, existence, organization and growth of social movements that challenge the Corporatocracy. With regards to this, Castells argues that "[b]y advocating the liberating power of electronic networks of communication, the networked movement against imposed globalization opens up new horizons of possibility in the old dilemma between individual freedom and societal governance" (Castells, 2009:346). Thus, it can be argued that western societies are facing a challenging election between the continuation of the Corporatocracy or an increase of the information, participation, and responsibility of social governance, in other words, a genuine democracy.

## 6.3 Transnational Legislative Action to Regulate the Internet

It can be argued that the influence of the transnational capitalist class is behind the recent legislative initiative in the western countries. In this sense, the transnational capitalist class would be coordinating the bases of the control of the internet as a mass communication mean. This is happening nowadays in several countries often arguing that it is done in pro of the copyrights. Nevertheless, it has been argued that these policies goes further than the mere control of the copyrights. The present transnational regulation of the internet that is being made by the state fraction will be explained. This is done in order to give a clear view about how the corporatocratic power is already aware of the threaten condition of its interests. Therefore, it can be argued that the transnational capitalist class has considered the regulation of the internet as one of its primary goals because of its vital importance to assure the global Corporatocracy.

### Transnational Action to Regulate the Internet

The most relevant information about these types of legislation appearing nowadays all around the western countries is the fact that all of them have a common objective and that all of them have appeared simultaneously. Recently and relatively at the same time in the European Union and in the United States of America, laws and bills have appeared with the same direction towards the regulation of the internet. It can be argued that this coordination to initiate legislative actions would only be possible if these actions were instigated by a transnational state. Thus, it can be argued that the transnational capitalist class has influenced the emergence of these legislations that protect its interests.

The most representative bills are the American Stop Online Piracy Act (SOPA), the Protect IP Act (PIPA) and The Cyber Intelligence Sharing and Protection Act (CISPA) bills and the European Anti-Counterfeiting Trade Agreement (ACTA). These bills have appeared in the recent times and independently from their approval or disapproval, the fact that matters is that there is a strong regulatory intention from the side of the transnational state fraction. Moreover, it can be argued that the state fraction must be pressuring the legislative power intensely, because when the bills are not successfully

approved, they are proposed again. The purpose of this paper is to clarify the common features of these laws in order to point out that they constitute a transnational action towards the limitation of the internet, and thus constituting a violation on the freedom of speech and a denial of the right to information.

**The American Initiatives, PIPA and SOPA:**

PIPA and SOPA were introduced to the Congress of the United States in 2011 with the aim of preventing the transmission of copyright material on the internet without permission from and compensation to the holders of the copyrights of those materials. PIPA was introduced in May of 2011 and SOPA has been withdrawn because of the strong internet movement opposing it in 2012 (Gainer, 2012). These two bills had the intention of restricting the development of web services to foreign websites and avoid its revenue if these websites are considered rogue by a US court (Band, 2012).

The Project IP Act of 2011 became internationally known as PIPA. This bill intended to combat scoundrel websites in order to avoid that they infringe activities in foreign territories. If one website is identified as such, the operators of the domain name systems and the web-service provider would be responsible for enforcing a possible court order and stopping the access to the alleged rogue website. Furthermore, even if the alleged rogue website demonstrates that the copyright claims were false, the bill does not include any instrument to compensate for the damages made to the website through the before mentioned measures. In the same path, "no provision was made for action to be taken against copyright claimants who make arguably frivolous claims" (Gainer, 2012:19). Thus, the bill grants the providers of the web-service immunity against suits coming from the websites affected by the cutting off (Gainer, 2012). In the case of the Stop Online Piracy Act, SOPA, even if there are technical differences, the essence and basic approach is overall the same as PIPA's (Band, 2012). It was introduced in October 2011 to the House of Representatives of the United States with a bipartisan support. It planned to restrict the activities of foreign rogue websites. In the same way PIPA did, SOPA attempted to impose responsibilities on web-service providers upon a court order, is terms of blocking the suspicious sites under the same conditions of PIPA (Gainer, 2012).

In other words, the consequences that the implementation of these bills would imply are vast. First of all, if a user enters the domain name of a rogue website into the browser, the internet service provider would not connect the user to this non-US website. Secondly, the main search engines placed in the American territory would be required to switch off the links to these websites. In addition to that, these bills prevent the American internet advertisers from placing advertisements on the rogue websites. Finally, PIPA and SOPA also prevent the payment systems such as Visa or MasterCard to provide their services to these websites. Some facts related to these bills are considered very relevant for this paper. For example, "under SOPA as introduced, advertising networks and payment systems would be required to terminate service to websites within five days of receiving an allegation of infringement from a rightsholder, without any judicial determination of wrongdoing″ (Band, 2012:7). Another relevant fact that the bills apply to websites both within the US but also outside the US and they can therefore have implications for other countries, even if they are outside American jurisdiction. As expressed by the European Parliament: "[c]onsidering the world wide character of the internet, European companies will be forced to adhere to US standards to prevent DNS blocking." (Moody, 2012 in Band, 2012:7).

The reaction to the bills was diverse, but very remarkable in the case of the detractors because among them the most representative companies of the internet and computer industries nowadays such as for example Facebook, Google, Ebay, Mozilla, Wikipedia, IBM, Dell, Apple, could be found (Gainer, 2012). These companies were leading an online movement to prevent the approval of these bills which was followed by over 115,000 websites with an impact on more than a billion users. In addition to this, over 10 million users signed petitions for the protest against SOPA and PIPA (Band, 2012). But not only internet or computer related businesses were against these bills, also groups defending civil rights, such as the American Library Association, the Electronic Freedom Foundation and the Human Rights Watch, protested. This opposition resulted in the withdrawal of both the bills on the 20th of January 2012, after an online blackout protest followed all around the world, by seven thousand websites exercised on the 18th of January 2012 (Gainer, 2012).

These laws cover a large range of issues related to the internet, but the most important issues that they have in common is the intention to control the internet through the operators of the domain name systems and the web-service providers. This is a clear

attack to the internet from above, because it means the introduction of programmers that will be placed in the state fraction. This, together with the considerable lack of a democratic base in the process of assigning a website as rogue is enough to be able to assume that the internet can potentially end up being controlled if these kinds of legislations thrive.

## 6.4 Prospects and Challenges: The End of the Internet as a Free Media versus Democratic Regulations

It can be argued that from a corporatocratic perspective, the western countries are facing a change, in which the system will either end up becoming a more genuine democracy driven by the people or the global Corporatocracy will take control over the internet. The difficulties of controlling the internet have been already described. Nevertheless, the first option of amending the system into becoming more democratic is not that easy either. There are so many different factors and forces in this game that it makes it unpredictable. However, it can be argued that a struggle between the transnational state intentions and the desires of the majority of the people exists.

In this project the end of the internet as an independent communication network is tantamount to the triumph of the goals of the corporatocratic system. The transnational capitalist class has already realized that the internet is threatening their interest as corporations, not only because of the corporative losses deriving from the misuse of copyright on the internet but because of its very nature. Consequently, it can be argued that the TTC has already planned how to limit the freedom on the internet. Moreover, this has been done historically on a national level every time a new mass communication media appeared. It is therefore expectable that the global Corporatocracy will aim to control the internet, so that this free media will consequently suffer from control sooner or later in the same way the other means of mass communication have. But it can be argued that this time it is somehow different because the internet is a global issue, and if the control of it has to be effective it has to be implemented on a transnational level and optimally through a simultaneous action. This, together with the difficulties related to controlling the internet, such as for example its free nature and its global character and interconnectedness, show that it is probably a long-term issue.

As it has been described in the Transnational Capitalist Class theory, the TCC has the power to influence the transnational state and the state fractions in order to design policies in the western states. Therefore, if the Corporatocracy has the intention of controlling or limit the internet and if it is assumed that they have the power to do it, it can be argued that it is just a matter of time before they find the way to do it. This way to do it should, as usually, be very subtle, because they still have to pretend that these western countries are democratic. Even though, and with a majority of the people against that control, the transnational capitalist action with regards to some specific regulations has already started with some particular achievements, but not without resistance.

On the other hand, the long term requirements for the control of the internet is something that gives the social movements time to organize in order to make a change. If these social movements pro-democracy get to have an impact on the public opinion of the general public, then a loss of support to the traditional corporatocratic apparatus is likely to occur. Thus, that would be the start of a new system based on democratic values, a genuine democracy driven by the people. In such a democratic system one could imagine that the independent media would be promoted and the strategies of manipulation punished. With regards to the struggles between the Corporatocracy and the democratic movements, it can be argued that the Corporatocracy is the weaker one of the two forces. This is because of the fact that the perpetuation of the current system depends on the people's belief in it. In this sense, the growth of the social movements is likely to be high due to the internet, independent press or even mobile networks. Thus, it can be argued that if the people's awareness grows faster than the transnational movement to regulate the selfcommunication networks, then the change toward genuine democracy is possible because the people may lose their belief in the current system. Nevertheless, in this paper it is argued that the future development with regards to this matter is quite uncertain, as it is a global issue that depends on a huge spectrum of forces and factors that make it relatively unpredictable.

# 7    Conclusion

In this paper, the main factors and forces that play a role in the current struggle between the Corporatocracy and the movements aiming at creating a genuine democracy in the western countries have been taken into account. In order to do so, the transnational capitalist class have been defined and explained. With regards to this, it was found that the global structure of the corporatocratic system and the driving forces behind the capitalist globalization are serving the interests of the transnational capitalist class. The expansion of the power of the transnational capitalist class was described as having occurred rapidly due to the process of globalization. Globalization has been the perfect framework because it allows capital to move freely around the world. Globalization has also been the framework to promote the neo-liberal ideology and the western culture around the world.

The way this transnational capitalist class exercises its power in a transnational form has been explained through the theory of power and the network society explained by Castells. This theory has been very helpful in enhancing the understanding of where the power lies in contemporary western society, how this power is exercised, how the main power relationships function, and what the most important networks for the power are. In this way it was found that the communication networks are placed in the center of the struggle between the movements aiming for a real democracy and the corporatocratic elite.

The communication networks are mainly corporations that need to live up to the shareholders' desires, the advertising industry or even the state intervention, such as propaganda. It can be concluded that this dependency on other organizations or institutions emphasizes the fact that the communication networks are being manipulated, mainly by their owners, the financial networks.

The programmers of the network society play a crucial role in designing these networks according to the interest of the corporatocratic system. These programmers are mainly represented by the financial networks which are interested in perpetuating this establishment of power. With this motivation, the financial networks exercise their power over the communication networks with regards to the manipulation of the information distributed to the people.

When it comes to the right to information as one of the key components of a democratic system, this project has argued that the current manipulation of the information makes the system lose its democratic quality. This is because a democratic system depends on the deliberation process, which has to be done with complete information of the reality; otherwise the democracy is just a fantasy. Thus, the right to information must be totally guaranteed in a democratic system, otherwise the ones controlling the information, control the public opinion and, through that, the elections or the people's will. This is the case nowadays, when the programmers have the power to direct the public opinion using different techniques.

The strategies used to manipulate the messages have been explained through using the theories described by Chomsky. Even though these strategies focus mainly on the state tools of manipulation and creation of consent, these strategies are being used also transnationally. This is because the source of the news internationally is the information agencies which are transnational corporations and they constitute an oligopoly themselves. Moreover, it can also be seen as a consequence of the fact that the state fraction guarantees that the interests of the transnational capitalist class are kept in every state. This perpetuates the duration and the stability of the corporatocratic system as a whole. That is why it is so important for the Corporatocracy to keep the public in ignorance with regards to the matters of governance. Thus, the independent media in a certain dimension would imply a threat to the continuation of the Corporatocracy.

In this paper, it can be concluded that the independent media with the highest potential is the online media and the online social networks informative functions. This is also known as selfcommunication networks, which have the potential of being the independent media of the future as well as the platform for social pro- democracy movements.

It has been founds that there currently is a struggle between these social pro-democracy movements and the corporatocratic forces. In this sense it might be too early to conclude what results of this struggle may be. Nevertheless, in this paper the different threats and opportunities have been analyzed for both of the sides, in order to give a clear view of what is happening in our days. Thus, there are two opposite main paths that have a high probability of occurring with regards to the future system: Either the western societies are currently moving towards a democratization of the institutions

nationally and internationally followed by a promotion of the independent media or the people will be losing their freedom of speech on the internet and face a stricter control of their lives, enriching the currently existing Corporatocracy.

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