

Heuristically Algorithmic

International Business Machines had caught my attention. In 2006 I rented a Ford Sedan in New York City in order to visit the IBM headquarters in Armonk and the research centre in Rochester located in the lush and prosperous area north of New York City. Driving around in this green and verdant area upstate New York where one finds small bakeries, fishmongers and butchers which hardly appears in contemporary America made me wonder if this cooperation was a phenomenon of the past or whether I was encountering some fictional future scenario.

In 1911 the three corporations The International Time Recording Company, Tabulating Machine Company and the Computing Scale Corporation merged into what became the Computing Tabulating Recording Corporation. This is the ancestor of the corporation later named International Business Machines. The merger was carried out by Charles Ranlett Flint, an investor and business man whose fortune stemmed from guano excavation off the west coast of the Peru. Guano is excrements from boobies, cormorants and pelicans and was widely used as fertilizer before the invention of the synthetic nitro phosphate.

Prior to this merger, the archaic IBM companies were mainly dealing with cash registers and office equipment and, a bit later, also involved in the development of the punch card and punch card tabulators. Furthermore, they were focused on the shaping of salesman strategies as well as early management and recruitment plans which even today can be seen as one of the cornerstones in the IBM corporation, a corporation not aiming at physical products as such, but rather as a service provider that manages the immaterial infrastructure of our civilization.

All the way through the 20th century IBM was always slowly but surely expanding. As a financial venture it was always a secure investment for the stockholders, and was perhaps the blue chip paper above any other share at the stockmarket. The twentieth century IBM was also what could be labeled a family business: in the period 1914-1956 Thomas J. Watson, Sr. was the CEO of IBM, and his son Thomas John Watson, Jr. followed him in the period 1956-1971. The corporation demonstrated how research and investments in futuristic projects formed a revolution that changed the conditions for everybody in the industrialized world more than any other singular corporation has ever done. While turning capitalism into an avant-garde activity this forerunner position was also tied to more classic virtues such as a rather formal dress code, moderation, a somewhat uptight attitude, and relatively close ties to politicians and lobbyists.

During the depression of the 1930's, IBM was one of few corporations that was still hiring employees and was one of the key supporters of the New Deal program launched by president Theodore Roosevelt in order to revitalize the American and global economy after the Wall Street crack of 1929. Even before that IBM was one of the first companies to initiate social benefit programs for its employees, summer camps, teambuilding and open office landscapes. *Think* and *World Peace Through World Trade* were Watson's mottos during the thirties, although it did not help much. On the other hand, the war helped IBM in the sense of a fast expansion of the company. One might say, that the winner of the Second World War was the United States of America in collaboration with IBM.

The punch card technology and later proper computers were developed through large scale research programs that caused several situations close to bankruptcy. However, IBM always managed to convince the government, universities and the military to buy some of the early large scale computers, even if these machinery were mostly an experimental piece of equipment whose actual use was in fact rather limited. Meanwhile producing mainframe computers such as IBM 700 and later system 360, another important income came from more prosaic products such as typewriter and other office related consumer products, that later developed into the personal computer. In the mid nineties IBM backed out from this more complicated consumer

market and has since then been back at the core of their activities; big clients such as the military, telecom, banking and governments who need reliable and secure systems and services. Despite its disappearance from the public eye, the company now employs around 400.000 people in 170 countries. In 2009 the revenue 103.640 billion USD with a net profit of 12.344 billion USD.

Even though less observable than during the twentieth century, the corporation IBM is still in everybody's life without we know it, facilitating money transfers, military surveillance or calculating pensions. An omnipresent Heuristically Algorithmic Computer that sets the primary conditions for capital, work and life, as a grey eminence in a cluster of opaque fog chambers.

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