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Getting Real: The Necessity of Critical Poststructuralism in Global Political Economy

V. Spike Peterson

The complicity between cultural and economic value systems is acted out in almost every decision we make.

Gayatri Chakravorty Spivak, *In Other Worlds* (1987)

As others have noted (see introduction and Zalewski this volume), IPE scholars continue to resist poststructuralist approaches and interventions. I attempt to overcome some of that resistance by demonstrating not only the relevance but the *necessity* of critical poststructuralist approaches for making sense of, and responding critically to, neoliberal globalization. Moving beyond theoretical debates, this chapter focuses on a central issue for the theory/practice of global political economy (GPE) today: the purported hegemony, hence presumed stability, of neoliberalism (see also Larner this volume). Through a critical poststructuralist lens I analyze actually existing – ‘real’ – conditions of GPE to reveal that neoliberal hegemony is not what it claims in theory or practice, and simultaneously generates exclusions and marginalizations that belie its purported stability, in theory and practice.

To develop the argument I draw on theoretical framing and empirical data from my recent book, *A Critical Rewriting of Global Political Economy: Integrating Reproductive, Productive and Virtual Economies* (2003). The chapter first addresses theoretical issues regarding poststructuralism, the discursive construction of ‘stability’ as it relates to hegemony, and instabilities as they relate to neoliberal globalization. I then briefly introduce the book and its analytical innovations, and schematically describe the three (reproductive, productive, and virtual) economies, major trends (‘real’ conditions) within them, and linkages among them. A final section summarizes how neoliberalism is neither

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hegemonic nor stable and how critical poststructuralism is necessary for *seeing* this reality and revising our theory/practice accordingly.

Theory as practice and neoliberalism as politics

One thing is essential methodologically and even more important politically: not to take anything for granted.

Anne Showstack Sassoon, *Globalization, Hegemony and Passive Revolution* (2001)

The elements of poststructuralist approaches to IPE have been elaborated in the introduction. I here draw attention to those features especially relevant to the argumentation of this chapter. As a starting point, poststructuralists reject foundational dichotomies in favor of recognizing the inescapable uncertainty, ambiguity, and inconstancy of meanings ascribed to words/concepts/terms. Similarly, the presumption of stable, singular identities (fully coherent, self-transparent, rational) is rejected in favor of recognizing identities – or subjectivities – as complex, multiple, and hybrid (not necessarily coherent), and continuously (re)negotiated/created as an effect of contingency and context. As a corollary, poststructuralists emphasize the historical, contingent conditions (representations, discourses, practices, institutions) that *produce* and regulate particular forms of subjectivity (and speech), and how this effectively ‘authorizes’ and differentially validates some, with the effect of devalorizing, marginalizing or excluding others. Agency, self-representation, and ‘real power’ are not denied by poststructuralists. Rather, they are reformulated as ‘enactments of variation within regulated, normative and habitual processes of signification’ (Sawicki 1998: 99) that are historical, contingent, and *necessarily* embedded in relations of power.

In this sense, signifying systems and their differentiations are *inseparable* from the material conditions of their production and the material effects of their differential authorization/valorization. Poststructuralism then denies a separation of symbols/discourse/culture from material/structure/economics, or ideology/culture/theory from politics/economics/practice. A central question becomes: how does power operate (through representations, discourses, practices) within specific contexts to stabilize – with a tendency to normalize and depoliticize – particular discourses and their effects? Poststructuralism is also then political: it pursues critical genealogies to expose how differential ‘authority’ and power are produced; focuses on ‘difference’ to reveal what is marginalized/excluded/

devalorized; and directs our attention to the consequences, especially the ‘costs,’ of normalizing/stabilizing/depoliticizing *particular* discourses and institutionalized practices *at the expense of others*. To address this chapter’s focus I further clarify the relationship between language/discourse and the politics of ‘stabilizations.’

Poststructuralists understand language not as referential (words/signs name pre-existing, ‘real’ categories or ‘things’) but as *producing* the meaning of categories and ‘things’ through processes of signification (involving stabilizations) that are embedded in power relations. As a condition of their actualization, language and social relations require some ‘ordering’ – some stabilization of the infinite possibility of differences, meanings, and practices – that will afford mutual intelligibility and sustainable patterns of social activity. While necessary, this ‘fixing’ of particular meanings and actions is nonetheless deeply problematic.

On the one hand, because change is constant and stabilizations are historically contingent, all stabilizations are precarious and partial. They are not absolutely congruent with but continuously at odds with ‘reality’ and therefore subject to disruption and contestation by the surplus meanings (‘excess’) and contradictory practices that are suppressed or excluded. In this sense, uncritical adherence to particular stabilizations frustrates attempts to adequately understand ‘reality.’ On the other hand, stabilizations marginalize other possible meanings, interpretations, and ‘orderings.’ This has obvious cultural *and* political implications, especially as the power to ‘name’ and impose particular stabilizations is unevenly distributed. Critical genealogies expose how this power has historically been dominated by religious, political, military and economic elites who for the most part, intentionally and otherwise, favor stabilizations that reproduce hierarchical ordering and the silencing of alternatives.¹

In our pursuit of meaning and sociality, we necessarily seek ‘ordering’ and stabilizations are inescapable. The ‘reality’ then is an unavoidable and irresolvable tension between the stabilization/fixing/bounding process and the inexorably disruptive (destabilizing) effects and political consequences of the surplus/incongruities/marginalizations of meanings and differences that are not and cannot be ‘contained.’ *The objective of political analysis is then not to abolish power but to expose how it operates to produce and privilege particular stabilizations at the expense of others; to render visible and critically evaluate – to politicize – the specific effects and trade-offs of stabilizations, dominant orderings, and especially, what becomes normalized (depoliticized) as ‘common sense.’* Insofar as we deem the trade-offs less desirable than

those imposed by other possible orderings, we are not without agency in shaping change; neither the symbolic nor the social is a closed system.

The hegemony of neoliberalism is ostensibly evidenced in the discursive/cultural/ideological acceptance of its premises as 'common sense.' The latter includes first, believing that 'there is no alternative' to capitalism (see also Daly this volume). Adherents argue that this claim is supported by the historical, cumulative success of capitalist development and the displacement or collapse of all alternatives. The second and related belief is that neoliberalism is (ultimately) good for everyone: providing efficiency, creativity, growth, and even security (for example, by ensuring the greatest growth to fulfill increasing material 'needs,' and promoting democratization to engender justice and equality that reduce conflict).

I argue that this hegemony is both analytically/ideologically and materially unstable. On the one hand, neoliberalism is not what it claims: the realities of contemporary globalization do not conform to the conditions, stabilization or coherence it projects. These realities are not simply the inevitable excess confounding all stabilizations but much more extensive and systemic 'differences' that *contradict* what neoliberalism claims. On the other hand, the exclusions and marginalizing effects of neoliberalism are themselves destabilizing. For example, suppressing alternative viewpoints (environmentalism, post-colonialism, poststructuralist IPE) may preclude 'disruptive' but valuable knowledge, and excluding social groups (discarded workers, disenfranchised migrants, demonized countermovements) may breed anger, resistance, or violence. Whether the outcome is deemed 'desirable' or not, my point here is that marginalization must be taken seriously as a destabilizing force. When marginalizations are extensive – as I argue they are under neoliberal globalization – they threaten the apparent coherence, legitimacy and even viability of the stabilization we understand as hegemony.

Most poststructuralist scholarship focuses on how power operates through discursive practices to *produce* particular stabilizations.² My title's claim to 'getting real' suggests a different strategy. I take as given that familiar (linguistic) representations – of work, family, skill, value, money, production, and so on – are not separate from (non-linguistic) 'reality'; how these representations are produced and are currently shifting is a thread throughout the analysis. But the primary focus here is specifying, through a critical poststructuralist lens, actually existing conditions of today's GPE, that is, phenomena conventionally

regarded as 'real.' Insofar as this exposes the excesses and contradictions of neoliberalism, it undermines the latter's claims to accurately represent reality. At the same time, it reveals the 'costs' of favoring this stabilization at the expense of others. The objective is to expose how thoroughly inadequate conventional accounts are, and how necessary critical poststructuralism is *not only* but *especially* at this juncture and for analyzing GPE.

'Real' global political economy

Economics is only a system of values.

Gloria Steinem, *Revving Up for the Next 25 Years* (1997)

A Critical Rewriting of Global Political Economy moves beyond a narrow definition of economics to develop an alternative analytical framing of reproductive, productive, and virtual (RPV) economies. Economies are here understood poststructurally: as mutually constituted (therefore coexisting and interactive) systemic sites through and across which power operates. These sites include socio-cultural processes of self-formation and cultural socialization that underpin identities/subjectivities and their political effects. The subjective, conceptual, and cultural dimensions of these sites are understood as inextricable from (mutually constituted by) material effects, social practices, and institutional structures.

At its simplest, the framing of three (RPV) intersecting economies is a heuristic device that builds on conventional economics but is more inclusive. In essence, the RPV framing brings the conceptual and material dimensions of 'social **reproduction**,' non-wage labor, and informalization into relation with the familiar but increasingly global, flexibilized, information-based and service-oriented '**productive economy**,' as well as with the less familiar but increasingly consequential '**virtual economy**' of financial markets, commodified knowledge, and the exchange less of goods than of signs. The goal is to move beyond the limitations of prevailing accounts, while building on their insights and addressing important but neglected features of today's global political economy.

Retaining the productive economy permits continuity with conventional economic analyses, illuminates current global developments in relation to production, and links this economy to the others. Including the reproductive economy invites attention to otherwise marginalized agents and activities, and acknowledges especially the importance of

feminist research and analysis. Including the virtual economy addresses developments in 'symbolic money,' informationalism, and the commodification of intangibles and aesthetics. It confirms the necessity of poststructuralist approaches for analyzing how symbols and cultural phenomena underpin today's GPE.

One objective of the RPV framing is to move beyond disciplinary boundaries and map identities and culture as *coconstituting* what are conventionally understood as material and 'structural' phenomena. Another objective is to advance critical theory by illuminating the intersection of race, gender, and economic inequalities (within and among states) as structural features of globalization. In support of these objectives the book introduces a second analytical innovation – 'triad analytics' – that is applicable to social relations more generally.

The positivist/modernist dichotomies of conventional social science tend to obscure relations of interdependence and embeddedness and to marginalize issues of identity and subjectivity. To facilitate a shift from the binary tendencies of conventional framing, my triad analytics posits identities (subjectivity, self-formation, sexualities), meaning systems (symbols, discourse, ideologies), and social practices/institutions (actions, social structures) as coconstituting dimensions of social reality. Stated simply, the triad insists on fully integrating 'who we are,' 'how we think,' and 'what we do.'

This framing invokes familiar categories (conceptual 'thinking' and concrete 'doing') but also insists on complicating these in crucial, even transformative, ways. First, it rejects dichotomized constructions (for example, symbolic-material, discursive-structural, analytical-empirical) that encumber conventional theorizing and divide academic disciplines; rather, its poststructuralist orientation understands the symbolic and material relationally, as interactive and codetermining. Second, triad analytics insists that conceptual habits and social practices are equally inextricable from identification processes and the emotional investments they elicit. This draws our attention to issues of subjectivity, sexuality, and self-formation as well as the social hierarchies and 'micro-power' that structure identity formation and ideological preferences. These are issues that have been too long neglected, even excluded, from mainstream analyses, due largely to positivist commitments in the social 'sciences.'

Dominant accounts of GPE originate from the disciplines of economics and international relations, where economic, modernist/positivist, and masculinist commitments prevail.³ In particular, these

preclude adequate analyses of two central features of global restructuring. First, today's globalization is distinguished by its dependence on information and communication technologies (ICTs) specific to the late twentieth century.⁴ These technologies not only enable the 'global' in globalization but – due to the inherently conceptual/cultural nature of information – transform the world as we 'know' it. The issue then is not only empirically observable changes in speed, scale and scope, but also analytical challenges posed by the unprecedented fusion of culture and economy – of virtual and material dimensions – afforded by ICTs. In this sense, the symbolic/virtual aspects of today's GPE are so extensive as to *decisively* expose the (positivist) fallacy of separating culture from economy. Hence, the *necessity* of poststructuralist lenses appropriate for interpreting the symbolic, cultural, and virtual.⁵

Second, even as these technologies enhance some forms of integration and homogenization, globalization and its effects are extremely uneven – manifested starkly in global, intersecting stratifications of ethnicity/race, class, gender, and nation. These hierarchies of difference have long histories of stabilization and corollary exclusions. Hence, the *necessity* of critical lenses appropriate for analyzing structural hierarchies exacerbated (and complicated) by neoliberalism.

Critics tend to focus on one or another of these hierarchies, or at best 'add' one to another. The *interconnections* among them remain underdeveloped. As a contribution to theorizing the intersection of global hierarchies I deploy gender analytically. Extensive feminist research documents the deeply sedimented coding of gender as a hierarchical opposition between masculinity and femininity. The historical result is gender as a governing code that valorizes practices and people (not only men) that are characterized as masculine, at the expense of those stigmatized as feminine (lacking agency, 'skills,' control, reason, or power). The claim here is that gender – and its denigration of the feminine – pervades language and culture, with systemic effects on how we 'take for granted' (normalize and effectively naturalize) the devaluation of feminized bodies, identities, *and* activities. In short, I argue that *feminization of identities and practices effectively devalues them* – in cultural as well as economic terms. Applying this insight to globalization permits us to see and theorize interconnections among previously 'disconnected' categories; in particular, feminization devalorizes not only women but also racially, culturally, and economically marginalized men *and* work that is deemed unskilled, menial, and 'merely' reproductive.

The Productive Economy, or PE

I start with the most familiar economy, conventionally understood as the sphere of formal (contractual, regulated) exchanges. Here I note only major trends to provide context for discerning the contradictions and instabilities they generate. Each has implications for the practices, identities, and valorization of workers.

First, the dramatic decline in world prices of and demand for (non-oil) primary products has been devastating to 'third world' economies where primary production dominates: unemployment problems are exacerbated, ability to attract foreign investment is reduced, and debt dependency may be increased. One effect is viewing (unregulated) labor as a competitive resource and/or encouraging outward migration in search of work.

Second, 'deindustrialization' especially affects advanced economies and major cities, manifested variously through downsizing, 'jobless growth,' loss of skilled and often unionized positions, growth in low-wage, semi- and unskilled jobs, and relocation of production to lower wage areas. Job security is additionally eroded for all but elite workers through 'flexibilization': more temporary, part-time, non-unionized jobs with fewer benefits, and more just-in-time, decentralized, and sub-contracted production processes. These shifts tend to increase un- and underemployment (especially of men) and coupled with erosion of union power translate into a decline in real incomes and household resources.

Third, employment shifts from manufacturing to information-based services as technologies transform the nature of work worldwide. Income polarization is exacerbated insofar as service jobs tend to be either skilled and high-waged (professional-managerial jobs) or semi-, unskilled and poorly paid (personal, cleaning, retail, and clerical services). Differential access to education, training, and career opportunities, structures who does what work and tends to reinforce historical stabilizations of gender, race, class, and national location.

The fourth trend is *feminized* flexibilization: simultaneously a material, embodied transformation of labor markets, a conceptual characterization of devalored labor conditions, and a reconfiguration of worker identities. As an increasing proportion of jobs require few skills, the most desirable workers are those who are perceived to be undemanding (unorganized), docile but reliable, available for part-time and temporary work, and willing to accept low-wages. Gender stereotypes depict women as more attractive candidates for these jobs and espe-

cially since the 1980s, women's proportion of the formal workplace has been increasing worldwide, while male participation has been falling.⁶ In short, as more jobs are casual, irregular, flexible and precarious (read: feminized), more women – and feminized men – are doing them.

Fifth, globalization increases flows of people: to urban areas, export processing zones, seasonal agricultural sites, and tourism locales. Migrations are shaped by colonial histories, geopolitics, immigration policies, capital flows, labor markets, cultural stereotypes, skill attributions, kinship networks, and identity markers. Given the nature of 'unskilled' jobs most frequently available (cleaning, harvesting, domestic service, sex work), migrant worker populations are especially marked by gender and race/ethnicity.⁷ Being on the move – for work, recreation, or escape – affects personal and collective identities and cultural reproduction. Not least, traditional family forms and divisions of labor are disrupted, destabilizing men's and women's identities and gender relations more generally. Shifting identities have complex effects at numerous 'levels,' whether expressed in anti-immigrant racism, nationalist state-building, ethno-cultural diasporas, ethnic cleansing, or patriarchal religious fundamentalisms.

Flexibilization tends to increase the power and autonomy of management and be attractive to those with highly valued skills. Some find flexible arrangements better suit their life conditions. Specific trade-offs depend on specific contexts, but a general point remains: in the absence of regulatory frameworks that protect workers' rights and generate *living* wages, flexibilization translates into greater *insecurity* of employment and income for the majority of workers, with destabilizing effects.

The Reproductive Economy, or RE

Unlike the PE, the RE is rarely analyzed in accounts of GPE. This neglect is due largely to stabilized binaries that locate men/masculinity in the (valorized) public sphere of power and formal (paid) work, and women/femininity in the (marginalized) family/private sphere of emotional maintenance, leisure, and caring (unpaid) labor. Here I focus on three reasons for taking the RE seriously: the significance of subject formation and socialization, the devalorization of 'women's work,' and increasing informalization.

Socialization is about learning how to be human according to the codes of a particular cultural environment and is essential for stable reproduction of social relations. Family life is where subject formation

begins (within/through signifying systems) and the 'ordering' (language, cultural rules, ideologies) we acritically imbibe in childhood is especially influential. This is where we first observe and internalize gender differences, their respective identities, and divisions of labor. Moreover, gender acculturation is inextricable from beliefs about race/ethnicity, age, class, religion, and other axes of 'difference' (see also Zalewski this volume).

Subject formation matters *structurally* for neoliberalism. It produces individuals who are then able to 'work' and this unpaid reproductive labor saves capital the costs of producing labor inputs. And it instills attitudes, identities and meaning systems that enable societies to function. Capitalism, for instance, requires not only that 'workers' accept and perform their role in 'production,' but that individuals more generally accept hierarchical divisions of labor and their corollary: differential valorization of who does what kind of work.

Socialization and the caring labor required to sustain family relations are stereotyped as 'women's work' worldwide. Yet in spite of romanticized motherhood and a glut of pro-family *rhetoric*, neoliberal globalization reduces the emotional, cultural and material resources necessary for the well-being of most women and families. While the traditional ideology of patriarchal states, religions, and families locates women in the home as loyal dependents and loving service providers, economic realities (and consumerist ideologies) are at odds with this and increasingly *compel* women to seek formal employment and/or undertake additional 'home-work.' As families worldwide confront shrinking economic resources, women are disproportionately expected to compensate – to absorb the costs of 'adjustment.' Women have fewer legal protections than men, fewer property rights, and less access to education, training, and work opportunities that are associated with highly valued skills. As a survival strategy, women especially rely on informal work to ensure family well-being.

Informal activities are not unique to but have greatly expanded in the context of neoliberal restructuring⁸ as conditions of formal employment deteriorate, privatization undercuts welfare provisioning, deregulation expands entrepreneurial and 'irregular' activities, and flexibilization entails declining real incomes and decreased job security worldwide. People are thus 'pushed' to engage in informal activities as a strategy for securing income however they can. Yet these activities are 'outside' of and contravene theoretical expectations regarding capitalist development, which presumed an increasingly *formalized* workforce.

Moreover, informalization has a variety of direct and indirect effects on labor relations. In general, it decreases the structural power of workers, reaps higher profits for capital, depresses formal wages, disciplines all workers, and through the isolation of informalized labor, impedes collective resistance. Women, the poor, migrants, and recent immigrants are the prototypical (feminized) workers of the informal economy; in the context of increasing flexibilization, the devalued (and unstable?) conditions of informalization are arguably the future for all but elite workers worldwide.

Informalization is heterogeneous and controversial. Some individuals prosper: in microenterprises (favored by neoliberals) where innovation may breed success and multiplying effects; in tax evasion and international pricing schemes that favor larger operations; in developing countries where informal activities are crucial for income generation; and in criminal activities that are 'big business' worldwide.⁹ Informalization is then crucial to GPE because it defies theoretical expectations, erodes safe and secure labor conditions, is growing explosively, and its often semi- or illegal activities are problematic. It thus poses fundamental questions for 'realistically' analyzing GPE (what 'counts' – and what *gets* counted/recorded – as economic activity) and exposes multiple sites of instability.

The virtual economy, or VE

Globalization is especially visible in flows of symbols, information, and communication through electronic and wireless transmissions that defy territorial constraints. It is not only the new scale and velocity of these transmissions but the different (symbolic, non-material, virtual) *nature* of these processes that we must address. Intangible symbols contravene familiar notions of time and space as well as conventional analyses of material goods. Because symbols are inherently cultural their circulation fuses culture and economy in novel ways. In short, manifestations of the VE effectively 'force' analysts to adopt a post-structuralist lens that accommodates interpretation. To be clear: I am not arguing that poststructuralism has only recently become relevant, but that current developments undercut any claims to the adequacy of non-interpretive accounts. I focus on three (interactive) modes of the VE involving respectively the exchange of symbolic/virtual money, information/knowledge, and cultural/aesthetic symbols.

Since the 1970s, floating exchange rates, reduced capital controls, offshore transactions, desegmentation, new financial instruments,

securitization, and the rise of institutional investors, have interacted to amplify the speed, scale and complexity of global financial transactions. Powerful states have been complicit in, and technologies have been decisive for, enabling the mobility of capital and its enhanced power. The result is an 'enormous mass of "world money"...[that] is not being created by economic activity like investment, production, consumption, or trade...It is virtual [symbolic] rather than real [commodity] money' (Drucker 1997: 162). The point is not that this 'delinking' (of symbolic from commodity money) insulates the real economy from global finance because prices 'set' in the VE (for example, through interest and exchange rates) have decisive effects throughout the socio-economic order: they shape investments (in financial instruments or human resources?), the production of goods and services (labor intensive or capital and technology intensive?) and the structure of labor markets (what types of labor, where located, with what compensation and under what conditions?). But symbolic money is differently constituted than commodity money: its symbolic/informational content is continually open to interpretation, and that interpretation depends less on objective indicators than on subjective ideas, identities, and expectations.

Effects of global finance are multiple. The allure of financial trading encourages short term speculation over long term investments in industry and infrastructure. The expansion, complexity, and non-transparency of global financial transactions makes money laundering easier, which enhances opportunities for illicit financial trading as well as organized crime. Increasing urgency in regard to 'managing money' and investment strategies shifts status and decision-making power within households, businesses, governments, and global institutions. These changes disrupt conventional identities, functions, and sites of authority. Most visible are the risks of financial crises, technical breakdowns, and hacker disruptions that are clearly destabilizing. Critics argue that prevailing economic theories fail both to adequately acknowledge the risk-prone tendencies of financial liberalization or take seriously the 'disturbing effects' when crises ensue.

The **informational** mode of the VE features the exchange of knowledge, information or 'intellectual capital.' While all processes involve information/knowledge, in this mode information *is* the commodity: ideas, codes, concepts, knowledge are what is being exchanged. Conventional analyses fail to address questions posed by the unique characteristics of the informational economy: its self-transforming feedback loop, the imperative of accelerating innovation, defiance of

exclusive possession, capacity to increase in value through use, and intrinsic dissolution of cultural-economic distinctions. Hence, the informational economy *necessarily* involves a transformation not only of goods but also of thinking, knowledge, and cultural codes.

Computer-based digitization enables the conversion of information, arts, and even human experience into a binary code available, virtually without the constraints of time and space, to anyone with the relevant 'reading' capacity (conceptual and technological). Digitization also effectively 'objectifies' these diverse phenomena, rendering them objects/commodities that are tradable. The selection of what is deemed worthy of digitization and circulation is inherently political, shaped by the cultural preferences and interests of those with greater ownership and control of relevant media. Many voices and viewpoints are marginalized. Similarly, access to and control over 'valued' informational goods, training and technologies are structured by familiar exclusions. Whatever celebrations and resentments accrue, the processes themselves transform conventional boundaries, cultural representations, and knowledge claims on an unprecedented scale.

The third mode of the VE features the exchange of aesthetic or cultural signs/symbols, treated here as heightened **consumerism**. This involves the creation of a social imaginary of particular tastes and desires, and the extensive commodification and marketization of tastes, pleasure, and leisure. Aesthetics and *cultural symbols* figure prominently here, emphasizing not the material aspects of commodities but the signs, symbols, and codes that invest these commodities with (cultural) meaning and value. In an important sense, capital focuses less on producing consumer goods than on producing consumer *subjectivities* and a totalizing 'market *culture*' that sustain consumption (see also Shapiro, and Gammon and Palan this volume, on the political economy of taste and desire).

The significance of cultural coding is amplified as commodification penetrates all aspects of culture, and the production of desire and rapidly changing tastes are key to surplus accumulation. The 'aestheticization of commodities' fuses economic and cultural activity by 'enlivening everyday life at the same time as legitimating consumerism and social acceptance of the imperatives of capitalism,' while the 'commodification of aesthetics' transforms culture and cultural activity 'into cultural industries, that is, commodities sold in the market,' thereby encouraging consumers to 'increasingly identify cultural gratification with consumption,' rather than other perhaps more meaningful and less profit-oriented activities (Amin 1994: 31).

Affluent consumption is the privilege of only a small percentage of the world's population, but it shapes the desires, choices, and valorization of those without affluence. The political economy of consumption involves the effects of consumerism as an ideology (fueled by pervasive advertising and global media that propel even the poorest to desire consumer goods as an expression of self-worth), and the power-laden issue of practicing consumption. Whose needs, desires, and interests are served? Whose bodies and environments are devalorized in pursuit of consumerism and the neoliberal commitment to growth (rather than redistribution) that fuels it? Finally, consumerism requires purchasing power, increasingly sought through access to credit. Patterns regarding who has it, how much they have, and how they use it correspond tellingly to class, race/ethnicity, gender, and geopolitical stratifications.

In summary, the VE is so-named not because it escapes materiality but because it forces us to 'get real' about the *power of symbols* to determine (by assigning differential 'value' to goods and workers) who wins and loses in neoliberal capitalism. In all of the economies, neoclassical precepts and positivist models tell us too little about how values and entitlements are determined; they omit too much of the symbolic, discursive, cultural and social. These omissions are simply untenable when analyzing the VE, where 'symbolic money,' digitized information, and commodified aesthetics constitute the 'goods' that are circulated and exchanged. Hence, in addition to and also more than any other, the VE proves the *necessity* of poststructuralism.

Conclusion

It is exactly the business of tracing and retracing contexts that puts things in a different light.

Teresa Brennan, *Between Feminism and Psychoanalysis* (1989).

Neoliberalism represents itself as a coherent and structurally homogenizing set of policies; based on neoclassical economics, it claims to be the optimal – and historically triumphant – system of economic ordering and one that is good for *all* of us, at least in the long run. This chapter reviewed actually existing – 'real' – conditions of GPE to argue otherwise: that reality 'exceeds' and contradicts what neoliberalism claims, and critical poststructuralism is required both to see 'real' conditions and produce more 'accurate' and politically adequate theory/practice.

Analytical claims of neoliberalism are at odds with the following realities. Capitalist markets have always required state supports. 'Real' shifts today reflect less a diminution of state power than an expansion of private/corporate power to affect state agencies, such that pursuit of minority (elite) economic interests increasingly displaces delivery of public goods to the majority (nonelites). Neither is capitalism's homogenizing claim persuasive: it has never been monolithic but always a mix of economic modes: barter, social, informal, formal. Linear and totalizing narratives of capitalist development are similarly at odds with its always contested, always changing character. And the 'real' history of capitalism is deeply marked by unevenness; some argue for its fundamentally cyclical nature, others for its inherent *unsustainability*: environmentally, socially, ethically. Historical development is always the result of struggle between social forces, and opposition to capitalism continues today in spite of neoliberalism failing to account for it.

Worsening conditions of employment, increased inequalities, growth of informal activities, crises of welfare provision, and feminization of the labor force contradict neoliberal expectations. Structural changes in the three economies are transforming identities of workers and nonworkers and upsetting 'expected' divisions of labor, sites of decision-making power, and sources of income. Work outside of the formal economy is neither coincidental to nor diminishing with capitalist development. The latter (historically and today) *relies on* 'noneconomic' social relations (for example, families, communities) and cultural codes (for example, validation of competition, acquisitiveness) for its successful – and effectively subsidized – 'reproduction.' Similarly, the *majority* of work (historically and increasingly today) is informal, and in this sense, outside of formal capitalist structures. This would be visible if analysts examined the everyday lives of women, peasants, migrants, artisans, microentrepreneurs and those operating in the 'underworld' of illicit activities. At the same time, neoliberal globalization is disrupting conventional families, communities, and cultural codes, and this disruption has destabilizing, though not predictable, effects.

ICTs not only enable unprecedented speed, scale and complexity of transactions, but their commodification of 'money' itself, knowledge, and cultural phenomena entails unique features that confound orthodox theories. ICTs transform processes of production, exchange, marketing, and consumption as well as modalities of thinking, knowing, and reflexivity. This occurs at an accelerating pace, affecting and

linking local and global cultural codes, without necessarily homogenizing them. Relative to conventional commodities, virtual goods and processes of exchanging them are less predictable, controllable, or stable.

Neither does global capital conform to neoliberal, economic analyses. While ostensibly mobile, its flows are highly patterned, selective, and often inconsistent with theoretical expectations. The delinking of symbolic/world money from commodity money continues to be underanalyzed even as its effects are recognized as problematic. The speculative, volatile and risk-prone tendencies of financial markets are exacerbated by deregulation and, as recent crises confirm, the consequences are systemically threatening. The subjective, interpretive dimensions of financial markets are by definition 'outside' of theoretical models that code them as 'exogenous' variables. Yet financial markets in particular rely on intersubjective relations (of trust and confidence) for their successful operation (see Thrift 1996; de Goede 2001). Lack of transparency and money laundering permits 'shady' trading and organized crime to proliferate. The latter economy is enormous, increasing, and unregulated; it has multiple effects on GPE that are neither accounted for analytically nor addressed politically.

The biases, blind spots, and failures of neoliberal 'theory' are inseparable from its suppression of alternative analytics. The latter offer extensive resources for making 'better' sense of global processes and conditions but are marginalized by the dominance of positivist/economic/rationalist paradigms in economics and IR. This involves academic and epistemic communities, the political economy of universities, and the training of practitioners in business administration, management and marketing programs.

Neoliberalism's limited 'grasp' of actually existing conditions is due in part to theoretical blinders and in part to its top down vantage point. In spite of the manifestly global processes they cultivate, neoliberal advocates pay little heed to voices and viewpoints outside of rich, powerful states, indeed outside of elite sites of power and authority within those states. Through their selective lenses the 'reality' in developing countries, the 'discarded fourth world,' urban ghettos, and overburdened families is rendered invisible and hence unaccounted for. Yet each of these is a site of knowledge-production as well as alienation and resentment that are potentially destabilizing.

Beyond the failures and omissions of neoliberal analytics (but inextricable from them) are *embodied marginalizations*. I refer here to processes of social exclusion, marked in particular by hierarchies of class,

ethnicity/race, sexuality, gender, and nation. In spite of rhetoric, or promises 'in the long run,' neoliberalism has exacerbated global inequalities and effectively marginalized the majority of the world's population from its purported benefits. Inequalities do not originate with neoliberalism, nor do its proponents claim to intentionally exacerbate them. Rather, long and entwined stabilizations of classism, racism, heterosexism, and colonialism enable the deployment of already internalized and institutionalized 'difference' in support of neoliberal objectives. Capitalism is not after all homogenizing; it seeks not to eliminate differences and inequalities but to take advantage of them for naturalizing (depoliticizing) exploitative practices.

What distinguishes contemporary, specifically neoliberal, capitalism is its unprecedented global reach and apparent 'hegemony.' ICTs enable this reach and (under the direction of rich and powerful elites) the global promotion of capitalism as the only alternative – ostensibly, as 'common sense.' People everywhere are more aware of – and are encouraged to emulate – lifestyles of the rich/north. But due to global media, they are also acutely aware of inequalities, and for the majority, the impossibility of 'making real' the promise of rich, secure lives.

This is not to suggest a homogeneity of consciousness among those excluded, nor a global repudiation of what capitalism purports to offer. It is to insist that (in various and shifting forms) these exclusions are increasing, are increasingly debilitating, and responses to them threaten the stability of neoliberal marketization. Responses vary and depend on multiple factors. In psychological terms they include denial, indifference, frustration, despair, anger, resentment and hostility. In 'social action' terms they include individual, informal and collective resistance; seeking and developing alternatives; participation in counter-movements; as well as fatalistic disengagement; scapegoating 'others'; enhancing self- and group-power through fundamentalist ideologies; and in- and out-group violence. Whatever their form and however we evaluate the outcomes, all of these responses are 'at odds with' the self-representations of neoliberal hegemony, even as they are central to understanding GPE. In a simplifying sense, I am arguing that neoliberalism deepens conditions of structural violence, and that these conditions cultivate acute (direct) violence that is structurally destabilizing.

Through a critical poststructuralist lens, I have attempted to politicize (denaturalize) the symbolic and structural stabilizations of neoliberal capitalism – its ideological coding and material effects. Because stabilizations are only that, they require constant reproduction. To disrupt and redirect the particular orderings 'at work' we must first be

able to see them clearly. Documenting the failures, omissions, and excesses of neoliberalism undermines its claims to 'accuracy,' coherence, and legitimacy. Illuminating the social exclusions of neoliberalism shifts attention to the *costs* of perpetuating it as 'common sense.' Neoliberalism is not what it claims analytically, and in practice has not alleviated but exacerbated global inequalities and social exclusions. In short, the 'real' conditions of identifying, thinking, knowing, being, and having agency conform neither to the premises of neoliberal ideology nor its promise of the good life for all. These conditions render neoliberalism unstable.

The reality of being precarious and unstable does not guarantee neoliberalism's demise, much less its replacement by a more 'progressive' project. My point is rather the *necessity* of a critical poststructuralist lens for more 'accurately' analyzing the *realities* of GPE and for 'politically' assessing it in relation to alternative understandings and stabilizations. Prevailing accounts 'miss' and marginalize entirely too much; they cannot help but fail in their pursuit of the understanding and explanation so desperately needed today. By unmasking neoliberalism's pretensions, exposing its costs, and affording more adequate analysis, critical poststructuralism offers not only 'better' but more politically relevant understanding of GPE.

Notes

- 1 An important example is early 'western' state-making where the invention of writing afforded unprecedented 'sedimentation' of a particular symbolic order. For example, codifications in early Greek texts (especially the hierarchical dichotomies of mind-body, public-private, and civilized-barbarian) endure as the foundations of 'western philosophy' and have deeply affected subsequent politics and social ordering. Hierarchical divisions of labor and authority were also stabilized in this process (Lerner 1986; Peterson 1997) and have deeply affected subsequent political economy.
- 2 Exemplary elaborations regarding finance include de Goede (2001) and Thrift (2001).
- 3 These claims are elaborated in Peterson (1992) and regarding IPE specifically in 2003; see the latter for argumentation, empirical evidence, and citations supporting claims made subsequently in this chapter. On theory see also Amin and Palan (2001); Barker and Kuiper (2003); de Goede (2003); Gibson-Graham (1996); Hewitson (1999). I especially recommend the latter for an accessible and persuasive rebuttal of the most frequently repeated criticisms of poststructuralism.
- 4 I understand technologies as not deterministically but as historically contingent and socially embedded.
- 5 To clarify: I am arguing that the separation of culture from economy (due to positivist commitments) has been a persistent error that continuously impoverishes analysis, and *also* that 'real' conditions (due to ICTs) of today's

GPE expose – to an unprecedented extent and in new developments – how that separation is totally indefensible. In effect, to deny poststructuralist insights in the face of these real conditions is to preclude 'accurate' analyses of GPE.

- 6 Women continue to earn 30–40 percent less than men worldwide and in spite of heading almost one-third of the world's households, their lower wages are ideologically/culturally 'justified' by casting them as secondary earners. A corollary stereotype and sometimes reality, is that flexibilized work arrangements are therefore attractive to – and 'good for' – some women.
- 7 Migrant labor is particularly subject to informalization (treated under the RE) and often involves semi-clandestine and clandestine activities that link all three economies.
- 8 Debates regarding how to theorize, define, measure and evaluate informalization are addressed in Chapter 4 of my book (2003) where I reference an extensive and rapidly growing literature. The shadow or underground economy was in 1998 estimated to be US\$9 trillion – the equivalent of approximately one-fourth of the world's gross domestic product for that year (*The Economist* 28 Aug 1999: 59). Sivard (1995: 11) estimates that including 'women's work' would add as much as one-third to the world's gross national product.
- 9 A variety of sources (see Peterson 2003: 196, 201) provide the following estimates (in US dollars, per year): of 'white collar crime' in the US: \$200 billion; of profits from trafficking migrants: \$3.5 billion; of money laundering: as much as \$2.8 trillion; of tax revenue lost to the US by hiding assets offshore: \$70 billion; of tax evasion costs to the US government: \$195 billion.

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7 International Political Economy: Beyond the Poststructuralist/ Historical Materialist Dichotomy¹

J. Magnus Ryner

Unless International Political Economy (IPE) is to merely produce instrumentalist 'problem solving' knowledge but is also to produce critical knowledge, an intellectually honest response to poststructuralism (compatible with enlightenment ideals) would require IPE to take seriously the question of discourse and discursive representation. Hence, any claim that this question amounts to no more than a distraction has to be rejected. However, dramatic claims by poststructuralism, that there are no significant economic 'facts' prior to discourse, are too strong and they can be refuted by the distinction that critical realists make between the intransitive and the transitive. On the basis of the ontological position that this argument implies, this chapter makes the case for a neo-Gramscian critical-theoretical approach to IPE, but one that is methodologically enriched by the profound contribution to semiotic awareness that poststructuralism makes.

The poststructural critique of historical materialism

In the introduction to *The Postmodern Condition* (1984: p. xxiii), Lyotard makes the point that, measured by their own yardsticks, the majority of modern sciences would prove to be fables. To be sure, their methods of observation can be deployed to shed light on empirically grounded and localized regularities. Lyotard does not deny that awareness of such regularities amount to instrumental and (from certain perspectives) useful knowledge. The problem arises when universal truth-claims are made from such observed regularities. Modern science is then '... obliged to legitimate the rules of its own game. It then produces a discourse of legitimation with respect to its own status, a discourse called philosophy.' Lyotard's characterization poses a fundamental challenge