



Manufacturing Neoliberalism: How the Council of Foreign Relations Marketed Global Capitalism

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There are conspiracies! Some are secret and others overt. The most important of them usually have a public and a private aspect. Yet even those with plenty of data in the full light of day are secret in one sense: they are barely known by the general public and mostly ignored by those who are supposed to be telling us what is going on and what makes things happen: scholars, journalists, and pundits. Thus the obscurity of the Council on Foreign Relations. It may surface as a tagline for the wise men and women of NPR and PBS forums, but its workings and impact remain largely unexamined.

Wall Street's Think Tank by historian Laurence Shoup is a much awaited sequel to *Imperial Brain Trust* (Shoup and William Minter, Monthly Review Press, 1977). This is how he describes the CFR:

The think tank of monopoly-finance capital, the Council on Foreign Relations, is the world's most powerful private organization. The CFR is the ultimate networking, socializing, strategic-planning, and consensus-forming institution of the U.S. capitalist class. It is the central "high command" organization of the plutocracy that runs the country and much of the world. (p. 7)

He sees its purpose as promoting the "US dominated world spanning neoliberal geopolitical empire." Its views have been absorbed by many as "common sense."

Even if this is an exaggeration it is not by much, yet few bother to take it into account or even to refute it. Respectable political scientists don't dare to mention the CFR as a political power. A search on EBSCO for "Council on Foreign Relations" in the *American Political Science Review* yielded no results for the term in the title, abstract or subject terms of an article or review. The discipline's more informal journal, *PS: Political Science & Politics*, had 3 returns, one about CFR fellowships available and 2 mentioning appointments of professors to the Council. Another search for any occurrence of Laurence Shoup in all EBSCO databases had 18 returns. Eight of them were articles by Shoup, three others referred to his work in California history, and 2 were *Library Journal* reviews of *Imperial Brain Trust*. Of these, one was highly favorable, by a left-wing professor. There was a negative 1/8 page review in the CFR journal, *Foreign Affairs*, and also brief negative reviews in the *Annals of the American*

Academy of Political and Social Science and in *International Affairs*, the journal of the Royal Institute of International Affairs (London), a partner of CFR.

Journalists are likewise mostly silent about this organization, as well as its network affiliates such as the Trilateral Commission and the Bilderberg meetings. Attempts to describe the CFR as a powerful political entity are dismissed as right-wing conspiracy theories. Indeed, both the left and the right are critical of this establishment organization, which has not led the United States or the rest of the world into peace and prosperity. One would not be contaminated and could learn a few things from James Perloff, *The Shadows of Power: The Council on Foreign Relations and the American Decline* (Western Islands Press, 1988). Perloff complains that investigative news shows like *Sixty Minutes* don't expose the "Trilateralist-CFR hold on our government" (p. 178). *The Nation* magazine exhibits a particularly notable silence. While it publishes a rare article on some scandal in the CFR, it does not report on the role it plays in our political system, or the benefits several *Nation* editors receive from membership therein. Noam Chomsky has written: "The first serious book dealing with the [CFR War-Peace] studies has just appeared (Shoup and Minter, *The Imperial Brain Trust*, Monthly Review, 1977), to a resounding silence in the press."^[1]

The CFR was founded in 1921, with a membership of corporate and academic people. The officers were mostly "Social Register" types; many were bankers. Funding and sponsorship came from the Rockefeller and Carnegie foundations. Its purpose was to project U.S. political and economic power throughout the world; increasingly it has seen military domination to be necessary for this goal.

One reason CFR is so influential is that it is both a think tank and a membership organization. The policies developed are transmitted via study groups and committees to the membership of academics, journalists, and businesspeople, who can then share their expertise with their own audiences. Books, reports, *Foreign Affairs* journal, newspaper op-eds, and frequent appearances on public television also promote CFR views to the attentive public. Networking reinforces CFR power: the leaders of most major think tanks are usually CFR members or directors; this is less true of Cato, Hoover, and Heritage. CFR is heavily represented on the boards of corporations, foundations, universities, lobbies, and media, and affiliates with many foreign and international organizations. Ten of 23 directors of the National Endowment for Democracy, our government foundation promoting regime change overseas, were CFR members. There is also corporate membership in the CFR. Military contractors, finance firms (for example, Carlyle and Blackstone), and major multinational corporations, including some foreign ones, are well represented.

Transmission upwards is also a cinch: the majority of leaders and advisors in national politics are CFR members. This is facilitated by a unique feature of our system. The top people in the Executive Branch, administrators and advisors, rarely come to those jobs by working their way up in political parties; they are drawn from think tanks, other non-governmental organizations, academia, business, and the media. Nevertheless, Congresspeople also find membership helpful to their careers.

While those who already have powerful positions are invited to join the CFR, and find it useful to do so, the Council is a stepping stone for ambitious outsiders. The “blending together of leading men and women of wealth and economic power with men and women of brainpower is a central part of what makes the CFR unique and so important” (p. 21). Shoup illustrates this with the case of Condoleezza Rice:

The year 1984 saw the election to membership of this obscure junior academic who would later play a key role as National Security Adviser and Secretary of State in the George W. Bush administration. . . . [She was] elected to membership during the ongoing diversity drive. . . . The rise to prominence of Condoleezza Rice took place to a large extent through her association with the CFR. This was reminiscent of Henry A. Kissinger’s rise to power a quarter-century earlier. . . . [S]he was appointed to corporate directorships at Chevron, Transamerica, and Hewlett Packard, to higher positions at Stanford, and met and mingled with members of the Bush family. (pp. 60-61)

Even if one is not interested in political positions or influencing policy, membership has many personal rewards: “There are many former professional-class directors of the Council whose knowledge, intellectual skills, and judgment have resulted in their assimilation into the capitalist class” (p. 50). From the outset, Jews were admitted into the CFR, but only in recent years were there women and black members. Republicans and Democrats are equally welcome. The neo-cons of the Project for the New American Century were also interlocked with the CFR; Shoup reports that 63% of the contributors to their reports were CFR members (p. 110). While Obama is not a member, CFR is strongly represented in his administration in the top foreign policy positions as well as many domestic cabinet-level people such as Timothy Geithner of Treasury and Sylvia Burwell of Health and Human Services. Shoup calculates that during the period of 1976-2014, 80% of top government policy positions were held by CFR members, and 70% of the advisory boards.

Shoup identifies the CFR worldview and strategy as neoliberal, free market, corporate globalization, seeking investment and profit opportunities everywhere in the world. “[N]eoliberalism promotes the big, powerful, coercive activist state for the capitalist ruling class and the small weak state for everyone else” (p. 166). It requires the destruction of the welfare state and ecological protections. While it may operate through “soft power” and global management institutions such as the World Trade Organization and the United Nations, it often requires military conquest and occupation. Shoup describes the central role of the CFR in the decisions to invade Vietnam and Iraq, and to instigate a coup in Ukraine.

Recently, CFR policy statements have supported the activities of the Special Operations Forces, which are active in more than 100 countries, conducting raids and death squads as well as softer techniques in the form of “humanitarian” aid. As for drone strikes, CFR statements note that they have been causing bad feelings in our “host” states and advises their continuation with restrictions, such as “Never conduct nonbattlefield targeted killings without an accountable human being authorizing the strike” (p. 264).

There have been warnings of the seriousness of the ecological crisis in CFR reports and *Foreign Affairs* articles, yet Shoup argues that their relevant policy statements ignore or trivialize these

risks. He maintains that the capitalist system threatens the entire web of life. His analysis, showing *how* government comes to operate as the executive committee of the ruling class, is inspired by Marxism. His solution, however, is not Marxist. He seeks a democratic ecosocialist system, supporting local economies and practicing peaceful resolution of conflicts. “Only mass social movements worldwide can now save the people and the planet” (p. 307).

Wall Street's Think Tank is a very important book, and its information is essential for an understanding of how our politics, and the world's, has come to its sorry state. It may be too detailed for some readers, but the subject deserves as much airing as possible. Perhaps it is ungenerous to ask for more from Shoup, but in addition to the ecosocialist dream, which many of us share, he might have provided some ideas on how to diminish the power of the CFR and its brother institutions, short of revolution. More discussion of interlocking yet possibly rival power centers, such as the military-industrial complex, and NATO as an increasingly world-wide establishment, would be useful.

On the gloomy side, the greatest threat to life on this planet may not be the slow march of ecological catastrophe, but the sudden one of a nuclear conflagration. On the bright side, the opposition to capitalism worldwide seems to be swelling.

Notes.

[1] “The Carter Administration: Myth and Reality” *The Australian Quarterly*, Vol. 50, No. 1 (Mar., 1978), pp. 8-36.