

RIP IPE

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'Theory is always *for* someone and *for* some purpose',
Robert Cox (1981: 128).

Introduction

The article from which this frequently cited maxim is taken (Cox, 1981) is the founding document of critical IPE. It adopts a flawed position that the approach has never overcome, stemming from its simplistic contrast between 'problem-solving' and 'critical' theory, and the misunderstanding and underestimation of liberal problem-solving theory arising from it. Taking two recent attempts to breathe new life into IPE (Payne 2005a, Phillips, 2005a) as indicative, I argue that critical IPE still reflects and reproduces these flaws, and has not pursued let alone progressed beyond the agenda set out by Cox. Instead, it has allowed itself to be hegemonised by 'US' IPE, and has come to serve its empire-building and ideological purposes. In short, it is defunct; it has ceased to be critical, and should be pronounced dead and left to rest in peace.

Critical IPE, 1981-2005

Cox prefaced his attempt to "sketch a method for understanding global power relations" (1981: 128) by drawing attention to the emergence in global politics of new actors ("different kinds of states, and non-state entities") and new issues ("low as well as high politics"). States could no longer be considered in isolation from their domestic or social attributes; and as the distinction between state and civil society was *constitutive* of international relations theory, IR could neither recognise the state-society complex as "the basic entity of international relations", nor explore "the prospect that there exist a plurality of forms of state, expressing different configurations of state/society complexes" (ibid: 127). On this basis, Cox ended his prefatory remarks with three 'warnings':

look at the problem of world order in the whole, but beware of reifying a world system. Beware of underrating state power, but in addition give proper attention to social forces and processes and see how they relate to the development of states and world orders. Above all, do not base theory on theory but rather on changing practice and empirical-historical study, which are a proving ground for concepts and hypotheses (128).

That was where critical IPE was in 1981, and where at best it remains today.

Thus Phillips begins by accepting that the study of IPE “remains entrenched in a highly specific and narrow set of theoretical, conceptual and empirical foundations” (2005b: 1), and that these derive from its continuing privileging of the past and present experience of the core triad of advanced industrialized economies. She then reproduces Cox's 1981 programme point for point: where Cox called for a focus on 'world order as a whole', Phillips calls for a perspective that can “encompass and account for the *whole* of the global political economy and the nature of its constitution” (Phillips, 2005b: 1); where Cox called for greater attention to comparative political economy (Cox, 1981: ft 36, 154-5), Phillips wants a “constructive engagement” with it (Phillips, 2005b: 10); where Cox rejected the division between the domestic and the international, Phillips laments IR's “profound bifurcation of the study of domestic politics and the study of international politics” (ibid: 15); where Cox advised against excessive structuralism, Phillips advocates a “project of meshing structure and agency” in order to overcome “the excessive structuralism and economism that have widely been deemed to be characteristic of IPE” (Phillips, 2005e, 255); and where Cox advocated attention to the agency of social forces, Phillips enters her plea for a focus on “the social, *as well as* the territorial, nature of the key fault lines in the global political economy” (ibid: 267). Nothing, it seems, has changed.

With so much to be done, though, the project of 'Globalizing IPE' is surprisingly modest in scope. It is “conceived as identifying an agenda and a direction for its further development, but not as requiring or inviting a single strategy for doing so”: all that is possible for the time being is “to begin to construct ideas about the core foundations on which a 'reworked' IPE might come to rest” (Phillips, 2005e: 246). So a project that begins with the assertion that “there remains very little consensus on what IPE is actually about, and what its core concerns, characteristics and contributions are or should be” (Phillips, 2005b: 11) ends by declining, on principle, to develop a clearly articulated theoretical position of its own. Its opponents are hardly likely to be quaking in their boots.

The judgement that critical IPE has not progressed since 1981 is emphatically confirmed by Payne's contribution to the same collection. After reviewing a number of approaches to global governance, he claims no more than that the best work on this theme within IPE has provided “a sense of the interlinking of structure and agency”, and that “IPE, in short, has established that globalization is being governed” (Payne, 2005b, 78-9). As to just *how* it is being governed, he

is more circumspect:

From that basis, however, an important, and as yet unanswered, question arises, namely: what kind of world order, politically speaking, does this apparatus of governance constitute? To be fair, it is a question which IPE cannot at the moment be expected to answer. ... It is apparent that the old image of a Westphalian system of states, each ruled from the top down by a government operating largely in command mode, will no longer suffice. Indeed, it probably never did. It is equally apparent that world government remains a fanciful prospect. What falls in between? We do not know (ibid: 79).

The question of world order a question which IPE cannot be expected to answer? But this was *the* question that Cox set out to answer, in 1981. Hence his recommendation, cited above, to start with "the problem of world order in the whole." And *his* starting point was that "the old image of a Westphalian system of states" would no longer suffice. How has it come about, then, that after a quarter of a century critical IPE is so bereft of ideas, and so little able to take its own original project forward? The answer to *that* question begins with the flawed contrast that Cox drew at the outset between problem-solving theory on the one hand, and critical theory on the other.

'Me-clever-you-stupid':¹ critical versus problem-solving theory

Cox's contrast between problem-solving theory and critical theory consists of a set of points common to all theory, and a point-by-point contrast between the two types. It merits closer critical attention than it has hitherto received. Its first element consists of a six-point model of theory in general: (1) it is (as we have seen) 'always *for* someone and *for* some purpose'; (2) it always has a *perspective*, a standpoint from which the world is seen; however, (3) "sophisticated theory is never just the expression of a perspective"; the more sophisticated it is, "the more it reflects upon and transcends its own perspective" (ibid: 128); (4) the "enveloping world" raises issues for each such perspective, "pressures of social reality" which "present themselves to consciousness as problems", and of which theory must become aware; so (5) "as reality changes, old concepts have to be adjusted or rejected and new concepts forged in an initial dialogue between the theorist and the particular world he (sic) tries to comprehend"; and (6) "this initial dialogue concerns the *problematic* proper with a particular perspective";² social and political theory, always history-bound at its

¹ I have borrowed this fine phrase from Steve Smith (2000: 379)

² In later versions of this statement, 'with' is corrected to 'within'.

origin, "attempts to transcend the particularity of its historical origins in order to place them within the framework of some general propositions or laws" (ibid).

Two points of significance emerge here. The first (a familiar and uncontentious claim) is that no social or political theory can claim to be value-free. The second, less often remembered, is that *all* theory proceeds by confronting 'problems' thrown up by the enveloping world. For Cox, the difference between 'problem-solving' theory and 'critical' theory is *not* that one solves 'problems' and the other does not. It hangs, rather, on the *purpose* that theory serves:

Beginning with its problematic, theory can serve two distinct purposes. One is a simple, direct response: to be a guide to help solve the problems posed within the terms of the particular perspective which was the point of departure. The other is more reflective upon the process of theorising itself: to become clearly aware of the perspective which gives rise to theorising, and its relation to other perspectives (to achieve a perspective on perspectives); and to open up the possibility of choosing a different valid perspective from which the problematic becomes one of creating an alternative world. Each of these purposes gives rise to a different kind of theory (ibid).

Problem-solving theory, in accordance with this distinction, has six key characteristics: (1) "it takes the world as it finds it, with the prevailing social and power relationships and the institutions into which they are organized, as the given framework for action" (ibid); (2) its aim is "to make these relationships and institutions work smoothly by dealing effectively with particular sources of trouble" (ibid: 129); (3) because it does not call "the general pattern of institutions and relationships" into question it is *fragmentary*, with each theory dealing with a single problem area, and assuming that other parts of the system remain the same; (4) it is "non-historical or ahistorical, since it, in effect, posits a continuing present (the permanence of the institutions and power relations that constitute its parameters)": "it posits a fixed order as its point of reference"; (5), then, such theories can be represented as "serving particular national, sectional, or class interests, which are comfortable within the given order"; and (6) "the purpose served by problem-solving theory is conservative" (ibid).

In contrast, critical theory (1) "stands apart from the prevailing order of the world and asks how that order came about"; (2) it "does not take institutions and social and power relations for granted but calls them into question by concerning itself with their origins and how and whether they might be in the process of changing"; (3) it is directed "to the social and political complex as a whole rather than to the separate parts"; (4) it is "theory of history in the sense of being

concerned not just with the past but with a continuing process of historical change" (ibid); (5), then, it not only "allows for a normative choice in favour of a social and political order different from the prevailing order", but also "limits the range of choice to alternative orders which are feasible transformations of the existing world"; and (6) it can be "a guide to strategic action for bringing about an alternative order, whereas problem-solving theory is a guide to tactical actions which, intended or unintended, sustain the existing order" (ibid: 130).

It is ironic that self-professed critical theorists have lapped up this so obviously spurious formulation so uncritically. What is presented as a contrast between two approaches to theory turns out to be a contrast between two political orientations – support for and opposition to the status quo respectively. It is constructed on the basis that supporters of the status quo cannot reason about their broader circumstances, or question any element of the institutional order they support. In this Manichean world view, to be a supporter of the prevailing order precludes reflecting on that order as a whole and the social and power relations and institutions involved in it and how they came about; or recognising that some challenging changes are taking place, and adapting in order to protect core interests. On one side Cox puts the automatic and unreflecting defence of the existing order; on the other, the stipulation that being reflective must entail opting for an alternative. To see an alternative but prefer the status quo is ruled out. Problem-solvers are assumed to recognise and deal with a problem in part of the system without worrying themselves either with what the state is of the system as a whole, or how it got to be the way it is. Critical theorists, in contrast, are not only uniquely blessed with an awareness of alternatives, but are able to discern which of them are "feasible transformations of the existing world". In short, critical theorist are clever, and problem solvers are stupid. Lurking behind all this is a contrast familiar from Marxist debate at the time: the suggestion that problem-solvers are the mere instruments of existing interests, while critical theorists have a degree of distance, or autonomy, from them.

Naïve and implausible though it is, this consolatory contrast continues to shape critical IPE's perception of itself. Central to it is the suggestion that the problems thrown up by the 'enveloping world' over the last fifty years – such as decolonisation, Third World revolutions and nationalism, global inflation, debt crisis, Japanese and East Asian development, and the break-up of the Soviet Union to name but a few – represent a 'status quo' that has simply required the

routine and unreflective attention to discrete areas of policy on the part of those set on preserving the existing order. This reflects the conflation of two very different propositions. The first is that much social and political theory is oriented towards and placed at the service of the 'dominant interest'. The second is that the 'dominant interest' is transparent, monolithic, and unchanging. The first proposition has an unmistakably Marxist pedigree. The second, ironically, reflects a neo-realist view of the world.

The road not taken

In retrospect (not surprisingly in view of the twenty-five years he spent at the ILO), the strongest contribution made by Cox to the enterprise of "understanding global power relations" stems from his early grasp and first-hand knowledge of the changing *institutional* terrain of the global political economy in the 1970s, reflected in what he (along with others) calls the internationalization of the state. Phillips and her collaborators recognize this, without apparently realizing at the same time the irony of appealing to this now as the appropriate starting point for a *renewed* IPE (Phillips, 2005d, 110-111). Characteristically, they make this appeal without exploring the specific content of Cox's analysis, to which it is worth returning. It reflects his particular experience as an international civil servant working in Geneva, first in positions close to ILO Director-General David Morse, a US national, then as director of the International Institute for Labour Studies (Cox, 1996: 22-6), in an intellectually rich environment in which radical ideas circulated freely. Cox's experience prompted philosophical and theoretical enquiries that laid the foundations for his later work. But it is of greater significance that he was present at the creation of an environment in which the assertion of US power within the post-war world order was being complemented, and to some degree modulated, by the emerging regulatory role of international organisations. The nuanced view of this moment in the evolution of the post-war world order, rather than the theoretical/philosophical framework within which it was then and later set, is Cox's most valuable contribution.

Noting that the post-war hegemony of *pax americana* was more fully institutionalised than the *pax britannica* that had preceded it, Cox provided an account of an emerging new world order that integrated a perspective on the global political economy with changes taking place at the level of individual states throughout the system as a whole. Following James Petras, he described

this emerging new world order as an "imperial state system":

1. The spread of capitalist production relations has generated "new social forces in the periphery" (ibid: 143), and given rise to an imperial state system composed of a dominant imperial state and a number of subordinate collaborator states.
2. The imperial state is not the whole US government but "those executive bodies within the 'government' which are charged with promoting and protecting the expansion of capital across state boundaries" (ibid, citing Petras).
3. This part of the US government is at the system's core, together ... with inter-state institutions such as the IMF and the World Bank, symbiotically related to expansive capital, and with collaborator governments (or at any rate parts of them linked to the system) in the system's periphery.
4. "The state is thus a necessary but insufficient category to account for the imperial system". It is the imperial system itself ("a world order structure drawing support from a particular configuration of social forces, national and transnational, and of core and periphery states") that is "the starting point of enquiry" (ibid: 144).
5. The imperial system includes some formal and less formal organisations at the system level through which pressures on states can be exerted *without these system level organisations actually usurping state power* (emphasis mine).

In sum, "the behaviour of particular states or of organised economic and social interests ... finds its meaning in the larger totality of the imperial system" (ibid). Cox explicitly follows contemporary Marxist debates here.³ But he complements them with an institutional analysis that brings together the "machinery of surveillance" developed by the IMF and the World Bank and an "elaborate machinery for the harmonisation of national policies" in what has become "an acquired habit of mutual consultation and mutual review of national policies (through the OECD and other agencies)" (ibid: 145).⁴ In sum,

such an internationalised policy process presupposed a power structure, one in which central agencies of the US government were in a dominant position. *But it was not necessarily an entirely hierarchical power structure with lines of force running exclusively from the top down, nor was it one within which the units of action were whole*

³ For all its merits, though, the discussion summarised here is no more than a dim reflection of debates over the previous decade and more, principally among European and Third World Marxists, writing as much in French, German and Spanish as in English. Murray (1971) is an early contribution; Camilleri (1981), published at the same time as Cox's essay, reflects the nature of the Marxist debate; and Cox (1977, esp. pts 9-12) and Cox (1979) that Cox was familiar with these debates.

⁴ This relevance of this formulation to the EU's Open Method of Co-ordination, as a prime example of a means by which pressures on states can be exerted without actually usurping state power, is clear.

nation states. It was a power structure seeking to maintain consensus through bargaining and one in which the bargaining units were fragments of states (ibid; emphasis mine).

On the basis of this overall appraisal, Cox identifies a number of features of the 'global governance of capitalism' that have a strikingly contemporary ring:

1. "State structures appropriate to this process of policy harmonisation can be contrasted with those of the welfare nationalist state of the preceding period" (ibid: 145-6).
2. "The internationalisation of the state gives precedence to certain state agencies – notably ministries of finance and prime minister's offices – which are key points in the adjustment of domestic to international economic policy" (ibid: 146).
3. "A new axis of influence linked international policy networks with the key central agencies of government and with big business. This new informal corporative structure overshadowed the older more formalised national corporatism and reflected the dominance of the sector oriented to the world economy over the more nationally-oriented sector of a country's economy"
4. "The internationalisation of the state is not, of course, limited to advanced capitalist core countries. It would not be difficult to make a catalogue of recent cases in peripheral countries where institutions of the world economy, usually as a condition for debt renewal, have dictated policies which could only be sustained by a coalition of conservative forces" (ibid).
5. In this context, "a major problem for international capital in its aspiration for hegemony is how to neutralise the effect of [the] marginalisation of perhaps one third of the world's population so as to prevent its poverty from fuelling revolt" (ibid: 149).

The model sketched out here has four significant features. First, it reflects the debates current at the time in European intellectual circles and on the US left, strongly influenced by such 'Third World' contributors as Samir Amin, and Fernando Henrique Cardoso and Enzo Faletto. Second, it owes nothing to the contrast between problem-solving and critical theory, nor does it respect the presentation earlier in the essay of ideas, institutions and material capabilities and social forces, states and world orders as reciprocally related in indeterminate ways. Instead, it offers an integrated conjunctural analysis which starts with the current structure of global capitalism and the interests dominant within it, and sees institutional change as arising out of class struggle, mediated by states. Third, it disposes of the idea that a Waltzian neo-realist paradigm could be usefully applied to the governance of global capitalism, and offers a framework of analysis far superior to that concurrently being developed by Keohane and his associates. And fourth, it succeeds in describing a 'world order' which is *neither*

“the old image of a Westphalian system of states”, *nor* “world government”, but “something in between” – and it does it in considerable empirical detail.

Here, then, was an excellent starting point for an holistic understanding of the global political economy, which was capable of linking class, state and world order, and at the same time able to place specific processes of institutional change in that broader context. Whatever happened next? First, critical theorists fell into the trap of “basing theory on theory”, and in particular of expending time and energy on a protracted debates with an already superseded and largely irrelevant neorealism. This was ironic, as Waltz had cheerfully declared at the outset that he had no interest in capitalism, and that his theory was not designed to address it. The appropriate response would have been to say “You just don't get it”, and move on. Second, in so far as they undertook the “empirical historical study of changing practice,” they fell into the error of *global* instrumentalism, deploying the idea of a “transnational managerial class” (Cox, 1981: 147) rather than preserving the crucial distinction between class forces on the one hand, and relatively autonomous states and international organisations on the other. What they did *not* do was to develop a research agenda of their own based on the broader and more nuanced account given by Cox of the social and institutional aspects of the evolution of the global political economy under the aegis of the 'imperial state'. Instead, in an act of dereliction, they left this task largely to the 'problem-solvers' they derided as unable to recognise and respond to change. The next section explores this major irony.

Misunderestimating 'problem-solving theory'

As we have seen, Cox's contrast between problem-solving and critical theory is fundamentally flawed. As a result, he both misunderstands and underestimates 'problem-solving theory', with fatal consequences for the enterprise of critical IPE. If we focus instead on the extent to which academic and policy-making 'supporters of the status quo' have responded to the *circumstances* identified by Cox and others – the need to manage as far as possible an emerging *global* capitalist economy characterized by diverse centres of accumulation and varied social and domestic conflicts around them – the picture that emerges is devastating for the pretensions of critical IPE. For on any sober analysis, it is the 'problem-solvers', or the supporters of global capitalism as a project, who have been the more reflective, the more willing to question existing institutions and

power relations, the more capable of taking a holistic view, the more willing to embrace and promote change, the more able to articulate and advance a normative choice in favour of an alternative order within the limits of the possible, and therefore the more able to devise and implement a strategic programme through which it can be pursued.

Recall first Cox's characterisation of the 'global politics of uneven development' in 1981. Set in the context of the 'imperial system', it endorsed a 'core-periphery' model, and concluded, as noted above, that "a major problem for international capital in its aspiration for hegemony is how to neutralise the effect of [the] marginalisation of perhaps one third of the world's population so as to prevent its poverty from fuelling revolt" (above, p. 8). At that time, he saw three possible forms that a new world order might take: "a new hegemony ... based on the global structure of social power generated by the internationalising of production;" "a non-hegemonic world structure of conflicting power centres;" or (rather less likely) "the development of a counter-hegemony based on a Third World coalition against core country dominance and aiming towards the autonomous development of peripheral countries and the termination of the core-peripheral relationship" (ibid: 149-50). The first of these three, if achieved, would have four related elements:

1. "A continuance of monetarism as the orthodoxy of economic policy, emphasising the stabilisation of the world economy (anti-inflationary policies and stable exchange rates) over the fulfilment of domestic socio-political demands (the reduction of employment and the maintenance of real wages levels)".
2. An "inter-state power configuration" in the form of "a coalition centring upon the United States, the Federal Republic of Germany, and Japan, with the support of other OECD states, the co-optation of a few of the more industrialised Third World countries, and the possibility of revived détente allowing for a greater linkage of the Soviet sphere into the world economy of international production".
3. "Social conflict in the core countries would be combatted through enterprise corporatism, though many would be left unprotected by this mechanism, particularly the non-established workers. In the peripheral countries, social conflict would be contained through a combination of state corporatism and repression".
4. The "controlling social force" in the Third World would be a "state class" - "a combination of party, bureaucratic and military personnel and union leaders, mostly petty bourgeois in origin, which controls the state apparatus and through it attempt [sic] to gain greater control over the productive apparatus in the country". Such a state class could be conservative or radical, but if the former, it would be

“susceptible to incorporation into a new hegemonic world economy, and to the maintenance of state corporatist structures as the domestic counterpart to international capital” (ibid: 149-151).

As noted, this was only one of three possible scenarios sketched out by Cox. I set it out at length because I wish to address it in relation to his closing remarks in the earlier section of the essay, on problem-solving and critical theory:

The perspectives of different historical periods favour one or the other kind of theory. Periods of apparent stability or fixity in power relations favour the problem-solving approach. ... However, a condition of uncertainty in power relations beckons to critical theory. Thus the events of the 1970s generated a sense of greater fluidity in power relationships, of a many faceted crisis, crossing the threshold of uncertainty and opening the opportunity for a new development of critical theory directed to the problems of world order (ibid: 130).

What might we conclude? First, the period in question was not one of stability or fixity, but of crisis and uncertainty. There was no settled hegemony, and certainly no settled and stable 'status quo'. Second, as emerges clearly from Cox's account, some potential 'new world orders' were discernible, but *all* of them would have to be fought for and brought about, if at all, by devising and implementing a strategic programme to which the promotion of purposive institutional change on the basis of an holistic analysis of the conjuncture would be central. The supposed contrast between problem-solving and critical theory is of no relevance here, and it is not surprising that Cox does not return to it. Third, if the distinction is nevertheless to be maintained, the only conclusion that can be reached is that the various forces supportive of a new hegemony based on the global structure of social power generated by the internationalising of production have proved far better 'critical theorists' than the critical theorists themselves. They have succeeded beyond the wildest expectations of either supporters or opponents of global capitalism in building a new hegemony around orthodox economic policy and the containment of socio-political domestic demands, on the basis of a coalition of advanced and advancing capitalist states among which the US and the UK have tended to predominate. They have built on the aspects of the “internationalisation of the state” detailed by Cox to construct new and enhanced methods of surveillance and policy transfer, up to and including the 'open method of co-ordination', principally through the increasingly co-ordinated activity of old and new international organisations (Cammack 2004a, 2004b, 2006b, 2006c, 2007). Beyond this, they have extended the hegemony of capitalist competitiveness to UN agencies that previously sustained alternative

and even radical agendas (Cammack, 2006a). In addition, they have sought, with some success, “to neutralise the effect of [the] marginalisation of perhaps one third of the world's population so as to prevent its poverty from fuelling revolt”, by devising and implementing means of containing social conflict in the 'core' *and* the 'periphery' that Cox did not envisage, through the introduction of new techniques of neo-liberal discipline everywhere, and the promotion of transitions to democracy in the 'Third World', the former Soviet Union and Central and Eastern Europe. The new techniques of neoliberal discipline have generally displaced rather than rested upon enterprise corporatism and state corporatism in the core and the periphery respectively; indeed, they have been presented ideologically as 'emancipation' and 'empowerment' precisely through a *critique* of corporatism in general, and state corporatism, or the 'state class' in particular. And in the internal critique of the 'Washington consensus' and the early 1990s IMF imposition of financial and monetary discipline, and the development of new strategies premised on social engineering conducive to capitalist expansion (Stiglitz and the World Bank's “deep interventionism”, Stern and the EBRD/World Bank's promotion of “investment climates”, and Cotis and the OECD's promotion of new sites of global capitalist accumulation), the 'organic intellectuals' of the hegemony of global competitiveness have shown themselves capable of both reflection and the promotion of change in social institutions and global power relations (Cammack, 2006c). In sum, critical theorists have badly underestimated 'problem-solving theory', and have been left on the sidelines as a result.

How to Lose a War of Position

Ironically, in view of their admittedly indirect Gramscian connections, the critical theorists discussed here have dissipated their energies in a losing war of position, because they have proved unable to follow an agenda of their own. A quarter of a century on, critical IPE continues to define itself in opposition to neo-realist IR, 1979 vintage (Phillips, 2005b: 2-5); its target is still “the IR community”, as it was for Susan Strange, and it continues, on its own admission, to reinforce “US intellectual hegemony in the field of IPE” (ibid: 13).

If one contrasts the orientation of 'problem-solving' practitioners in the global political economy with the stasis of critical IPE, then, one sees that Cox's claims regarding the poverty of problem-solving theory are entirely false. Ironically, and

to the shame of critical IPE, it has been the mainstream 'problem-solvers' who have focused their attention on 'world order as a whole', extended their gaze beyond the advanced industrial core to *all* the states in the global economy, explored in detail the domestic underpinnings of insertion into the global capitalist economy, recognised the centrality of the agency of both states and social forces, and identified, if only to the extent that their purpose requires, the implications of different configurations of state-society complexes. They have done so in pursuit of a particular project, which I characterise as the promotion of a global capitalist economy centred on the logic of competitiveness. In so doing, they have not generally bothered themselves with IPE at all, critical or otherwise. But their theory has certainly been '*for* someone, and *for* some purpose'. As must always be noted, in developing and applying it they have not abolished the inherent contradictions of capitalism. If anything, they have brought them more to the fore. But it is self-deluding to argue, given the way the world is going, that their understandings of the nature and functioning of the global political economy are inferior to those of critical IPE. Exponents of critical IPE have been stuck in a time-warp, huddled in a corner facing the wall and indignantly rehearsing the failings of mainstream theory while it has 'globalized', to some purpose, behind their backs.

In sum, critical IPE set off early down the wrong path, and is now hopelessly lost as a consequence. If it is not today just where it was in 1981, it is because it took a step backwards when Cox unwisely accepted the invitation to engage with the emerging IPE orthodoxy in the US academy on its own terms, and thereby to validate it. Cox's position, initially shaped in part at least by fruitful interaction with contemporary debates on imperialism and class politics, swiftly succumbed to the hegemonic strategy of the institutionally powerful 'new IPE', a fate to which it was all the more vulnerable on account of its hybrid character. Its role ever since has been to represent the 'alternative' to the mainstream. By recognising and validating the liberal position by accommodating itself to it, critical IPE furthered its hegemonic advance.

Phillips not only continues to perform this role, but goes further, by taking on the duty of "policing the dangerous borders of the social-science enterprise", to borrow another felicitous phrase from Steve Smith (2000: 389).⁵ Having situated herself in a field stretching from traditional IR at one end to neo-Gramscianism

⁵ Phillips cites Smith on this very point (2005b: 13), but does not feel implicated.

at the other (neither Marx nor Gramsci themselves feature in the bibliography of *Globalizing International Political Economy*) she dutifully echoes the ritual denunciation of Marxism prevalent in the UK and US academies as hyperglobalist, economistic and deterministic: "Orthodox liberal and orthodox Marxist accounts jostle with each other on the hyperglobalist terrain, generating fundamentally different interpretations of the nature and significance of contemporary globalization, but often sharing economistic and determinist streaks at the heart of their analyses" (Phillips, 2005b: 34). The charge is repeated later (Phillips, 2005d: 92), but in neither case is any illustrative Marxist work identified, despite the jostling crowds apparently involved.⁶ The effect is to draw a line between (included) 'neo-Gramscians', who may be assimilated to the debate which reinforces the mainstream, and (excluded) 'Gramscians' and other assorted Marxists, who cannot be tolerated (Shields, 2006).

The argument made here, then, is that project of 'globalizing' IPE repeats and compounds the mistakes of the first critical IPE, and is likely as a result to repeat its experience – to be absorbed and neutralised by the US academy to which it orients itself and pays homage. Payne (2005a) confirms this diagnosis, in a text that affects to embrace 'watery Marxism' (Payne, 2005a:18), but actually waters down critical IPE. First, he makes the obligatory point of marking and observing the line that excludes from consideration the Marxist and Marxist-influenced writing with which Cox initially engaged. At the end of his discussion of contending ideas, he comments that

we should perhaps note the bodies of thought that we did not need to revisit: the longstanding systems of ideas that once posed the toughest of radical challenges to the mainstream, namely, dependency theory and Marxism (ibid: 100).⁷

The sense that Payne is situated in and shoring up the space dominated and defined by the pseudo-debate between neo-realism and neoliberalism is

⁶ This could admittedly be difficult, as Held et al (1999: 3-5), the source of this thoroughly mystifying contrast, can offer only William Greider (a radical journalist rather than a Marxist of any variety) to represent the "radicals or neo-Marxists" who exhibit the symptoms of this condition. Payne (2005a: 29) echoes this directly.

⁷ His further comment that "to all intents and purposes they live on now only within the academy, and generally in remote and marginal parts even of these circuits" (ibid), simultaneously celebrates the global neoliberal counter-revolution, and continues the role of the mainstream academy in distorting, neutralising and dismissing Marxist critique in its service. If we accept Payne's conclusion that "Ideologically, the global order danced increasingly to the tunes of one powerful country over the 1980s and 1990s" (ibid: 238), we should clearly also acknowledge the complicity of the academy in this process (for a case in point, see Cammack, 1989).

reinforced by the fact that the contending ideas he contrasts are the Third Way, the post-Washington consensus and neo-conservatism (ibid: 79-95), with a brief coda on (non-Marxist) 'radical challenges' that turn out to "make a firm bow to the neoliberal view of development", and so "are perhaps not radical at all" (ibid: 97). The strategy is transparent. Truly critical approaches are excluded, and timid alternatives that are hegemonised by the mainstream are included in a manner that reinforces its hegemony. Supposedly critical theory is reduced to reinforcing the message that there is *no* alternative. This is all the more so because Payne adopts the first part of Cox's analytical framework – material capabilities, ideas, and institutions – but drops the crucial second part – social forces, forms of state and world orders. The immediate upshot is that the link between states and social forces (in which all the radical potential of Cox's approach lay) is lost. Payne *starts* with states, and their material capabilities, and produces an account which emphasises variations in wealth, power, and trajectories of national development, but removes any notion of government as a class project. In the best pluralist tradition, states are assumed to be seeking to govern on behalf of all their citizens:

To sum up these claims, then, development can be redefined for the contemporary era as the collective building by the constituent social and political actors of a country (or at least in the first instance a country) of a viable, functioning political economy, grounded in at least a measure of congruence between its core domestic characteristics and attributes and its location within a globalizing world order, and capable on that basis of advancing the material well-being of those living within its confines (ibid: 41; repeated 234).

Rather than 'watery Marxism', this is a form of liberal pluralism that soon collapses into realism. Payne reaches the conclusion that "*all* countries in the world should be seen as having to pursue development" (ibid: 234). But he refuses to explore the domestic content and implications of the forms of development that are pursued. Instead, his review of material capabilities, ideas and institutions is followed by a discussion of three areas of "contemporary development diplomacy": finance, trade and the environment. Foreign direct investment is not addressed in the discussion of finance, nor are the *domestic* aspects and consequences of adherence to financial and monetary orthodoxy; and there is no analysis of transnational corporations, nor of the process of production in *any* country in the world, or the social relations and institutional arrangements (such as labour market and welfare reform) in which it is set. In

sum, Payne argues that all countries are equally pursuing development, but some are more equal than others. But in a striking step backwards from the original Coxian framework and from what was the founding principle of critical IPE, he steadfastly observes the realist injunction to respect the division between international and domestic politics. This in turn robs his insistence that we must “bring *inequality* fully into the discussion by thinking of it as something that is fundamentally *constitutive* of contemporary global politics” (ibid: 245) of any critical force: it is immediately glossed as meaning that “marked inequalities of power of both a structural and an agential nature limit the capacity of countries to pursue and deliver successfully their preferred national development strategies” (ibid). As Payne himself notes a few pages earlier, “one of the axioms of the realist view of international politics has always been that it is the disparities of power between states that determine outcomes” (ibid: 240). He ends, therefore, in concordance with the realists Cox set out to challenge in 1981.

Why has this happened? Why have proponents of critical IPE been unable either to establish a productive research agenda of their own, or to recognise, let alone challenge, the purposive agenda of their 'problem-solving' counterparts? I offer the following explanation. They have been more concerned either with pitching theory against theory, or with disputing the academic/institutional terrain of US IR/IPE (dazzled, as it were, by the attributes and trappings of imperial power) than with pursuing their own project. As a result, they have not pursued the implications of the “internationalization of the state” in the post-war period, but rather left that project in the hands of the problem-solvers themselves.

In their haste to avoid what would indeed be a functionalist and determinist conception of the inevitable evolution of the global system towards a single borderless neoliberal market, they have failed to identify what should be their object of study – the strong and simultaneously fundamentally contradictory structural pressures towards a global regime of capitalist competitiveness that a contemporary Marxist or new materialist analysis identifies, along with the social and political conflicts which are inherent in and constitutive of them, *and* the purposive actions of 'problem-solving' individuals and institutions intended both to promote competitiveness and to contain as far as possible its contradictions.⁸ By preserving realist IR as a point of reference, and declaring off limits studies of

⁸ See Charnock, forthcoming, for an appraisal of debates within contemporary Marxism.

the global political economy that give pride of place from the outset to the links between class, states and capitalist accumulation in the analysis of global governance, they have surrendered what potential there might have been in critical IPE for a radical challenge to the mainstream. As a result, they have no better claim to survive than does the mainstream field itself.

Conclusion

The history of IPE as a field of study is transparent. It was created within the mainstream US IR academy as a project on the part of a group of 'younger scholars' to invent and occupy new and strategic institutional terrain, and its objective since then has been to maintain itself and expand as a field in which the US academy remains hegemonic. It therefore tells us much more about the strategic career choices of a generation of US-based academics than about the workings of the global political economy. Its development has been shaped, therefore, by gate-keeping and the pursuit of power and empire. In a first phase, the field was constructed as a debate between neorealism and liberal institutionalism; it was accepted that domestic politics could shape the preferences of states in the global arena, but class analysis was ruled out. During this phase, Marxism was construed as dependency theory, and dismissed on the grounds that it failed as predictive science. The gate-keepers were perfectly well aware that Marxism focused more on class, exploitation and capitalist accumulation than on the state-centred caricature of dependency theory constructed as their target in IPE, but exercised their hegemonic right to take no notice. When 'Marxism' was re-admitted, it was in the attenuated form of neo-Gramscianism. At a second stage, neorealism and liberal institutionalism were unceremoniously dropped as poles of the debate, and the field was hastily reconstructed around the twin poles of rationalism and constructivism, with the transparent objective of declaring 'post-modernism' off limits.

All this was candidly spelled out on the occasion of the fiftieth anniversary of *International Organization*, an occasion that only accentuated the principal motive for the whole enterprise – to place themselves at the centre of the narrative and to establish and preserve their hegemony.⁹ This fiftieth anniversary confessional came a decade after a previous gate-keeping effort by Keohane as President of the International Studies Association, in which he argued that

⁹ Katzenstein et al (1998). The narrative is structured as it is, they say, "because it reflects important aspects of our own intellectual autobiographies" (ibid: 683).

rationalism had generated “a considerable number of interesting, but still untested hypotheses” (cited in Smith, 2000: 386). A decade later they were unconcerned by the failure of mainstream IPE in any of its variants to produce any findings of value, either for positivist social science or for policy-makers: they concluded, on the basis of their exhaustive survey, that their substantive findings remained meagre, that counter-intuitive, well-documented causal arguments were rare, and that it was actually impossible to make “strong predictions”; and admitted (unsurprisingly) that “they could not “point to clear scientific 'findings' [a use of scare-quotes that has a whiff of the post-modern about it] about cause and effect that policymakers can readily apply” (ibid: 683-4). Even so, they retained “the use of evidence to adjudicate truth claims” (ibid: 678) as a handy stick with which to beat post-modernism. The authors were unconcerned, either, by the fact that the switch to rationalism and constructivism – neither of which had any particular connection with international political economy – simply dissolved the field back into US social science, and thereby wrote the epitaph of 'American' IPE. Fast forward to the inaugural lecture offered by Benjamin Cohen to the International Political Economy Society at Princeton University in November 2006, and we find not a proclamation of the *intellectual* contributions of US IPE, but a straightforward celebration of its creation of the field as an end itself:

Recognized standards come to be employed to train and certify specialists; full-time employment opportunities become available in university teaching and research; learned societies are established to promote study and dialogue; and publishing venues become available to help disseminate new ideas and analysis. In short, an institutionalized network of scholars comes into being, a distinct research community with its own boundaries, rewards, and careers (Cohen, 2007: 197).

In defence of this empire, Cohen proposes a marriage of convenience between 'American' and 'British' IPE – alliance politics in the age old tradition of the pursuit of power as the principal objective, the intention being to prolong the reach and the hegemony of US IPE by absorbing British IPE into its project. Proof, if it were needed, that the principal and perhaps only achievement of US has been to conquer the institutional terrain which it inhabits, and that its only *raison d'être* is to retain it. The preferable alternative for IPE, whether mainstream, critical, or globalized, is to bury it.

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