

## A CONCLUDING NOTE

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(Prepared for a special issue of the Brazilian journal *Contexto Internacional*)

The great irony of International Political Economy (IPE) has long been its parochialism. In principle, our field of study is meant to be international – even global – in scope. Yet in practice, scholarship tends to be fragmented and insular. Clusters of specialists have emerged in various parts of the world who tend to converse mainly among themselves. Americans talk with other Americans, Europeans with other Europeans, and so on. Until recently, little effort was made to promote a broader discourse on issues of mutual interest. This special journal issue, thanks to the inspired leadership of Anna Leander, is a happy exception. One can only hope that it is the sign of a trend.

### *Dialogue of the deaf*

Back in 1970, the noted British scholar Susan Strange published her famous article “International Economics and International Relations: A Case of Mutual Neglect” (Strange 1970). A void between international economics (IE) and international relations (IR), she declared, had endured for too long. Scholars from both traditions were neglecting fundamental changes in the world economy. The “dialogue of the deaf” should not be allowed to persist. A more modern approach to the study of the global economy was needed – a determined effort at “bridge-building” to highlight the crucial “middle ground” between economic and political analysis of international affairs. The article was, for all intents and purposes, a manifesto.

Spurred by Strange and others, the modern field of IPE gradually emerged, spanning the void between IE and IR. Bridges have indeed been built; the “middle ground” between economics and politics has been enthusiastically occupied. Yet, ironically, even as one dialogue of the deaf was overcome, a new dialogue of the deaf took hold – a new case of mutual neglect, now between geographically dispersed clusters of researchers. Interest in IPE spread around the world. But while united by a shared purpose – a determination to create a new integrated approach to the study of the global economy – the growing community of scholars subdivided into distinctive and increasingly isolated factions. New voids appeared.

The development of factions in a field of study such as IPE is by no means unusual. Research specialties commonly subdivide as experts gravitate toward others who share the same values and assumptions. Differences then tend to be reinforced over time by divergent patterns of professional socialization and hiring practices, producing what the sociology of science calls “discourse coalitions.” Nor is growing diversity in a field of study necessarily a bad thing, so long as the separate factions encourage cross-fertilization and a lively competition of ideas. As every farmer knows, cultivation of diverse crops can help preserve a field’s fertility.

The problem for IPE is that as new discourse coalitions have sprouted in various corners of the globe, communication has lagged. Language differences are of course partly to blame. How many of us even try to read research monographs that are published in languages other than our own or English (generally acknowledged as IPE’s *lingua franca*)? And sheer distance

matters as well. For most academics, financial resources are lacking to travel far from home to attend conferences or other professional meetings. Entire generations of students have completed their training with little or no exposure to the rich range of scholarship to be found beyond their doorstep.

It was this lack of communication that first motivated me to write *International Political Economy: An Intellectual History* (Cohen 2008). My intention was to broaden horizons by going beyond a single orthodoxy, although the coverage of the volume was deliberately limited to the English-speaking world – often called the “Anglosphere” -- defined to include mainly the United States, Canada, the British Isles, and the Antipodes. It was also limited to what might be considered mainstream conceptions of IPE in the Anglosphere, excluding outliers. When the book was faulted – rightly, in my opinion – for being unduly narrow in its coverage, I decided to try to broaden horizons more with my *Advanced Introduction to International Political Economy* (Cohen 2014). Here I moved beyond the Anglosphere to highlight work being done in many other locales as well, including Continental Europe, Latin America, and China. But according to Peter Vale and Vineet Thakur (this issue), even my *Advanced Introduction* is too narrow, omitting important contributions from elsewhere. Regions like southern Africa, they complain, are regrettably left “out in the dark.” Their contribution to this collection offers a useful corrective.

Gratifyingly, my two books seem to have struck a nerve, encouraging more global conversation. Publication of my *Intellectual History* provoked considerable controversy and led directly to dedicated special issues in two English-language journals, the *Review of International Political Economy (RIPE)* and *New Political Economy*. In turn, these two collections of essays were subsequently combined and published under the title *International Political Economy: Debating the Past, Present and Future* (Phillips and Weaver 2011). Other contributions sparked by the same debate included a first-ever handbook of IPE edited by Mark Blyth (2009) and a further mini-symposium in *RIPE* (Leander 2009, Patomäki 2009). And now my *Advanced Introduction* has inspired, among other commentaries, this special issue of *Contexto Internacional*. IPE, one can hope, is losing some of its parochialism.

### ***Contributions***

This special issue stands as a landmark. The essays collected here contribute importantly to a global conversation in IPE in two key ways.

First, most essentially, the collection demonstrates that scholars in different parts of the world have much to offer one another. The roster of authors could hardly be more varied. How often does one see a common project bringing together individuals from a range of countries as diverse as Argentina, Australia, Britain, Canada, Denmark, South Africa, and the United States and all published in Brazil (in English)? The table of contents reads almost like a United Nations in miniature. Even if the contributors do not engage directly with one another in their individual essays, that is a considerable accomplishment. It shows that much is to be gained by listening to what members of other discourse coalitions have to say.

Second is the range of issues addressed by the collection, which is remarkably broad. For Stefano Guzzini, for instance, the core issue is *governance* of the global economy: how best to understand world order. His essay explores critical questions of power, authority and sovereignty, stressing in particular contrasts and tensions among classical realist, Keynesian, and

Marxist perspectives. How much room exists in governance structures for individual autonomy or political agency? Can cooperation happen? Are governments the helpless pawns of impersonal market forces? The “underlying grand question,” he concludes, “is nothing less than the bargain between capitalism and liberal democracy as we know it.” The challenge of international economic management is daunting.

By contrast, for Vale and Thakur as well as for Diana Tussie and Pia Riggiozzi, *regions* are the central focus, both as sources of ideas and as actors on the global stage. The regions at issue are different. While Vale and Thakur are concerned with southern Africa, Tussie and Riggiozzi write about Latin America. But the message of the two essays is essentially the same, stressing the degree to which political economy scholarship in their respective regions has been conditioned by historical reality – each area’s unique economic and political experience.

In southern Africa, according to Vale and Thakur, the region’s colonial heritage -- infused with more than a modicum of racism -- fundamentally altered understanding of the managerial role of the state. Governments in Europe may have used their Westphalian sovereignty to enhance the security of their people. The role of colonial administrations was quite different, concerned more with defending imperial economic interests against any threat from local populations. In Vale and Thakur’s words: “By serving external interests, the local state was not the protector from, but the purveyor of, internal violence. Put differently, if the European state aimed to make internal violence an exception; in southern Africa, the colonial state was about making internal violence an everyday reality.” Post-independence IPE debates in southern Africa have centered on competing narratives concerning the role of the state and the idea of region, with particular emphasis on social struggles over race.

In Latin America, *par contra*, recent experience has been dominated by the return to democracy in the 1980s and 1990s, following years of military rule, along with associated challenges of economic crisis and austerity – all creating an opening for a redefinition of policies and norms of political economy. Tussie and Riggiozzi see this “as an invitation to engage afresh with the role of regions.” Their aim is to reassess the relationship between development processes and the structural context in which those processes are rooted. Their argument is that IPE has for too long dichotomized between the global and national levels of analysis, discounting the pivotal role that regions can play at an intermediate level in promoting social objectives. In their view, Latin America has entered a new era of “post-hegemonic regionalism” that could fundamentally reshape the hemisphere’s state-society relations.

For Heloise Weber and for Naeem Inayatullah and David Blaney, the principal issues are more about formal theory and the assumptions that underlie mainstream versions of IPE. Both essays, in the spirit of critical perspectives, question accepted methods in the field, which they see as imposing something of an intellectual straitjacket. Much, they suggest, depends on how research propositions are framed. Weber focuses in particular on what she sees as an artificial distinction between politics and economics that is prevalent in conventional analysis. Too much of the literature, she declares, fails to give sufficient account of social relations in genuinely political terms. Inayatullah and Blaney, meanwhile, focus in on three so-called “imperatives” that allegedly dominate orthodox approaches – above all, an “individualism imperative” that favors explanations tied to the characteristics of individual units, devaluing explanations that rely on social, historical, or institutional context. In turn, each essay offers some ideas on how IPE analysis might be improved. According to Weber, what is needed is more attention to history and a much greater emphasis on the “big” normative questions involving questions of

domination, deprivation, and resistance. According to Inayatullah and Blaney, what is needed is more attention to the global level of analysis to displace the individualism imperative. Weber says that her aim is to make IPE less “boring.” Inayatullah and Blaney’s say their aim is to help reduce impediments to a global conversation in IPE. One could argue that the two goals are really one and the same.

For Anna Leander, the core issue is money and how we theorize about it in IPE. Building on a new movement in the literature known as the social studies of finance, Leander poses a series of challenging questions about the politics of international monetary relations in an emerging age of electronic money. What is the significance of materiality in monetary processes and how has the materiality of money been changed by the increased digitalization of financial processes? Is the authority of central banks being compromised or perhaps even replaced by abstract algorithms that, in some respects, are becoming political actors in their own right? And is it possible that digitalization is fundamentally altering the scope and locus of politics? Such question, she insists, are by no means merely “technical” and in fact go to the heart of the global monetary system as it exists today.

Finally, for Eric Helleiner, the issue is intellectual history – specifically, the deep historical roots of IPE as a global conversation. Most conceptions of a conversation involve space: debates between parties that are separated by distance at a given moment of time. But conversation, Helleiner reminds us, can also be inter-generational: debates between parties separated not by geography but by time. Just as we have much to learn from diverse discourse coalitions that exist today, we can also learn from thinkers of earlier eras. In a richly researched discussion, Helleiner tells us about scholars in locales as scattered as Japan, Egypt, West Africa, and India who in centuries past contributed significantly to Western thought on mercantilism, economic liberalism, economic nationalism, and Marxism.

### ***Responses***

All of the contributors to this collection graciously refer to my *Intellectual History* and *Advanced Introduction* or to other publications of mine that have appeared over the years. By and large their comments on my work are charitable, even generous. I may not agree with all they have to say, but I am grateful to them for the respect they have accorded my efforts. I have only a few brief thoughts to offer in response.

For Guzzini, my work provides a useful foil for addressing the questions he raises about world order. Over the years I have had much to say about governance of the world economy, particularly in the realm of monetary relations. Accurately, Guzzini notes that as time has passed, my views have evolved. Starting from an early classical realist position, stressing struggles for power above all, I gradually moved on, first to a more Keynesian-style optimism about the possibility of cooperation under anarchy; and then, more recently, to an emphasis on the impersonal rule of structures and norms. While noting inconsistencies between comments of mine uttered at different moments and in different contexts, he is kind enough to see these as part of a learning process rather than as a sign of intellectual confusion.

It is not always easy, of course, to recognize ourselves as viewed through the eyes of others. In this instance, however, I find it hard to fault Guzzini’s reading of my work. As someone who started life with the training of a conventional economist, it was quite natural for me initially to view the world through a realist lens. In international economic theory, the state

is typically treated as a rational unitary actor with but a single objective – to maximize economic “utility.” How different is that from the realist’s view of the state as a rational unitary actor that also has a single policy objective – to maximize national power? It was only as I acquired more familiarity with the elements of *political economy* that I came to appreciate the roles of both agency and structure in international economic management. The more I try to understand what determines world order, the more elusive the whole thing becomes. Guzzini is right that I have yet to come up with a satisfactory formulation. Half a century after I began my academic career, I am still struggling with his “grand question.”

Vale and Thakur, by contrast, are a bit more critical, particularly focusing on my *Intellectual History* and *Advanced Introduction*. For this pair of authors, the omission of Africa from my surveys is evidence of “sloppy research” at best; and while they claim not to be “keen to pick a fight with Cohen,” they do manage to get in a few digs at my expense for leaving southern Africa “out in the dark.” I can only express my regret for their contentious tone and my gratitude for their corrective, which I am sure will be instructive to many. Tussie and Riggiozzi, Weber, Inayatullah and Blaney, and Helleiner all also point to omissions in my surveys but, happily, without the same degree of rancor.

Most challenging are the questions posed by Leander, which are in fact directed specifically to me. Her thoughtful essay begins with an article I published in 2001, “Electronic Money: New Day or False Dawn?” (Cohen 2001), which was subsequently expanded in a chapter of a later book on *The Future of Money* (Cohen 2004). My analysis, she suggests, raises critical questions about the ontology, agency, and scope of international monetary relations. After spelling out her own views on each of these issues, she respectfully indicates that she would “find it very interesting to hear Cohen’s comments.” Put so charmingly, how could I possibly refuse?

**1. Ontology.** Leander’s first question addresses the ontological status of electronic money. In my article and later chapter, I described electronic money (e-money) as a specific new form of digitalized currency quite distinct from more material conventional state currencies. Leander asks if that distinction still remains tenable at a time when even most state currencies are becoming digitalized. “Do we not need to rethink what currencies are?... Is it not the case that the ontology of money has changed so that most monies are indeed (also) electronic?”

I agree with Leander that, increasingly, “the electronic is omnipresent in all our currencies.” That does indeed, as she suggests, move us toward an integration of the “material” with the “social” in the ontology of money. All monies have, in a sense, become socio-material “hybrids.” But the increasing hybridization of all monies does not erase the element of competition between e-money and conventional state currencies, which was the main object of my inquiry. The key distinction for political economy has to do not with the materiality of money but rather with its source. Who controls the issue of money, private actors or governments, and who stands to gain or lose from prospective changes in the hierarchy of monies? As Susan Strange would have asked: *Cui bono?* Digitalization allows all manner of new forces to challenge the traditional authority of central banks.

**2. Agency.** But who or what are these forces? In her second question, Leander takes up the question of political agency. With digitalization, Leander argues, more and more political agency is being located in material processes generated by abstract algorithms, which dictate purchases and sales of currency based on various market signals. Does this not mean, she asks, that algorithms are becoming political actors in their own right? In effect, authority is diffusing

“not only to institutions and people, but also to the material actants (the algorithms) that make up the market.”

As a practical matter, of course, she is absolutely right. Algorithms act. But one must ask where their action come from. Like robots in an automobile factory, algorithms are designed by humans and can act only as they are designed to do. It is conceivable, of course, that both robots and algorithms may one day be endowed with genuine intelligence – an ability to think for themselves. But until that day arrives, they remain little more than mechanical tools in the hands of their creators. The people behind them remain the true political actors.

**3. *Scope.*** Finally, Leander addresses the impact of digitalization on the scope of politics. In my own writing, I emphasized e-money’s potential impact on just one realm of politics – the global competition among currencies and central banks, which I summarized as the geography of money. But, asks Leander, is it not possible that other realms of politics might be affected as well, spreading into a variety of related issue areas? In her words: “Could it indeed be the case ... that the advent of electronic money potentially changes not only actors’ understandings of their own interests, instruments and possibilities in monetary politics but also their understanding of what that politics revolves around?”

On this point, I heartily agree and would only reiterate Leander’s caution that we should not predefine the locus of politics. In my early ruminations, I did not take discussion beyond a concern with traditional monetary hierarchies. But that hardly means that others – like Leander – should not venture onto new terrain. Leander’s provocative questions could well open the door to other, more expansive analyses by other scholars in other parts of the world. If it does so, she will have provided vivid proof of the great value to be gained from encouraging a global conversation in IPE.

### ***Conclusion***

My conclusion is simple and merely echoes the wartime declaration of Winston Churchill after the victorious second battle of El Alamein. “Now this is not the end,” he insisted. “It is not even the beginning of the end. But it is, perhaps, the end of the beginning.” In the same spirit, I can only express my hope that this collection too is not the end, or even the beginning of the end, but rather the end of the beginning. A good start has been made in overcoming the long-standing parochialism of IPE. Let the conversation continue!

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