

CONTENTS

List of Boxes, Tables, Figures and Maps	xi	<i>International relations</i>	26
Preface to the Sixth Edition	xiv	Methodological Issues	28
Changes to the Sixth Edition	xv	<i>Case studies and large n studies</i>	28
List of Abbreviations	xvi	<i>Rational choice</i>	29
Introduction	1	<i>Institutionalism</i>	31
<i>Plan of the Book</i>	1	<i>Constructivism</i>	32
<i>Globalization</i>	2	<i>Methodological debates</i>	33
PART 1 THEORETICAL PERSPECTIVES	3	Trends in Contemporary GPE Theory	34
1. THEORIES OF GLOBAL POLITICAL ECONOMY	5	<i>Consolidation</i>	34
Understanding the Global Political Economy	5	<i>Integration</i>	35
The Economic Nationalist Perspective	7	<i>Expansion</i>	36
<i>Key actors</i>	8	Approach of this Book	38
<i>Key dynamics</i>	8	Further Reading	41
<i>Conflict and cooperation</i>	9	PART 2 EVOLUTION	43
<i>Economic nationalism today</i>	10	3. FORGING A WORLD ECONOMY: 1400–1800	45
The Liberal Perspective	11	Regions of the World Economy	46
<i>Key actors</i>	13	<i>The Middle East</i>	48
<i>Key dynamics</i>	13	<i>China</i>	49
<i>Conflict and cooperation</i>	13	<i>India</i>	50
<i>Liberalism today</i>	14	<i>Africa</i>	51
The Critical Perspective	16	<i>The Americas</i>	51
<i>Key actors</i>	17	<i>Europe</i>	52
<i>Key dynamics</i>	18	European Expansion	57
<i>Conflict and cooperation</i>	18	<i>Into the Americas</i>	58
<i>Critical theory today</i>	19	<i>Along Africa: the triangular trade</i>	61
Contending Perspectives: A Summary	20	<i>On the peripheries of Asia</i>	63
Further Reading	22	Conclusion	66
2. INTERNATIONAL POLITICAL ECONOMY AND ITS METHODS	23	<i>Trade</i>	66
Locating the Field	23	<i>Production</i>	67
<i>Economics</i>	24	<i>Finance</i>	67
<i>Political science</i>	25	<i>Labour</i>	68
<i>Political economy</i>	26	<i>Gender</i>	68
		<i>Development</i>	69
		<i>Environment</i>	69
		<i>Ideas</i>	69
		<i>Security</i>	70
		<i>Governance</i>	70
		Further Reading	71

4. INDUSTRY, EMPIRE AND WAR: 1800–1945	72	Security	115
The Industrial Revolution	73	Governance	115
<i>What was the Industrial Revolution?</i>	73	Further Reading	116
<i>Why Britain? Why then?</i>	75		
<i>What did the others do?</i>	77		
Pax Britannica	78		
<i>The gold standard and capital flows</i>	78		
<i>Free trade</i>	81		
<i>Balance of power</i>	83		
Renewed Imperialism	85		
War and Economic Disorder	88		
<i>The world wars</i>	89		
<i>Interwar economic failure</i>	91		
Conclusion	94		
<i>Trade</i>	94		
<i>Production</i>	95		
<i>Finance</i>	95		
<i>Labour</i>	95		
<i>Gender</i>	96		
<i>Development</i>	96		
<i>Environment</i>	96		
<i>Ideas</i>	96		
<i>Security</i>	97		
<i>Governance</i>	97		
Further Reading	98		
5. GROWING A GLOBAL ECONOMY: 1945–2019	99		
The Cold War Era: 1945–89	99		
<i>The US-led Western political economy</i>	99		
<i>The Communist political economy</i>	102		
<i>The Southern political economy</i>	103		
The Post-Cold War Era: 1990–2019	105		
<i>Competing capitalisms and state transformation</i>	105		
<i>The information revolution</i>	108		
<i>International organizations and governance</i>	110		
Conclusion	112		
<i>Trade</i>	112		
<i>Production</i>	113		
<i>Finance</i>	113		
<i>Labour</i>	114		
<i>Gender</i>	114		
<i>Development</i>	114		
<i>Environment</i>	114		
<i>Ideas</i>	115		
		PART 3 DYNAMICS	117
		6. INTERNATIONAL TRADE	119
		Definitions	119
		Theoretical Perspectives: Free Trade and Protectionism	121
		<i>Proponents of free trade</i>	121
		<i>Critics of free trade</i>	123
		Major Developments	126
		<i>Growth and protectionism</i>	126
		<i>Changing institutional arrangements</i>	131
		Key Issues	136
		<i>Developing country interests</i>	136
		<i>Regional trade agreements</i>	141
		<i>Trade and globalization</i>	144
		Conclusion	147
		Further Reading	147
		7. TRANSNATIONAL PRODUCTION	148
		Definitions	150
		Theoretical Perspectives: Explaining the Growth of TNCS	151
		Major Developments	155
		<i>The globalization of production</i>	155
		<i>Changing organizational principles</i>	160
		Key Issues	163
		<i>Re-evaluating the benefits of FDI</i>	163
		<i>State-firm interactions</i>	167
		<i>Regulating capital</i>	171
		Conclusion	172
		Further Reading	173
		8. THE GLOBAL FINANCIAL SYSTEM	174
		Definitions and Background	174
		Theoretical Perspectives: The Mundell-Fleming Model	177
		Major Developments	179
		<i>IMS: from fixed to floating and regional currencies</i>	179
		<i>Credit: financial innovation and repeated crises</i>	185

Key Issues	194	<i>Development, neoliberalism and beyond, 1982–2019</i>	274
<i>Global credit crisis</i>	194	Key Issues	277
<i>Future of the US dollar</i>	197	<i>The organization of development</i>	277
<i>The European sovereign debt and euro crisis</i>	200	<i>Debt and debt relief</i>	282
<i>Corporate and individual tax abuse</i>	204	<i>North–South conflict</i>	283
Conclusion	207	Conclusion	286
Further Reading	209	Further Reading	287
9. GLOBAL DIVISION OF LABOUR	210	12. GLOBAL ENVIRONMENTAL CHANGE	288
Definitions	210	Definitions and Background	289
Theoretical Perspectives: Adam Smith and his Critics	213	Theoretical Perspectives: IPE and Environmental Studies	292
Major Developments	216	<i>IPE debates</i>	292
<i>Changes in the production process</i>	216	<i>Environmental studies' debates</i>	294
<i>From the new international to the global division of labour</i>	221	Major Developments	298
Key Issues	224	<i>Bringing the environment in</i>	298
<i>Global restructuring: the rise of China and India</i>	224	<i>Mainstreaming environmentalism</i>	300
<i>The struggle for workers' rights in a global economy</i>	227	Key Issues	301
<i>Inequality</i>	230	<i>Climate change</i>	302
Conclusion	235	<i>Sustainable development</i>	309
Further Reading	235	<i>Transnational land acquisitions</i>	312
10. GENDER	236	Conclusion	314
Definitions and Background	236	Further Reading	314
Theoretical Perspectives: GPE as if Gender Mattered	238	13. KNOWLEDGE	315
Major Developments	242	Definitions	315
<i>Women in the world economy: employment trends and prospects</i>	242	Theoretical Perspectives: Ideas about Ideas	316
<i>Gender and global public policy</i>	245	Major Developments	319
Key Issues	251	<i>The information revolution and the information society</i>	319
<i>Poverty and gender inequality</i>	251	<i>The rise and stall of the Washington Consensus</i>	323
<i>Globalization of reproductive work</i>	253	Key Issues	327
<i>Gender and global restructuring</i>	257	<i>Ideas, interests and the global financial crisis</i>	327
Conclusion	258	<i>Blockchain utopias and AI dystopias</i>	330
Further Reading	259	<i>Property rights and public health (HIV/AIDS)</i>	335
11. ECONOMIC DEVELOPMENT	260	Conclusion	337
Definitions	262	Further Reading	338
Theoretical Perspectives on Growth and Development	266	14. SECURITY	339
Major Developments	271	Definitions: Two Views of Security	339
<i>Development and national capitalism, 1947–81</i>	271	<i>The traditional state-centric approach</i>	339
		<i>Human security</i>	340

Theoretical Perspectives: Integrating Security and Political Economy	342	<i>Theoretical Perspectives: Whither the State?</i>	364
Major Developments	346	Major Developments	365
<i>The Cold War security structure</i>	346	<i>Proliferation of governance levels</i>	366
<i>The post-Cold War security structure</i>	347	<i>Proliferation of actors</i>	369
Key Issues	351	<i>Rise of the BRICS</i>	373
<i>Economic statecraft and security</i>	351	Twenty-first-century Challenges	375
<i>Transnational crime and corporate espionage</i>	354	<i>Future of the liberal economic order</i>	375
<i>Disease, pandemics and security</i>	359	<i>Sustainability of the global economy</i>	378
Conclusion	361	<i>Inequality and justice</i>	380
Further Reading	362	Conclusion	383
		Further Reading	384
		Bibliography	385
15. CONCLUSION: GOVERNING THE GLOBAL POLITICAL ECONOMY	363	Index	408
Definitions	363		

1

THEORIES OF GLOBAL POLITICAL ECONOMY

In its present form, the field of international political economy (IPE) or global political economy (GPE) is a relatively new undertaking at universities. This chapter introduces readers to three of its main theories. Chapter 2 gives readers an overview of the relationship of IPE to other fields, considers some of the methods used to study IPE and examines the future directions of GPE theory.

Understanding the Global Political Economy

Since the end of the Second World War, millions of people around the world have been concerned with improving their quality of life and developing their economies. In the late 1990s a puzzling thing happened when a number of countries that had previously been labelled ‘development miracles’ experienced severe economic setbacks. Explanations for the economic and political chaos varied depending on the analyst.

The trouble started in 1996 and continued into 1997 when a small number of investors and currency traders began to have doubts about whether Thailand’s economy would be able to continue its record of remarkable growth. Fearing a reduction in economic prosperity and profit, some of these investors began to withdraw their money and investments. The outflow of money forced the Thai central bank to devalue its currency, the baht. This began a process that was later called the 1997 ‘Asian financial crisis’. By the time the crisis had run its course, several Asian countries experienced economic depression, the government of Indonesia was overthrown, countries previously labelled ‘economic miracles’, for example South Korea, were forced to seek loans from the International Monetary Fund (IMF) and the viability of the international financial system was called into question.

Although the 1997 Asian financial crisis was clearly a significant development in the global political economy, it was not immediately apparent what caused the events, what its most significant aspects were or what lessons might be drawn from the crisis to prevent a similar event from occurring. Indeed, a number of different stories are told about the crisis (see Table 1.1). One story, the liberal story, locates the causes of the crisis primarily in the financial policies followed by Asian states (McLeod and Garnaut, 1998). This view suggests that resources were directed to inefficient uses because of corrupt business practices and political influence over financial institutions. The term ‘crony capitalism’ was developed to capture this inappropriate model of political economy. The lesson to be drawn from the crisis is that financial markets will eventually punish economic activity that violates or ignores liberal economic principles. The solution is for developing countries to have more transparent financial practices and follow a more liberal economic model.

A second story stresses the significance of state power in creating and exploiting the crisis (Weiss, 1999). In this view, the problem arose because developing countries liberalized their economies

Understanding the Global Political Economy	5
The Economic Nationalist Perspective	7
The Liberal Perspective	11
The Critical Perspective	16
Contending Perspectives: A Summary	20
Further Reading	22

Table 1.1 Interpretations of the Asian financial crisis

	Liberal	State power	Critical
Causes	Crony capitalism, lack of transparency	Overrapid liberalization, reduced state capacity to regulate	Predatory liberalism, power of financial interests, systemic flaws
Key issue(s)	Corruption, lack of liberal economic practices	Clash of Anglo-American versus Asian models	Human suffering caused by financial collapse
Lessons	Increase transparency and good practice in developing countries	Limit financial speculation through state policies	Reform international financial system, defend national system

prematurely and allowed large amounts of money to flow into and out of their countries too quickly. This undermined the East Asian model of political economy and caused a crisis. This approach would stress how the US used the Asian crisis as an opportunity to force some states to restructure along lines that benefited US business. During the crisis, Asian states attempted to counter American initiatives at the IMF and to continue to resist the undermining of their particular form of capitalism (Higgott, 1998). The lessons from the crisis are that states need to be careful about liberalizing their economic activity and must pay attention to guarding their national interest.

A third story (critical) focuses on the role of US private business interests and the US government in creating the conditions for a financial collapse. It suggests that the US government pressurized developing states into liberalizing their economies because this suited the interests of the US Treasury and leading financial firms on Wall Street (Wade and Veneroso, 1998). Once the crisis took place, the same interests pressed the IMF to demand that Asian economies restructure in a way that would open markets for US firms. This story also stresses the high degree of suffering caused by the financial collapse and the fact that its costs were unevenly distributed. For example, the collapse of the Indonesian economy pushed millions further into poverty, but left wealthy financial interests in developed countries relatively untouched. In this view, the international financial system facilitates the rapid movement of money between countries and contributes to the reoccurrence of financial crisis in many parts of the world (Walton, 2002). Action needs to be taken to curb financial speculation, such as a tax on large short-term foreign exchange transactions. States should also consider restricting the ability of investors to move their funds abroad rapidly.

This brief example of the Asian financial crisis demonstrates that the same event can be analysed in several different ways. Indeed, most major developments are interpreted through competing explanations. Facts do not exist independently of explanatory frameworks. Facts are pieces of information that are thought to correspond to reality and be true, but the way in which they are perceived and judged is influenced by theory. In order to make sense of the world and to enable us to take constructive action, humans develop theories to help determine which facts are most important and what significant relationships there are between different events. Theories are used for a variety of purposes:

- They can prioritize information and allow individuals to turn their attention to the most important issues.
- They can be used to make predictions about the future so that action can be taken to prepare for upcoming events.
- They can be used to plan action or mobilize support for particular action.

Every person utilizes theory to run their life even if they do not engage in explicit theorizing. Actors in the global political economy and those studying it use a variety of theories for a variety

of purposes. Some people are interested in prediction. For example, they would like to be able to predict what type of monetary system would lead to stable economic growth or the likelihood of war between democratic states. Others believe that prediction is nearly impossible because so many factors come together to influence events. These people are more likely to use theory in an attempt to understand the world rather than to predict what will happen next.

In this book, we use and describe a number of theories to guide us in understanding the world. The development of IPE is often presented as a debate between three contending schools of thought, paradigms or approaches. Some commentators refer to contending paradigms, others to different schools of thought and yet others to competing approaches. It does not really matter for our purposes whether they are seen as theories, paradigms, schools of thought or approaches. The central point is that three main contending perspectives have been used to explain developments in the global political economy. Although analysts distinguish between these three approaches, there is a wide variety of thought within each approach and much work in IPE draws on more than one of them. In addition, there are a number of other approaches, such as environmentalism, feminism and poststructuralism, which contribute to the study of IPE. These will be introduced later in the text. Let us begin by looking at the oldest approach – economic nationalism.

The Economic Nationalist Perspective

One school of thought brings together analysts who focus on the role of the state and the importance of power in shaping outcomes in the international political economy. These theories stress the importance of the nation-state in understanding activity in international relations (IR). This grouping is variously termed ‘mercantilist’, ‘neomercantilist’, ‘statist’, ‘state-based theory’, ‘power politics’ or ‘economic nationalist’. The equivalent in IR theory is realism. We use the term ‘economic nationalism’ to refer to this perspective because at the centre is the protection of the national unit. The underlying economic argumentation may alter, but the objective of economic intercourse remains the same.

The origin of this school of thought can be traced back to the emergence and expansion of the nation-state in Europe in the 15th century. Mercantilism was a doctrine of political economy that governed the actions of many states until the liberal revolution in Britain in the mid-19th century. Mercantilists believed that there was only a limited amount of wealth in the world and that each state must secure its interests by blocking the economic interests of other states. This is known as a ‘zero-sum game’. One state’s gain is another state’s loss. From the 15th until the 19th century, European states strove to establish overseas empires that would be as self-sufficient as possible. Trade between neighbouring colonies of rival empires was discouraged.

Two famous advocates of mercantilist theory were Alexander Hamilton ([1791]1991) and Fredrick List ([1885]1991). Hamilton was a founding father of the United States. Writing in the 1790s, he urged Americans to protect their manufacturers from foreign competition so that they could industrialize and increase their power. Almost a hundred years later, List argued that Germany should industrialize behind trade barriers so that it could catch up with the economic might of Great Britain. He believed that only the economically strong advocated free-trade policies because other states would lose out in the ensuing competition. While Great Britain led the Industrial Revolution in the early 1800s and opened up its borders to free trade, both Germany and the US followed more economic nationalist policies.

One central question for students of the contemporary global economy relates to the persistence of mercantilist thought. It could be assumed that an economic perspective based on unrivalled state power is of limited relevance in a world characterized by globalization. While this may be correct, contemporary economic nationalist thought should not be dismissed as some atavistic throwback to an earlier era. It reflects, on the one hand, an acknowledgement that states remain at the centre of power within the global political economy and, on the other, that there is an intimate connection

between power and wealth. Economic nationalist thinking, whether it is termed ‘neomercantilism’ or ‘statism’, remains important in both analysis and practice in the contemporary global economy. For example, states may protect strategic industries against foreign rivals or attempt to export more than they import for long periods of time. Japan has been accused of being a mercantilist state because in comparison with other advanced industrialized countries its economy is relatively closed. Even states that are generally seen to follow liberal policies, such as the US, will pursue economic nationalist policies in particular sectors. For example, the US uses defence spending to support its commercial aerospace industry.

Key actors

Economic nationalist or mercantilist theories view the state as the main actor in the global political economy. A major assumption of economic nationalists is the primacy of the political over other aspects of social life. Statist writers focus on the group (the nation-state) rather than the individual. Economic nationalist thought begins from two major assumptions. The first is that the interstate system is anarchical and it is therefore the duty of each state to protect its own interests. At the core of the various historical versions of economic nationalism is the belief that an economic community persists and acts for the good of all its members. The second assumption concerns the primacy of the state in political life. As the state is the central instrument through which people can fulfil their goals, it follows that the state remains the preeminent actor in the domestic and international domains. Economic policy should be used to build a more powerful state.

From this perspective, the state is prior to the market and market relations are shaped by political power. Economic nationalist thought is both descriptive and predictive. Descriptive economic nationalists maintain that production, consumption, exchange and investment are all governed by political power. Markets are not ‘natural’; they can only exist within a social context. For mercantilists, political needs and purposes are seen largely as being achieved through the form of the state. It remains at the core of social life. But economic nationalists move beyond description and also provide policy advice. Given their analysis of the dynamics of political economy, such advice is geared towards supporting and maintaining state power.

Economic nationalists recognize the importance of market-based actors such as firms, but subordinate their importance to that of the state. Within this perspective, the economic power of transnational corporations (TNCs) is acknowledged, but the overall power of such firms remains limited. In the end, firms are subject to the dictates of states. Insofar as firms have become important economic actors, this is only because states have abandoned regulation or lessened controls on the movement of capital. When firms encounter economic or political trouble, they quickly turn to their home states for protection.

Key dynamics

From an economic nationalist perspective, IPE is constituted through the actions of rational states. If IR is conceived as a struggle for power, IPE is a struggle for power *and* wealth. The determination of a state’s fate resides in its ability to ensure that its citizens reap advantages from international production and exchange. Market relations are important indicators of power and wealth but the market is governed by the activities of states. Economic activity is subordinate to political goals and objectives. Furthermore, economic actors are subject to political authority. The consequence of the salience of the state is that international economic relations are international political relations. The global economy in this view is subordinate to the international political system.

IPE scholars working in this perspective argue that the nature of the global economy reflects the interests of the most powerful states. For example, Krasner (1976) has suggested that systems of free trade are most likely when a single power dominates the international system.

This dominant, or hegemonic, power is needed to provide leadership and absorb the short-term costs of maintaining a free-trade regime. Analysts such as Gilpin (1981) have argued that changes in the distribution of power between states increase the chances of conflict in the international system. Because of this view, considerable time can be devoted to contemplating the rise and fall of great powers (Gilpin, 1987; Kennedy, 1987).

In the heated debate over globalization, both defensive and sceptical economic nationalist perspectives can be heard. The defensive posture arises from a fear that globalization may prevent state actors from fulfilling their goals. This is, of course, merely the continuation of the long-held suspicion of economic exchange held by economic nationalist thinkers. Unlike proponents of free trade, economic nationalists believe that the gains from trade are unequally distributed and favour those with greater economic and political power. Thus, defensive economic nationalists can recognize globalization as a threat and seek to counter its impacts. On the other hand, sceptical economic nationalists reject many of the current liberal arguments about globalization. They contend that globalization is largely a myth and that the power of the state remains undiminished. Since economic actors are subordinate to political power, these analysts argue that the policy environment conducive to globalization has been created by states. It therefore follows that states can alter this environment by changing their policies. Moreover, it can be claimed that since states remain powerful actors and the only legitimate centres of authority in the modern world, nothing significant has occurred in the global political economy.

Conflict and cooperation

Within IR theory, realism, with its focus on the primacy of the state, the anarchical nature of IR and the inevitability of conflict, provides the foundation for economic nationalist thought. If realism is the perspective in international politics, economic nationalism is its equivalent doctrine in political economy. Both share a commitment to the state and the role of power in social life. Power-based theories such as economic nationalism and realism view the world as anarchic – lacking any central authority. Relations between states are thus characterized by unending conflict and the pursuit of power.

International economic relations are therefore perceived as a zero-sum game where the gain of one party necessitates a loss for another party. The system's structure is perceived in conflictual terms. While economic nationalists believe that market relations can be positive, they think that such activity can also be negative. Since participating in markets is potentially negative, economic nationalists argue in favour of state control of key economic activities or for state assistance to central economic sectors. The continued salience of economic nationalist perspectives is easily visible today in production, consumption, trade and investment. In terms of production, economic nationalist sentiment is visible in arguments concerning the continued production of some good or service within particular national borders. This can be seen in terms of security concerns: that is, a state should not be reliant on the import of a specific good, because in times of conflict, this good may become unavailable. Some countries, such as France, protect their agricultural sector, while the US defends defence technology. It can also be seen in terms of the preservation of the cultural values of the nation. For example, many economic nationalists believe that it is vital to maintain the production of certain cultural products, such as films and music, within national borders. In relation to consumption, economic nationalist arguments have been made against cultural imperialism, that is, in favour of the view that the import of some products pollutes the nation through the introduction of foreign values. Whereas a liberal would argue that the sovereignty of the consumer is paramount, economic nationalists maintain that the values of the nation are more important. From the foregoing, it is easy to see how, in the sphere of exchange, economic nationalists support the protection of domestic industries. Furthermore, economic nationalist thought is behind arguments that seek to restrict foreign investment and supports the 'rights' of local investors over foreigners.

Economic nationalism today

Although the dominant approach to global political economy as espoused by the leading international institutions and economic theorists is liberalism, economic nationalism continues to inform thinking and action. Countries continue to protect their markets from foreign

Box
1.1

Profile: Susan Strange (1923–98) – unorthodox realist

Susan Strange (2002) admitted that she never meant to become a professor, but ended up in the role after stints in journalism (with the *Observer* and *The Economist*) and working at Chatham House, a British foreign affairs research institute. She eventually became a professor at the London School of Economics and Warwick University.

Strange's theoretical approach is difficult to characterize neatly (Tooze and May, 2002). It contains a strong element of power politics or economic nationalism because it focuses on the exercise of power and pays considerable attention to key state policies in structuring the global economy. Strange takes a realist approach by advising students to focus on the role of interests and constantly ask the question 'Who benefits?' Yet her work is also unorthodox because she urges observers to take account of the role of markets, corporations and technological innovations in changing the environment in which the state operates. In a series of exchanges with US IPE scholars, Strange continually went against the mainstream by variously arguing that the study of regimes was faddish and mistaken (1982), that US hegemony was not declining in the 1980s (1987) and that globalization was transforming the nature of state authority (1996).

Strange viewed IPE as a method of understanding the world that focused on the relationship between markets and authority. She argued that IPE should be an interdisciplinary area that brought together IR and international economics. Her broad approach is set out in a 1988 textbook called *States and Markets*, which argues that in addition to relational power (A forces B to do A's will), power resides in structures. Structural power is the ability to shape the rules of the game in a particular area. Those who create the operating framework for everyone's activities exercise power by eliminating some possibilities and making some outcomes more likely than others. Strange maintained that there were four key structures of power (security, production, finance, knowledge) and numerous secondary structures (transport, trade, energy, welfare). Strange reasoned that since the US exercised considerable structural power in the key structures, talk of decline was mistaken.

In the 1990s, Strange increasingly turned her attention to non-state actors. A major collaboration with a business school professor (Stopford and Strange, 1991) argued that traditional notions of diplomacy being an interstate practice had to be expanded to include state–firm and firm–firm interactions. In a later book, Strange (1996) identified other actors such as business associations, bureaucrats and even mafias that were operating transnationally and undermining the authority of states. Most of Strange's empirical work was in the area of finance and credit. She argued that the creation and control of credit was a significant source of power in the global economy. True to her realist roots, she traced the liberalization and globalization of finance to particular decisions or non-decisions of the most powerful states. Finance was globalized because it suited the interests of the most powerful states (principally the US and the UK). However, Strange also worried that the failure of states to exercise proper regulatory control over financial flows was turning the system into a form of 'casino capitalism' (1986). Her fear was that a widespread financial collapse would lead to a closing of the global economy (1998).

Strange played a prominent role in founding and supporting the study of IPE as an interdisciplinary field in Britain. Her pioneering studies in the field of finance inspired a new generation to examine the power relations flowing around credit issues. Strange's insistence that IPE be an open field of intellectual enquiry influenced the development of the field in Britain by bringing in work from a number of different disciplines. Her stinging criticism of US intellectual trends provided room for British scholars and students to ask different types of questions and use different methodologies from their US counterparts.

competition even though they have committed themselves to free trade. Although protectionism has been reduced as countries have lowered tariffs, many other mechanisms are used to keep out foreign products. Chapter 6 reviews how states have used a variety of reasons to restrict trade, for example health and safety, environmental, cultural, employment, infant industry. Trade in services such as education and healthcare is a particularly sensitive subject, with many states unwilling to open up to foreign competition.

States have actively involved themselves in supporting particular industries, contrary to liberal theory. Many developing countries have relied on their states to boost economic activity, shield domestic industries from competition and direct finance to selected industries. China has enjoyed remarkable economic growth, but has imposed strict conditions on foreign investment, intervened to make sure its currency is relatively cheap and guided finance into particular activities through five-year plans. While benefiting from a generally liberal and open economic system, China has engaged in economic nationalist policies in pursuit of development.

Concerns about economic nationalism increase in times of economic downturn. Politicians and the public may wish to increase discrimination against foreign economies and firms when growth slows in the belief that steps should be taken to support national economies. Such an approach risks retaliation and the closing of world markets, which damages the interest of all states because it reduces the possibility of growth through trade. The protectionist policies of the 1930s are often blamed for worsening the Great Depression and this lesson is used against those advocating economic nationalist policies.

Economic nationalism increased in importance in a number of Western states in 2016. In June of that year British citizens voted to withdraw the UK from the European Union (EU). The Brexit referendum vote indicated that a large number of people wanted to reassert national sovereignty and restrict the movement of foreigners into Britain even if it meant losing access to the EU's large economic market. In November 2016, Donald Trump was elected US president riding a wave of economic and racial grievances. He targeted liberal elites and foreigners as a cause of American decline. The president's inauguration speech reflected an economic nationalist view of the world when he stated:

From this moment on, it's going to be America First. Every decision on trade, on taxes, on immigration, on foreign affairs, will be made to benefit American workers and American families. We must protect our borders from the ravages of other countries making our products, stealing our companies, and destroying our jobs. Protection will lead to great prosperity and strength. (Trump, 2016)

Visually, the economic nationalist approach can be represented by a game of marbles (Figure 1.1). The marbles are states, with different attributes, varying in their design, size, strength and beauty. They crash into each other in a competition to determine a winner.

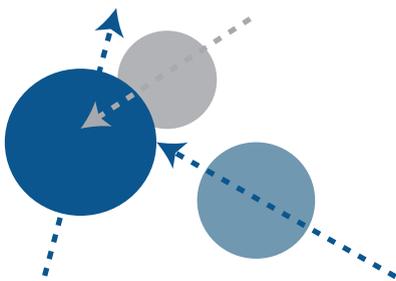


Figure 1.1 Economic nationalism as marbles

The Liberal Perspective

In contrast to the economic nationalist theories, liberals focus on either the individual or a wide range of actors from the state to the corporation to interest groups. They do not see the state as a unitary actor, but as influenced by numerous factors. Rather than stress the inevitability of conflict, liberals search out the conditions for cooperation. They tend to play down the role of force and coercion in human affairs and emphasize the

Box
1.2**Relative versus absolute gains**

In many ways, disagreements between economic nationalists and liberals can be traced back to differences over relative and absolute gains. Relative gains refer to one actor doing better or worse compared with another actor. Absolute gains refer to whether an actor is better off compared with a previous point in time. Economic nationalists and their IR cousins (realists) argue that since states are in competition with each other, their primary concern is how a state performs relative to its rivals. Does a particular arrangement increase or decrease the gap between states? In contrast, liberals believe that states are rational and will support measures that will increase their absolute wealth by the greatest amount.

As an example, imagine that the US and China were presented with two economic agreements that would govern their relationship for 20 years. Under agreement A, which involves carefully managing trade between the two countries, the US will grow at an annual rate of 2 per cent and China will grow at an annual rate of 2 per cent. Under agreement B, which involves a broad free-trade deal, the US will grow at an annual rate of 5 per cent and China will grow at an annual rate of 10 per cent. An economic nationalist would opt for agreement A because it delivers similar benefits to both countries, whereas agreement B causes China to grow much faster than the US. Liberals would disagree, arguing that the US should sign agreement B because it would increase growth by 5 per cent each year rather than the meagre 2 per cent of agreement A. The free-trade arrangement will make the US richer and more prosperous than the managed trade agreement. A focus on relative gains would lead policy makers to prefer agreement A, while a focus on absolute gains would lead policy makers to choose agreement B. Which do you think the US should sign?

ability of individuals to choose between attractive courses of action or negotiate their differences. Liberals see the world system as one of interdependence rather than anarchy. States and peoples can cooperate for mutual benefit in the liberal view. Rather than a zero-sum game where one person's gains are another person's losses, liberals see a positive-sum game where the pie grows bigger and everyone gains. Box 1.2 examines the debate over relative versus absolute gains.

Liberal theories of political economy emerged in 18th- and 19th-century Britain alongside the Industrial Revolution. They offered a critique of economic nationalist thought by arguing that protectionism and restriction of economic activity were actually impoverishing states. Scottish moral philosopher Adam Smith ([1776]1983) advocated freeing up commerce and creating larger national and international markets as a method of generating wealth for everyone. Englishman David Ricardo ([1817]1992) introduced the revolutionary theory of comparative advantage, which demonstrated that all nations can benefit from free trade even if they are not as competitive as other states.

Today's global economy is governed largely according to liberal principles. The trade regime is based on the goal of free trade: money flows into and out of most countries without great difficulty and all forms of economic activity are increasingly liberalized. However, there is a wide variety of liberal thought. It ranges from those who see the state fading away in an emerging borderless world dominated by corporations (Ohmae, 1990) to liberal institutionalists (Keohane and Nye, 1977), who stress the continuing importance of the state, but see it enmeshed in webs of interdependence and international organization. David Landes' book *The Wealth and Poverty of Nations* (1998) takes a particular type of liberal approach. It argues that those with liberal values have been most successful in the global economy and implies that these values were freely chosen by people in Europe and the West. However, Landes parts ways with those liberals who argue that individual choice is more significant than cultural institutions.

Key actors

Within the liberal perspective there are a number of key actors. For liberals, the starting point of analysis is the individual. Liberal economic theory, of which neoclassical economic theory is a variant, begins from the analysis of individual wants and preferences and constructs a powerful explanatory framework on this basis. In the context of analysis of the global economy, liberal theorists focus on the behaviour of individuals, firms and states. In contrast to economic nationalism, the key economic actor is the individual rather than the state. Individuals in pursuit of self-interest will maximize the benefits of economic exchange for society. Within liberal theory the firm also plays an important role. Unlike mercantilists who view the firm with a degree of suspicion, liberals see the firm as a source of economic wealth. The state is viewed with hostility by many liberals since it brings politics into the realm of economics. Liberals believe that if individuals are left to freely engage in production, exchange and consumption, all will benefit and that the insertion of state control distorts benefits and adds costs to participants in the market. People engaged in free economic exchange pursuing their own interests create a society-wide harmony of interest. From a liberal perspective, the TNC is a positive force that brings advantages to both home and host countries. From the perspective of the home country, the TNC represents an optimal mix of technology, managerial skill and capital, while for host countries, TNCs boost their economies through the transfer of capital, technology and access to markets.

Key dynamics

For liberal theorists the market lies at the centre of economic life. Economic progress results from the interaction of diverse individuals pursuing their own ends. While liberals acknowledge that market relations are not always optimal, they tend to argue that intervention in the market is most likely to produce suboptimal outcomes. There is, of course, a broad spectrum of liberal thought. It ranges from John Maynard Keynes (1936), whose economic theories laid the foundation for interventionist welfare governments in the immediate postwar period, to Friedrich Hayek (1944), whose free-market philosophy guided the neoliberal revolution of the 1980s. They both subscribe to a belief in the positive role of markets and the ability of the market to lead to prosperity. However, they differ over the importance of market imperfections and the policies that ought to be implemented to deal with market failure.

For liberal theorists, IPE is constituted by a search for wealth. On the whole, open markets will enhance growth and wealth, and firms will disseminate material wealth across the globe. Economic failure in this perspective is often the result of government intervention. Many liberal theorists have been at the forefront of the debate on globalization. For 'hyper-liberals', globalization is not only a reality (indeed, an inevitability), it is a positive force for good. Globalization breaks down artificial (for which read political) barriers and by unleashing the force of production, it can contribute to enhanced happiness for humankind. Thus, hyper-liberals welcome globalization. Keynesian-influenced liberals or those of a reformist stance perceive certain problems with the unfettered operation of the free market and are therefore sensitive to some unwanted consequences of globalization. They support globalization but emphasize the need for attention to market reform.

Conflict and cooperation

Liberal theorists view IR and the IPE as essentially cooperative. Indeed, they believe that market relations will lead to positive outcomes for all. In other words, economic relations are positive sum. A standard liberal theory that exemplifies this belief is the theory of comparative advantage, which shows that even in a situation where one country enjoys a superiority in the production

of all goods and services over a second country, trade between the two countries will benefit both countries. This is explained in more detail in Chapters 4 and 6.

One persistent liberal belief has been that economic nationalist policies lead to conflict. Unlike Marxist writers who denounce the growth of global capitalism as a cause of war, liberal theorists view increased international interaction as a source of prosperity and peace. The liberal belief in the connection between protectionist policies and conflict and the reverse argument, namely that capitalism favours peace, are central to liberal critiques of the international economic order. German philosopher Immanuel Kant ([1795]1991) foresaw an era of perpetual peace when systems of free trade, a coalition of republican states and the fear of destructive warfare would bring about an era of calm and prosperity. Towards the end of the First World War, US President Woodrow Wilson ([1918]1986) advocated liberal principles of free trade, self-determination and the use of international organizations to settle disputes between states.

The framers of international economic institutions after the Second World War were supporters of this view. It was argued that the war had its origins in the economic nationalist policies of the 1930s. As a consequence of the Great Depression, governments resorted to a series of protectionist measures that eroded confidence in international cooperation. As a result of economic nationalist policies, the basis of collective security was shattered and an atmosphere conducive to dictators was created. The shift from economic competition to military conflict was, in this view, inevitable. Hence, there was the need after the war to design institutions to foster international economic cooperation and to include within those institutions mechanisms to prevent states from resorting to competitively nationalist policies.

Within the study of IR, liberal theories of world politics and political economy share assumptions concerning the pluralist nature of the international system and the feasibility of cooperation. Theories of interdependence developed in the 1960s to explain the connection between increased economic exchange and interconnectedness and the long peace among Western nations after 1945. They echo classical liberal political economy. These theories emphasized the economic and political benefits of economic interchange. Interdependence was proffered as both a description of events and a prescription for the solution of conflict.

In the 1980s and 90s, liberals continued to argue that international cooperation was both possible and desirable. In contrast to economic nationalists or realists, liberals argued that international agreements or regimes would maintain international economic order even if hegemonic states declined (Keohane, 1984). With the end of the Cold War and the rapid spread of liberal economic models to many states in the 1990s, it appeared that the liberal faith in cooperation and progress was justified. Some even went so far as to claim that history had ended because the liberal democratic model had triumphed over other forms of social organization (Fukuyama, 1992).

Liberalism today

Liberal neoclassical economics, which stresses the importance of rational decision makers in free markets, dominates the field of economics. International institutions such as the World Trade Organization (WTO) are founded on liberal principles of free trade, while the IMF and the World Bank preach liberal prescriptions to those seeking development funds or loans to see them through financial crises. TNCs urge state leaders to open their markets to the free flow of investment and many government officials eagerly comply. Indeed, many states have bound themselves to an ever more liberal economy through participation in international organizations and international economic agreements such as regional or bilateral free-trade agreements. The market continues to expand by bringing in more and more countries as participants (such as China) and by encompassing a wider range of activities such as services (healthcare, education, childcare, housework).

Liberal thought has a number of significant variants. Although there is general agreement on the importance of markets and international institutions, there is substantial disagreement about the outer boundaries of liberal principles. Should liberal principles apply in every situation or are there some cases where liberalism should be tempered? The 2008 financial crisis reopened the debate among liberals about regulation and the role of government in economic crises. Does self-regulation of financial firms lead to economic efficiency or corruption and financial collapse? Should governments bail out banks with taxpayers' money to maintain economic stability or should banks be allowed to fail to teach them a lesson? How should governments respond to financial and economic crises? What should governments do if economic growth stalls? Is government's role to balance budgets or spend to jump-start economic growth?

One response to these questions has been a form of liberalism (variously called 'embedded liberalism', 'Keynesianism' or 'welfare capitalism'), which argues that governments have an important economic role and must step in to address market failures. Governments should provide a safety net for their citizens, regulate the financial industry to prevent crisis and provide a range of public services. This moderate form of liberalism has been challenged by neo-liberal thinkers.

'Neoliberalism' is a term that refers to an economic and political philosophy that places an emphasis on individual freedom and wellbeing through the expansion of free markets to allocate resources and make decisions (Harvey, 2007). Although there are a number of different schools within neoliberal thought, they generally agree that governments should have a limited role in the economy and regulation should be kept to a minimum. Another term for neoliberalism is 'market fundamentalism' – the belief that markets should have the dominant role in society. Neoliberals support private provision of services such as health and education, minimal regulation of finance or the environment, and the free movement of goods and services across borders. They also support a legal system that strictly enforces private property rights.

**Box
1.3****Profile: Robert Keohane (1941–) – liberal institutionalist**

Robert Keohane was born into an academic family and began a US teaching career after graduating from Harvard in 1966 (Keohane, 1989a). His academic career has taken him to Stanford, Brandeis, Harvard, Duke and Princeton universities. His research has had a major role in influencing the study of IPE and IR in the US and beyond.

Keohane is a central figure in what has become known as the 'liberal institutionalist' approach to IPE and world politics (1989b). This approach suggests that institutions or sets of rules and norms can have a significant effect on state behaviour if they have mutual interests. Institutions include formal international organizations, international regimes or conventions and customs. Liberal institutionalism was developed as a critique of realist/power politics/economic nationalist approaches to IR and IPE. The emphasis is on how institutions can help states overcome barriers to cooperation. Although Keohane himself prefers to be known simply as an 'institutionalist' (2002, p. 3), the adjective 'liberal' is still useful because it refers to some of the liberal attributes that underlie his approach. These include a focus on the individual and a belief that properly designed international institutions can go some way to creating a more humane global system.

Keohane's first major work was written with Joseph Nye and it argued that there were certain times and issue areas when the assumptions of realist or power politics approaches did not hold sway (Keohane and Nye, 1977). They labelled these situations as 'complex interdependence' and suggested that under certain circumstances states could use international institutions to bolster cooperation. They also argued that, in such situations, cross-border links between officials could lead to outcomes different from those that power politics approaches would have predicted.

In 1984 Keohane published *After Hegemony*. It sought to explain why, contrary to realist assumptions, states continued to cooperate and participate in international agreements even after the major power that sponsored the agreements entered a period of relative decline. This was a significant issue because many analysts were worried about the decline of US power relative to that of other states and feared that this would make the international political economy increasingly unstable. Keohane argued that the benefits of arrangements in issue areas (such as money, oil or trade) or regimes continued independent of the rise or decline of the power of particular states. Regimes exist because they facilitate negotiations between states and allow states to overcome barriers to collective action such as uncertainty. Keohane's work helped to spark increasing attention to the issue of regime creation and maintenance. Indeed, regime theory became a mainstay of US IPE scholarship.

Another important aspect of *After Hegemony* was Keohane's use of economic theory to explain the activity of states. Drawing inspiration from economic theories that claimed to explain the activity of corporations, Keohane analysed state behaviour in terms of market failure, transaction costs and uncertainty. Market failure refers to a situation where transactions do not take place because the market is arranged in such a way as to make otherwise rational activity irrational. In the case of IPE, states might not agree to cooperate because they are unsure of the motives of other states. Regimes help to resolve this market failure by providing information about other states' behaviour and an element of predictability in interstate interactions. States cooperated in international regimes because these regimes solved particular problems such as lack of information and uncertainty about other states' intentions and behaviour. Keohane's use of economic models and theories of rational choice coincided and blended well with the importation of economic models into other areas of US political science. The success of his book and persuasiveness of his argument helped to bolster rational choice methodology in US IPE. Keohane's work has been important in the field of US IPE because it has advanced understanding of how states are able to cooperate through international regimes.

In addition to the internal liberal debate there is also criticism from those who do not accept its basic claims. States may be happy to export into an open liberal market, but reluctant to expose their own industry to competition, as we will see in Chapters 6 and 11 on international trade and development. Harmed by rapid capital flows, other states may seek to intervene in financial markets to slow the movement of money between countries or restrict the conditions

under which investment takes place. Other groups may challenge liberalism because they advocate different agendas, such as labour rights (Chapter 9), gender equity (Chapter 10) or environmentalism (Chapter 12). A common criticism is that the liberal view underestimates the significance of powerful firms and states and their ability to distort and manipulate markets.

A visual representation of liberal IPE theory is the cobweb (Figure 1.2), where a giant web of interdependence connects actors such as states, corporations and people in a complex set of relations.

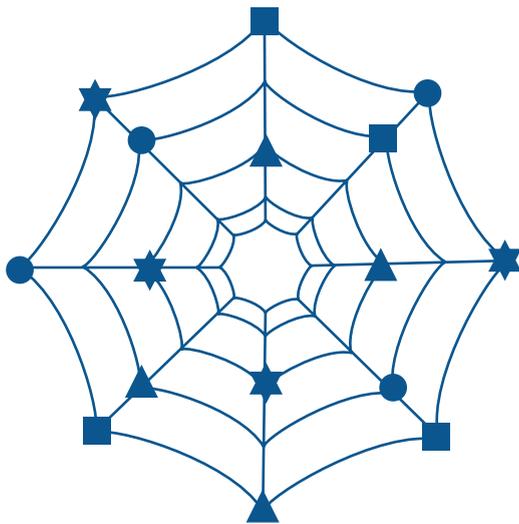


Figure 1.2 Liberalism as a cobweb

The Critical Perspective

Marxist theory emerged in the 19th century in reaction to liberal thought. Marxism's critical approach to liberalism can be seen in a

number of other bodies of thought that move away from the individual and states to consider other units of analysis. They are sometimes called ‘critical theories’ because they question the way the world is organized and seek to change the world. They are sometimes labelled as ‘radical’ because they challenge established forms of organization. The three most common variants of critical thought in IPE are Marxist, feminist and environmentalist theories. Poststructuralist and cultural political economy approaches have also recently been applied to IPE. This chapter concentrates on Marxist theories, while feminist theories will be highlighted in Chapter 10, environmental theories in Chapter 12 and poststructuralist theories in Chapter 13.

Marxist theories focus on class and the interests of workers rather than state interests. Writing during the English Industrial Revolution, Karl Marx took issue with the idea of a harmony of interests that the liberals advocated. Marx and Engels, his co-author, discerned an ongoing conflict between workers and capitalists that would only be resolved when the workers seized power (Marx and Engels, [1848]1977). Feminists also see a world of exploitation but their theories look at gender relations between women and men. They seek to uncover how our ideas about what men and women are supposed to be shape the ways in which society is organized. Mary Wollstonecraft ([1792]1992), an 18th-century early feminist writer, criticized male liberal theorists for ignoring the role and interests of women in their political theories. Green theories have taken the environment and the planet as the objects to be highlighted. They examine how people shape and are shaped by the environment. Neo-Gramscian theories, which evolved out of Italian Marxism, stress the role of transnational classes and ideology in their efforts to understand the global economy. We use the term ‘critical’ as a label for these theories because they are united by a critical attitude to prevailing social arrangements. Here, we focus on Marxism since it is the oldest of the theories grouped under the critical perspectives heading.

These critical theories stress the nature of oppression within and across societies and the struggle for justice waged by or on behalf of workers, women and the environment. Frank’s (1998) study, *ReOrient: Global Economy in the Asian Age*, is close to this form of analysis because he stresses the European exploitation of others’ resources in the ‘rise of the West’. However, he differs from traditional Marxists who have seen Western civilization as being at the forefront of human development because it was the birthplace of capitalism. Frank disputes both the claim that capitalism originated in Europe and that European developments are more significant to world history than developments in Asia.

Key actors

Marxist writers begin with a focus on class as the main ‘actor’ in the global political economy. They reject the individualism of liberal theory and embrace the collectivist approach of economic nationalist perspectives. However, Marxist theory rejects statism and focuses instead on the significance of class. This focus arises from the Marxist account of capitalist relations, which are predicated on exploitation. The Marxist concept of class has been open to various interpretations and critiques. We define class simply as arising from one’s position in the structure of production. Marx defined class in relation to the structure of production, which creates owners of the means of production (the bourgeoisie) and the labourers who sell their labour power to the bourgeoisie (the workers).

Within Marxist writing the firm is an instrument of exploitation. TNCs contribute to the exploitation and oppression of the working class. The centralization and concentration of capital visible in the form of TNCs is a key feature of imperialism, whereby dominance is expressed in the global political economy. In this perspective, the state is the representative of class interests rather than the expression of the harmony of communal interests posited by economic nationalists.

Key dynamics

Dominance and exploitation among and within societies provide the main dynamic for Marxist theories of IPE. Unlike liberals, Marxists view market relations as inherently exploitative. Under capitalism, workers are denied a fair remuneration because capitalists pay workers less than their labour is worth. Marxists view international economic relations as inherently unstable and conflictual because of three tendencies of capitalism:

1. The tendency for the rate of profit to fall sees capitalists engaged in fierce competition with each other, which tends to drive down workers' wages.
2. Capitalism leads to uneven development as some centres increase their wealth and growth at the expense of others. Uneven development sows the seeds of conflict between countries.
3. Marxists argue that capitalism leads to overproduction or underconsumption, giving rise to fluctuations in the business cycle and undermining social stability.

A revision of Marxist thought called 'dependency theory' has been used to explain the persisting poverty of many states. Dependency theory suggests that poor countries faced immense obstacles to development because they were vulnerable to economic exploitation from developed states (Dos Santos, 1970). The links between the rich and the poor were thought to make the poor poorer and the rich richer. Underdevelopment of some parts of the world was caused by development in other parts of the world. This school of thought informed developing countries' attempts to create a New International Economic Order (NIEO) in the 1970s (Cox, 1979). This approach was undermined in the 1980s as many developing states adopted liberal economic policies in the wake of the debt crisis.

Radical theorists have tended, for a variety of reasons, to oppose globalization. It has been argued, for example, that globalization is a myth or merely imperialism in modern clothes. According to this argument, globalization represents an ideological intervention into political economy. It ostensibly describes changes in the world but, in reality, it is a set of prescriptions in support of free markets and an instrument to increase the power of capital over labour, the West over other states and to further the interests of the leading capitalist power, the US. In this sense, globalization has to be resisted since it too maintains and increases exploitative relations. At the heart of the radical argument is the view that globalization is not distinctive: that is, discussion of globalization is merely the contemporary version of imperialism. To discuss political economy in terms of globalization may mask real power relations.

In the 1980s and 90s, Marxist IPE was reinvigorated by the work of scholars drawing inspiration from Antonio Gramsci. Writers such as Robert Cox and Timothy Sinclair (1996) and Stephen Gill (1993) focused on the role of social forces and ideology in liberalizing and globalizing economic relations. They argued that globalization based on neoclassical liberal economic principles was a political project that transformed nation-states into instruments of global liberalization and economic management. Part of this project involved convincing people that neoliberal policies were actually in their best interest. In this view, the hegemony of a particular world order requires an ideological dominance that secures the broad consent of those ruled in an unequal and unjust manner.

Conflict and cooperation

Critical writers tend to perceive international economic relations as a zero-sum game. The structure of global capitalism is fundamentally conflictual. Two forms of conflict are prevalent in the global economy. Within states, capitalists and workers have competing interests and the state is the scene of a class struggle as the workers and bourgeoisie clash. According to Marxists, this conflict is objective and arises from the law of motion of capital. In the international arena, the clash between workers and capitalists is often obscured by nationalism and the intervention of the state. Through

the mechanism of imperialism, dominant states oppress weaker ones and this sets up an international struggle between imperialists and their victims.

International conflict is inevitable because of the drive for profit. Different capitalists seek the protection of their state and this leads to war. Marxist theories of imperialism have, in different ways, accounted for the tendency of capitalist states to go to war. Lenin's theory of imperialism, the most well known of these theories, combined two different explanations of capitalist development. One part of his theory focused on underconsumption in domestic markets. Because of underconsumption, capitalists were compelled into overseas adventures since they could not maintain their rates of profit on the basis of domestic demand. Another part of his theory focused on the growth of finance capital and the merger between finance and industrial capital to form monopoly capital that sought to gain profit through overseas lending. He argued that conflict and war are a necessary end result of this competition.

At the turn of the 21st century, conflict between social forces was also seen to take place on a global scale. Elites attempting to constitutionalize neoliberal principles in institutions such as the WTO and the IMF met with opposition from social movements trying to safeguard environmental regulation, raise labour standards, improve gender equity and lobby for economic justice (O'Brien et al., 2000). Critical analysts depict a global conflict that takes place within, above and across states (Gill, 2003).

Critical theory today

Although the demise of the Soviet Union and China's conversion to capitalism challenged Marxist thought, critical perspectives continue to be important to IPE. As a form of analysis critical of capitalism's inequalities and recurring crises, Marxism continues to have adherents. Many of the problems of capitalism have not been resolved. The financial crisis of 2008 and ongoing austerity have led to renewed interest in Marxist critiques of capitalism, such as Harvey's (2011) *The Enigma of Capital*. In particular, the political power of financial capital is a subject of vigorous debate, as financial institutions have prospered in the wake of the crisis, while populations have borne the brunt of austerity. To give just one example, many Wall Street bankers continued to receive financial bonuses on top of their salary, while the wealth of the average American family declined by 40 per cent between 2007 and 2010 (Lee, 2012). As we will see in Chapter 9, the issue of inequality remains pressing in many countries.

Other schools of thought that share an interest in the power imbalances and inequality of the global economy can be included under the critical approach umbrella. Feminist analysis, which stresses the role of gender in the creation and maintenance of a global economy, highlights the influence of patriarchy in undermining the quality of life for billions of people. Environmentalists concerned about the devastating effects of economic growth and runaway consumption have engaged in extensive critiques of the harmful aspects of global capitalism. Postcolonial analysis has stressed both the ongoing dominance of the North over the South and the crucial role of race in the operation of the global economy. Each of these approaches offers an alternative vision of a world with increased equality and harmony whether it be between genders, races or with the planet itself. We will explore these approaches in more detail in the following chapters.

A visual representation of critical IPE theory is the layer cake (Figure 1.3), where groups are stacked in layers across the global political economy, with some classes (or genders, or races or species) on the top and others on the bottom.

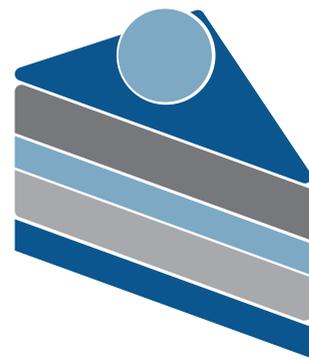


Figure 1.3 Critical theory as a layer cake

Box
1.4**Profile: Robert Cox (1926–2018) – historical materialist**

For Canadian-born Robert Cox, academic life was a second career after spending 25 years in the International Labour Organization (ILO). At the ILO, Cox served as a staff officer to the director general, chief of the programme and planning division, and as director of the International Institute for Labour Studies. After leaving the ILO, Cox took a teaching position at Columbia University in New York before settling at Toronto's York University in 1977.

Cox describes his approach to IPE and IR as historical materialist (2002a, pp. 27–9). The historical part involves recognizing that each historical era has a particular sensibility and set of institutions and understandings. This contrasts with approaches claiming that there are universal laws of human behaviour that apply across time. The materialist part places the organization of production and the social relations around production at the centre of analysis. In other words, class and class conflict play an important part in understanding political economy. Central to Cox's work has been the idea that 'production generates the capacity to exercise power, but power determines the manner in which production takes place' (1987, p. 1). He takes a particular approach to historical materialism, which mixes theoretical insights from Marx with those of scholars such as Vico, Sorel, Weber, Gramsci and Polanyi. The result is that many liberals and economic nationalists label Cox a Marxist, while many Marxists argue that he has deviated from the Marxist path (Schechter, 2002).

As the title of a collection of Cox's essays indicates, his primary interest has been *Approaches to World Order* (1996). Cox's experience at the ILO and his study of international organizations prompted him to think about the nature of power and dominance in the global economy. Cox (1983) theorized that powerful states exercise a form of hegemony that goes far beyond military strength. Hegemonic states, such as Britain in the 19th century and the US in the 20th century, drew their power from a particular form of production and social relations. Hegemony requires dominance in the economic, political, social and ideological realms. A hegemonic power is able to convince others that their interests are the same as those of the dominant power. As a result, hegemonic states try to express their interests as universal norms and use international organizations to influence other states.

Cox (1986) also argued that it was a mistake to focus on the state and ignore the role of social forces. Social forces are groups of people who occupy a particular place in the global economy by virtue of their role in the organization of production. Some social forces, such as the people who own or work in an internationally competitive industry, advocate free trade, while other social forces will oppose free trade as a threat to their interests.

In the theoretical realm, Cox (1986) was significant for highlighting the differences between critical theory and problem-solving theory. Problem-solving theory looks at the world as it is and concentrates on how issues can be addressed in the existing system. Critical theory stands back from the existing order and asks how that order came about and under what conditions it could be changed to a different form of order. Critical theorists seek to contribute to a better social order, thus they embrace emancipatory strategies. Problem-solving theory is about managing the system and critical theory is about changing the system. Most radical analyses that call for major changes in the global political economy fit into this critical category.

Cox's most significant impact in the study of IPE has been to raise critical questions about the system of international order and to contemplate how one might achieve a more egalitarian and sustainable system. This has led him to disagree with the normative and practical implications of economic liberalism, the fatality of economic nationalism and the dogma of fundamentalist Marxism.

Contending Perspectives: A Summary

The question arises as to why there are so many theories and what the relationship is between various theories. There are several reasons for the existence of multiple theories. According to Cox (1986, p. 207): 'Theory is always *for* someone and *for* some purpose.' Each theory has a different goal in mind. For example, economic nationalist theories are concerned with the security

of the state, liberal theories with building wealth or cooperation and critical theories with pursuing economic, gender or environmental equity. While they are all trying to understand the world, they are looking at different aspects of human existence. A second and related reason is that a particular theory usually advances the causes or interests of a particular group. Richer, more satisfied people and states tend to favour liberal theories that do not threaten their interests, while those disadvantaged by the system are more likely to espouse critical theories. A third explanation is that it is impossible to prove a theory right or wrong. Evidence is often disputed and interpreted in different ways. Moreover, unlike the laws of nature, people are able to reflect on their behaviour and change their form of organization and interaction. People may act according to mercantilist theories in some eras or situations and along liberal principles in others.

Table 1.2 presents a summary of the perspectives. In the discussion so far, our intention has been to highlight the existence of various interpretations. But what is the relationship between various theories? Are they in conflict or can they be made compatible? At their core, theories about IPE are incompatible because they have different basic assumptions about the units of analysis, the nature of the system and the motivation of actors. Yet, each theory can point to some evidence to support its existence and each seems to be useful in explaining some aspect of the GPE. Some theorists (Strange, 1988) have suggested that people take an eclectic approach to theory – picking and choosing as they wish. This can have some advantages, but risks

Table 1.2 Comparing the perspectives

Aspect	Economic nationalist	Liberal	Critical
Historical origins	15th century	19th century	19th century
Major figures	Hamilton, List, Krasner, Gilpin, Strange	Smith, Ricardo, Kant, Wilson, Keynes, Hayek, Keohane, Nye	Marx, Lenin, Frank, Cox
Variants	Mercantilism, realism	Free trade, interdependence	Marxism, feminism, environmentalism
Human nature	Aggressive	Cooperative	Malleable
Units	States	Firms, states, NGOs, IGOs, individuals	Class, gender, planet, global capitalism
View of the state	Unitary actor	Pluralist state: diverse interest	Representative of class interest groups
View of TNCs	Beneficial/harmful	Beneficial	Exploitative
Behavioural dynamic	State as power seeking rational actor	Individual as rational actor but outcomes not always optimal	Dominance and exploitation within and between societies
Market relations	Potentially negative	Positive	Exploitative
System structure	Anarchy/conflictual	Cooperative/interdependence	Hierarchy/conflictual
Game metaphor	Zero sum	Positive sum	Zero sum
Hegemony	Importance of a dominant state	Post-hegemonic cooperation	Hegemony in state and society
International institutions	Not very significant	Important	Serve interests of wealthy (states, firms and classes)

incoherence as one jumps from perspective to perspective. Readers should consider some systemized form of integration, where various theories may be used under particular circumstances or in a hierarchy. For example, one could have a general power politics approach while conceding that the system is also characterized by class and gender exploitation and that there are times when cooperation can be more beneficial than conflict. Alternatively, some theories may be more applicable in selected time periods.

IPE brings together knowledge from a number of fields and disciplines to increase our understanding of the relationship between economics and politics across the national/international divide. Economic nationalism, liberalism and critical theories are three broad schools of thought in the field, which explain the behaviour of actors and offer prescriptions about what states and people should do in the global political economy. In Chapter 2, we turn our attention to the evolution of the field and methods used to study it.



Further Reading

A wide-ranging and eclectic collection of articles examining IPE theory can be found in Ronen Palan (ed.) *Global Political Economy: Contemporary Theories*, 2nd edn (2012). Susan Strange outlined her critique of runaway finance in *Mad Money: When Markets Outgrow Governments* (1998), while an overview of her work is presented in Roger Tooze and Chris May (eds) *Authority and Markets: Susan Strange's Writings on International Political Economy* (2002). Robert Keohane's groundbreaking work on regimes is found in *After Hegemony* (1984), while a collection of important essays is contained in his *International Institutions and State Power: Essays in International Relations Theory* (1989). Many of Robert Cox's most influential writings are contained in (with T. Sinclair) *Approaches to World Order* (1996). A critical feminist take on GPE is V.S. Peterson's *A Critical Rewriting of Global Political Economy: Integrating Reproductive, Productive and Virtual Economies* (2003). Two journals that publish a great deal of IPE analysis are *Review of International Political Economy* and *New Political Economy*, both available at tandfonline.com.

INDEX

- 5G 357
- Abu-Lughod, Janet 27, 46–8, 51, 71
- absolute advantage 81, 82, 121
- absolute versus relative gains 12, 123
- Africa 352, 377
- 15th century 47, 48, 49, 51, 52, 58
 - Cold War 100
 - climate change 379
 - decolonization 103, 343
 - debt 189–191, 326
 - development 104, 105, 109, 262, 263, 264, 267, 271, 278, 281, 285, 312, 313, 382
 - financial flows 170, 205, 206, 223
 - gender 212, 242, 243
 - health crisis 335–6, 360, 361, 370
 - scramble for 58, 73, 84–5, 86–7, 90, 97, 98
 - slave trade 60, 61–63, 66, 67, 69, 125, 215
 - technology gap 322
 - trade 128, 136, 138, 139, 144, 161, 215
 - see also* individual countries
- After Hegemony* 16, 22
- agency
- and change 238, 245, 266
 - and structure 39–40
- Agenda 21 298–9
- Agenda 2030 251, 262, 322, 378
- agrarian question 235
- agriculture
- development 102, 108, 261, 273, 279, 367
 - division of labour 60, 65, 114
 - subsistence 114, 211
 - trade 113, 130, 131, 137–9, 240, 252, 312, 313
- aid *see* economic aid
- Algeria 85, 103, 104, 212
- Alternative for Germany (AfD) 333
- Amazon 109, 149, 169, 231, 306, 332
- Americas 326
- 15th century 47, 48, 49, 51–2
 - conquest of 58–9, 60, 61, 67, 70, 71, 86
 - decolonization 85
 - dollarization 183, 184
 - integration into global economy 62, 63, 65, 63, 230
 - slavery 212, 215
 - see also* individual countries, MERCOSUR, NAFTA
- America First 11, 143, 146, 364
- anthropocene 290
- anthropocentric 289, 290, 292
- anti-dumping 130, 133
- anti-globalization
- movement 112, 146
 - see also* civil society, Occupy
- Apple 108, 110, 149, 157, 226, 232, 333, 349, 356, 357
- Argentina 75, 193, 270
- financial crisis 188, 192, 201, 326
 - nationalization of oil industry 168
 - trade 139
- artificial intelligence 108, 217–18, 330, 333–5
- Asia
- relations with Europe 1400–1800 63–6
 - see also* individual countries
- Asia Infrastructure and Investment Bank (AIIB) 282, 375, 377
- Asian financial crisis 104, 158, 178, 179, 193, 275, 325, 368, 382
- rival interpretations 5–6
- Asia-Pacific Economic Cooperation 144
- Asian values 104, 270
- see also* Confucianism
- Association of South East Asian Nations 112, 113, 142, 376
- automation 108, 217–19, 220, 235, 333
- austerity 114, 196, 197, 203–4, 208, 231, 253, 330, 338
- Australia 58, 64, 99, 173, 178, 191, 199, 255, 264, 357, 358
- climate change 302, 306, 379
 - trade 120, 139, 142
- autonomy
- civil society 40, 50, 75, 96, 253, 322, 356, 370
 - monetary 178–9, 182, 207
 - national 139, 167, 169–70, 208, 287, 364
- Ayutthaya 64
- Aztec Empire 47, 51, 52, 70
- balance of payments
- confusion over 177
 - and debt 272
 - defined 78, 177
 - and gold standard 78–80
 - and IMF 175
 - and TNCs 153, 154, 164, 165
- balance of power 72, 131, 163, 228, 258, 365
- 19th century 83–4, 89, 97
- 'Bangalored' 226
- Bank for International Settlements 192
- banks
- and financial instability 15, 55
 - types 31, 54–5
 - see also* central bank, individual banks, finance
- Baran, Paul 26
- Barings Bank 187
- Barnett, Richard 151
- Barraclough, Geoffrey 88
- barter 54, 78, 120, 214
- basic needs 33, 273, 274, 275, 280
- Basel Committee on Banking Supervision 191
- Beckerman, Wilfred 295
- Belgium 182
- 15th century 52, 52
 - and the Congo 58, 85–5, 87
- Bhopal 29, 300
- Biersteker, Thomas 106
- 'Big Bang' 185
- biodiversity 261, 291, 301, 302, 314, 378
- bioprospectors 336
- Bitcoin 315
- blockchain 330, 331–3, 338
- Boli, John 112
- bonds 108, 150, 158, 184, 186, 197, 198, 199, 201, 202, 203, 375
- explained 201
- Boserup, Ester 263

- Braudel, Fernand 71, 215
- Brazil 313, 358
- development 104, 107, 114, 129, 131, 221
 - finance issues 188, 189, 191, 324
 - global governance 105, 191, 281, 304, 369, 374
 - populism 381
 - pre-1900 58, 61, 62, 88
 - TNCs 124, 155, 167, 313, 336
 - trade 136, 139, 144
- Bretton Woods system 111, 158, 175–6, 272, 277
- Brexit 11, 113
- brides, purchase of 253, 257
- BRICS 105, 111, 141, 283, 284, 285
- role in global governance of 373–5, 377
- Bristol 63
- Britain 323
- balance of power 83–4
 - Bretton Woods 175
 - ERM 178
 - financial crisis 181–2, 193, 196
 - financial deregulation 185
 - free trade 81–2, 94
 - gender 253
 - gold standard 78–80
 - India 215
 - Industrial Revolution 63, 73–7, 95
 - imperialism 58, 65, 85, 87, 100, 103
 - interwar period 91–2, 93, 94
 - liberalism 7, 12
 - security 330, 343, 353
 - slave trade 63
 - see also* Pax Britannica, United Kingdom
- British East India Company 65
- Broadband Commission for Sustainable (or Digital) Development 322
- Brundtland Commission 276, 311
- business associations 10, 228, 370, 371
- see also* transnational corporations
- business conflict theory 370
- Bush, George W. 195, 201, 303, 351
- Cairns Group 139
- Caldwell, Lynton 298
- call centres 217, 226, 227
- Canada 100, 108, 211, 234, 255, 256, 353, 361, 369
- exchange rate policies 178, 181, 183
 - pre-1900 60, 61, 67, 73
 - social movements 229
 - resource industry 358
 - trade 124, 130, 139, 141, 142, 146, 190, 354, 357, 377
- canals 55
- Grand 50
 - Nicaraguan 285
 - Panama 75, 285
 - Suez 64, 75
- capital account 325
- defined 177
- capital controls 92, 158, 179, 185, 193
- capital mobility 113, 153, 157, 178, 179–80, 181, 192, 194, 222
- capitalism
- 'casino' 10, 190, 209
 - and conflict 14, 18, 345
 - 'crony' 5, 6, 193
 - and development 260, 309, 310
 - and environment 288, 293, 294–7, 309, 378, 380
 - exploitation 18
 - financial crisis 19, 196
 - gender 239, 258
 - industrial 95
 - and imperialism 85, 87
 - inequality 36
 - liberalism 97, 323
 - national 271–4, 364
 - origins 17, 71
 - and peace 14
 - philanthro 234
 - surveillance 333–4
 - transition to 103
 - transnational 106
 - varieties 6, 31–2, 35, 105–6, 115, 365
 - welfare 15
 - and under consumption 18
 - uneven development of 18
- Carr, E. H. 90
- Castells, Manuel 109
- Central America 75, 100, 128, 159, 212, 355, 382
- Pre 1900 58, 59
- central bank 176, 177, 192, 199, 332, 333
- China 198
- defined 55
 - European 182, 184, 199, 336
 - and exchange rates 181
 - and gold standard 79–80
 - independence 179
 - lack of international 78, 92
 - lender of last resort 55, 92
 - reserves 78
 - Thailand 5
 - Zimbabwe 183
 - see also* BIS, United States Federal Reserve
- Cerny, Phil 106
- Chiapas 192, 275
- children 60, 64, 256, 334
- care for 110, 210, 369
 - poverty of 252, 253
 - and sexual exploitation 211, 254, 255, 371
 - and work 73, 74, 96
- China
- and BRICS 105, 373–5
 - and capitalism 19, 275
 - communist era 102–3, 273
 - currency 184, 199, 200
 - development failures 104
 - development actor 285
 - economic nationalism 11
 - economic success 107, 113, 128, 231, 235, 376
 - environment 304, 310, 311, 379
 - European needs for its products 52, 53
 - famine 88
 - financial crisis 193
 - and foreign investment 187
 - and global division of labour 211, 219, 224–6, 227
 - and global governance 136, 175, 193, 282, 364, 369, 377
 - health issues 360, 361
 - and Japan 90
 - opium wars 65–6, 84
 - opening to West 106, 107, 111
 - pre 20th century 46, 47, 48, 49–50, 59, 63, 65, 85
 - remittances 222
 - security issues 343, 349, 353, 356, 357
 - sovereign wealth fund 187
 - Taiping rebellion 84, 97
 - technology 330, 331, 334, 357
 - TNCs 148, 149, 155, 313
 - trade 131, 141, 196
 - and US 12, 146, 198–9, 200, 357, 377
- Christianity 57, 60, 86

- cities 48, 55, 57, 76, 210, 216, 261, 305, 367
- civic associations,
see civil society,
nongovernmental organizations
- civil society 376, 377
debt relief and
development 265, 281, 282, 283
environment 299, 305, 307, 313
gender 239, 245, 247, 250
global governance 111, 144, 229, 369, 370, 371–2, 378
international institutions 145
trade 140
TNCs 171, 172, 230, 359
- civilizations 45–57, 59, 69, 70, 75, 351, 373
- class 263
capitalist 76, 293
conflict 20, 21, 40
and environment 295, 300
landholding 67
in Marxist theory 17–19, 27
interests 318
merchant 75
middle 114, 192, 231
and race 212
transnational 27, 222
upper 61, 233, 343
and women 25, 239, 254, 256
- working 67, 76, 80, 95, 97, 98, 101, 376
see also division of labour, elites
- climate change
conflict over science 317, 379
and development 261, 284, 286
and economic growth 114–15, 378, 378–9
finance 306–8
futures 380
and inequality 234, 235
origins 96
negotiations 303–6, 314
security 308–9, 341
significance 289, 291, 302–3
- climate strike 306
- Clinton, Bill 230, 256, 303, 328, 329, 354
- Clinton, Hillary 356
- codes of conduct 229
- Cold War
confrontation 100–1, 158, 344, 346–7, 352, 372
- decolonization 104
end of 14, 115, 276, 300, 340–1, 348, 355, 360
impact 100, 176, 273, 275, 340
see also security
- Commodity Futures Trading Commission 327, 328, 329
- common sense 316, 318, 337
- communication
between people 94, 108, 109, 112, 320
between states 83
infrastructure 27, 150, 153, 156–7, 169, 185, 220, 221, 222, 249, 255, 275, 331, 350
security 356–7
technology 124, 322
see also information technology
- communism
Chinese 93
and development 273, 275
and environment
failure 127–8
Marxist utopia 76
Russian 92–3, 102
- comparative advantage
criticisms of 123–126
and division of labour 214, 215
explained 81–2
and liberalism 12, 13, 25, 121
and trade theory 122–123, 128, 129, 133, 138
and TNCs 152, 154, 169
- compliance 352, 353, 368
with WTO 130, 228
- Concert of Europe 83, 366
- Confucianism 50, 270, 271
see also Asian values
- Congo
and colonialism 58, 63, 84–85, 98
conflict minerals 348, 349
- constructivism 32–3, 37, 41, 318
- consumers
and economic theory 24
and finance 180, 183, 184, 188, 196, 197, 198
and food 341
and health risks 130
and labour rights 219, 220, 225, 226, 230
and TNCs 154, 156, 162
and trade 122, 123, 129, 146
and women 242, 255
- consumption 9, 13, 29, 34, 36, 38, 219, 257, 321, 329, 349
pre-1900 51, 60, 65, 79
- and development 261, 271, 309
and ecological shadows 310
and environment 115, 296, 297, 306, 379–80
and finance 196, 197, 198, 200
in IPE 292, 294
mass consumption 67, 106, 160, 217
over 234
and trade 121, 127, 130
under 18, 19, 87
- convergence 207–8, 365
- cooperation
building 15, 26, 30–1, 110, 367–8, 372, 375, 376, 381, 382
critical views 18
development 282, 285, 286
economic nationalist views 9
environmental 288, 291, 292–3, 296, 314
financial 158, 177, 180, 181, 206
instances of 48, 66, 60, 83, 101, 102, 131, 172, 230, 271
liberal 11, 13–14, 21
security 342, 347, 356, 361
trade 132
see also regimes, regionalism
- COP 303, 304, 306
- Corn Laws 81
- corporations
and global governance 109–110, 102, 370
origins 56, 66, 67, 75, 95
views of 8, 11, 12
see also banks, transnational corporations
- cotton
pre-1900 48, 58, 62, 63, 65, 69, 72–6, 215
at the WTO 136, 138
- Cox, Robert 18, 20, 21, 22, 318, 338
- credit
crisis 55, 150, 177, 188, 192
crisis of 2008 192, 194–6, 197, 200, 208, 328–30
and European Sovereign Debt crisis 200–4
gold standard 80
and growth 183–4
interwar 89, 91–2, 93
micro 186
origins 53–5

- post-1945 system 101, 176–7, 185–6
 power of 10, 67, 368, 377
 and TNCs 157, 169
 and women 257
see also blockchain, debt, finance, World Bank
 credit rating 195, 201, 207
 agencies 201, 208, 328, 329
 crime
 corporate 356–9
 cyber 358
 financial 207
 organized 256, 332, 354–6, 371–2
 war 348
 critical theory 19, 20, 123, 237, 239
see also dependency, environmentalism, feminism, -Marxism
 Croce, Benedetto 45
 cruise ships 212–13
 culture
 approaches to 24, 25, 27, 37, 38
 and economic growth 45, 75
 gender 235, 245, 255, 256, 257
 protection of 124, 164, 212
 transformation 57, 64, 69, 70, 154, 352
 currency controls 103
 current account 177
see also balance of payments
 Cutler, Claire 370, 384

 De Goede, Marieke 318
 debt crisis
 Argentina 201
 causes of Latin American 188–9
 consequences 18, 104, 106, 111, 168, 175, 189–90, 192–4, 274, 275, 285–6, 324
 European 200–204
 debt relief 282–3
 decolonization 88, 103–4, 114, 366
 deflation 79, 80, 179, 188
 democracy
 and development 276
 and finance 207–8
 and free trade
 and global governance
 and peace 26, 345
 in practice 29, 103, 374
 promotion 99, 352, 383
 threats to 113, 347, 356, 357
 and World Bank 280
 and WTO 145
 Denmark 182, 212, 220–1
 dependency 159, 162, 323
 theory 18, 153, 163, 178, 214, 267–8, 272
 depression 5, 25, 203, 275, 338, 366
 Great 11, 14, 90–4, 98, 101, 126
 deregulation 119, 168, 170, 275, 320, 323–4
 financial 107, 157, 158, 174, 185, 327–8, 329
 derivatives 156, 185, 187
 defined 186
 mortgage 195
 regulation of 327–8, 329
 developing countries
 remittances 222–3
 solidarity 138, 266, 284, 285–6
 and TNCs 157, 158–159, 165–7, 170, 171
 and trade 136–41
see also debt crisis, development, individual countries, G20, Third World
 development
 1400–1800 69
 19th century 96
 and Cold War 100–1
 conflict with North 283–5
 and debt 282–3
 definitions 32, 260, 262–266
 economic aid 206, 208
 external determinants 266, 267
 and foreign investment 102, 165–7, 169, 170, 172
 gendered 239, 241, 245, 248, 249–50, 251, 258
 internal causation 266–7
 leapfrog 108
 lost decade 189–90
 national capitalism 271–4
 neoliberalism 106, 189, 274–7
 organization of 277–82
 participatory 309, 312
 post-1945 114
 resource based 105
 and state 106, 107
 success and failures 104
 theories of 266–71
 trade 127, 136–41
 underdevelopment 18
 uneven 18, 153, 172
see also Cold War, debt crisis, dependency, developing countries, division of labour, sustainable development, trade, TNCs, Washington Consensus, World Bank
 diamonds 86, 348, 349
 Diamond, Jared 46
 Dickson, Anna 262
 digital divide 108, 320, 321–3
 disease 192
 and climate change 307
 and inequality 234, 300, 301, 336
 and new medicines 108
 pandemics 359–361
 pre-1900 58–9, 61, 62, 64, 66, 85
 and security 115, 341, 361
 and WTO 335
see also HIV/AIDS
 disintermediation 219, 322
 division of labour
 1400–1800 68
 19th century 95–96, 215
 critical perspectives 214–16
 defined 210
 Fordism 216–17
 gendered 64, 211, 213, 239, 241–2, 243, 251, 253, 257–8
 global 211, 212, 215, 221–2, 224–7
 and inequality 230–5
 international 211, 221–2
 new 221
 labour rights 227–30
 liberal theory 213–14
 migration 222–3
 post-1945 114
 racial 60, 210, 212
 Taylorism 217
 and TNCs 153, 154
see also automation, elites, gig economy, ILO, slavery
 Dobson, Andrew 290
 dollarization 183–4
 domestic politics 34, 116, 164, 235, 304, 340, 364, 382
see also state–society relations, world order
 domestic work 249, 256
 drugs 53
 illegal 58, 65–6, 356
 medicine 140, 234, 335–6, 365, 370
see also intellectual property rights, opium
 Dunning, John 152–3
 Dutch East India Company 67, 75

- Earth Summit 276, 298–9, 304
see also Rio conference
- East Asia 47
and Cold war 100
economic integration 144, 200
economic success 113, 129, 159, 169, 223
explanation of 161, 268–71, 323
financial crisis 5–6, 190, 193, 325, 368
and gender 243
- Ebola 361
- Eckersley, Robyn 290
- ecological imperialism 59, 71
- ecologism *see* environment
- economic aid 112, 281, 284, 304, 351–2
- economic nationalism 97, 152, 187, 266, 322, 326, 376, 378
and the environment 292, 293, 295, 380
rising xii, 2, 324, 377
and security 342, 344
theory 7–11, 12, 21
and trade 123–4, 143
see also mercantilism
- economics
behavioural 34
of climate change 302
ecological/environmental 289, 292, 295–6, 297, 314
feminist 241, 251
institutional 25, 26, 31
international 10, 34, 35
and IPE 22, 24–5, 27, 28, 41
Keynesian 25, 93, 106
liberal 24, 267, 269
macro 176
neoclassical 14, 24–5, 26, 106, 126, 190, 251, 296, 297, 319, 324, 330
and politics 26, 36, 40
and security 342–4
trickle-down 272
see also comparative advantage, Keynes, free trade, liberalism, Washington Consensus
- Egypt 100, 103, 136, 223, 238, 264
pre-1900 47, 48, 58, 75, 85
- Eisenhower, Dwight D. 347
- election interference 337, 356, 376
- elites
developing countries 260, 268, 273, 312
- economic 80, 142, 144, 231, 234, 323, 325, 330
- European 52
- globalizing 27, 222
- liberal 11, 19, 91, 97, 197, 376, 377
- local 88, 349, 352
- modernizing 260, 271, 273
- state 95, 192, 229, 230, 323, 325, 330
- urban 367
- US 193
- Western 189
see also class, division of labour
- emerging markets 262, 266
- embedded liberalism *see* liberalism
- Emmanuel, Arghiri 125
- empire
1500–1800 7, 40, 47, 48, 50, 51, 52, 57, 61, 63, 64, 68, 69, 70
19th century 84, 85–7, 96, 100
British 78–84, 85–7, 92
Soviet 262
see also decolonization, global governance, imperialism
- Enlightenment 75, 96
- Enloe, Cynthia 241
- environment
1400–1800 69
19th century 96
definitions 288–90
environmental studies debates 294–7
IPE debates 292–4
mainstreaming 300–1
ozone layer 291, 299, 317
post-1945 114–15
sustainable development 309–12
theories 17, 19, 21
types of problems 291
see also climate change, ecological imperialism, economics (environmental), environmental degradation, environmentalism, global environmental change
- environmental degradation 114–15, 289, 291, 292, 297, 298–301, 308, 309, 310–14, 349, 379
defined 289
- environmentalism
dark green and light green 290
distinguishing features 291
ecologism 290–295
- mainstreaming 300
- technocentric and ecocentric 296
- epistemic communities 299, 316–17
- equity
advocates 19, 227, 371, 372
- environmental 305, 311
- gender 245
- Escobar, Arturo 262, 286–7
- Ethiopia 102, 137, 231
pre-1945 51, 58, 85, 86, 87, 90
- Eurocentrism 63, 64, 71, 97
- eurocurrency market 150, 157, 177, 185
- Europe
15th–18th centuries 52–57
19th century 73–78
expansionism 57–66
imperialism 84–8
interwar and world wars 88–94
post 1945 101–3, 105–6
see also European Union, individual countries
- European Central Bank 182, 199, 366
- European Coal and Steel Community 101
- European Economic Community 143
- European Monetary System 181
- European Union (EU)
agriculture 123
currency and finance issues 182–3, 202–3
cybersecurity 358
and developing countries 234, 313, 352
and environment 305
global governance 111, 113, 193, 367, 377, 378, 379
and immigration 376–7, 382
nature 143, 366–7
origins 101
trade 120, 130, 137, 143–4, 228, 317
and US 146
see also Brexit
- exchange rate mechanism (ERM) 181
- exchange rates *see* international monetary system
- export-oriented industrialization (EOI) 159, 166, 268–9, 274
- export processing zones (EPZs) 107, 159, 165, 211, 221
see also offshore

- Facebook 164, 332, 333, 337, 356
factory
 labour force 72, 76,
 96, 225, 258
 origins 74
 work 160, 161, 216–17, 219
fair trade 383
famine 51, 65, 87, 88, 97, 101,
 342
Fanon, Frantz 103
fascism 90, 93, 99, 316
feminism 21, 238
 see also gender, women
feminization
 as devalorization 237
 of poverty 251–2
FIFA
 footballs 230
 World Cup pay gap 244
Fifth World 266
finance
 1400–1800 67
 19th century 95
 deregulation 185, 327–30
 innovation 53–5, 67, 185–7
 post-1945 113
 regulation 196, 208, 327,
 328
 TNCs 153, 155, 157–8,
 160, 161, 165, 171
 see also credit, financial
 crisis, gold standard,
 international
 monetary system
financial crime *see* crime
financial crisis
 Argentina 201
 and balance of payments
 177
 East Asia 5–6, 104, 193,
 325, 368, 382
 contagion 191
 global (2008) 111, 127,
 149, 150, 157, 194–7,
 206, 208, 231, 277,
 280, 313, 365
 Greece 201–4
 and hedge funds 187
 human cost 114, 253,
 275, 324, 341, 366
 interwar 91–2, 94
 Mexico 192, 275
 private sector 187
 tulip 68
 UK 181–2
 US 15, 19, 68, 107, 114, 127,
 194–7, 198, 326, 327–30
 see also Asian financial
 crisis, debt crisis
Financial Stability Forum 191
First World 99, 106, 166
fish 29, 51, 58, 61, 126,
 229, 279, 313
flexicurity 221
food
 genetically modified 108, 321
 pre-1900 46, 51, 52, 59,
 60, 81, 88, 215
 security 124, 252, 261,
 308, 312–13, 341,
 345, 348, 378
 trade 81, 121, 123,
 144, 312–13
 see also agriculture, famine
forced labour *see* labour
Ford, Henry 217
Fordism 106, 160–1, 217, 221–2
foreign direct investment (FDI)
 benefits and costs
 of 153–4, 163–7
 causes 152–3
 China 106, 107
 defined 150–1
 growth 155–63, 160
 organization
 regulation 140, 169–70,
 171–2
 and trade 148, 155, 156,
 166
 see also transnational
 corporations
foreign exchange markets 6,
 70, 108, 180, 181,
 182, 185, 194, 224
 see also finance
Fourth World 266
France
 pre-1900 48, 52, 56, 77,
 83, 84
 gender 238
 global governance 353, 369
 immigrants 212
 imperialism 58, 61, 85, 86,
 87, 100, 103, 352
 international finance 179,
 181, 182
 interwar period 89, 91, 92
 protectionism 9, 352
 protests 325, 376
Frank, Andre Gunder 17, 21
free trade
 19th century
 and economic nationalism
 and liberalism
 post 1945
 see also comparative advantage,
 liberalism, trade
Frieden, Jeffrey 34
futures 157, 185
 defined 186
G5 181
G7 181, 191, 192, 216,
 368, 369, 383
G8 111, 112, 170, 196,
 283, 286, 383
G20 111, 136, 170, 191, 192,
 196, 206, 280, 285, 286, 366
G24 273
G77 273, 304
game theory 26, 30
 prisoner's dilemma 30, 31
gender
 1400–1800 64, 68
 19th century 95, 96
 and critical approaches 17,
 19, 21, 27
 and development 263,
 273, 274, 278, 279
 defined 236–7
 devalorization 237
 and digital divide 321
 division of labour 211–13,
 214, 216
 employment trends 242–5
 and environment 308, 313
 finance 186
 gap 244
 glass ceiling 245
 global public policy 245–51
 inequality 231, 239
 mainstreaming 247–51
 post-1945 114
 and poverty 251–3
 reproductive work 253–7
 SDGs 248, 261
 significance 240
 structural adjustment 253,
 257–8
 theory 238–42
 and TNCs 159, 164
 and trade 125
 World Bank 280
 see also division of labour,
 feminism, women
General Agreement on Tariffs
and Trade (GATT)
 Article XIX 129
 differences with WTO 111
 dispute settlement 133
 negotiating rounds 132–3
 normative framework
 131–2, 133
 origins 99, 101, 126, 132
 special and differential
 treatment
General Agreement on Trade
in Services (GATS) 119,
 120, 133, 136, 139
genetically modified crops 108,
 321

- Germany 56, 80, 84, 144, 264, 333
 Cold War 100, 102
 and environment 304
 euro 182, 183
 European monetary system 181
 global governance 181, 353, 369
 and Greece 203
 industrialization 7, 73, 77, 83, 95
 immigration 212
 imperialism 58, 84, 87
 interwar period and world wars 89, 90–3, 99
 protectionism 7, 72, 77, 82, 124, 342
 TNCs 149, 166
- Gertzl, Cherry 262
- gig economy 108, 219–21, 235
- Gill, Stephen 18, 368
- Gilpin, Robert 9, 21
- global civil society 369–70, 371–2
see also civic associations
- Global Compact 33, 230, 373
- global commodity chains
see global supply chains
- global corporations *see* transnational corporations
- global financial system 174–209
see also credit, finance
- global governance
 BRICS 373–5
 cities 367
 civic associations 370–2
 corporations 112, 369–70
 defined 363
 developing states 286
 and environment
 sustainability 378–380
 inequality and justice 380–3
 and international organizations 367–9
 large-scale change 366
 liberal international economic order 375–8
 multilevel 366–7
 regimes 367–9
 and states 364–5
see also regimes, Global Compact
- global political economy
 use of the term 23
see also international political economy
- Global South 265, 266
see also Third World, developing countries
- global supply chains 162–3
- global value chains 162, 172, 229
- globalization
 defined 27
 impact on IPE research 2
 project 106, 271
 views of 9, 13, 18
- gold exchange system 175
- gold standard
 19th century 72, 78–80, 116
 interwar period 89, 91, 92, 175
- Google 169, 224, 332, 333, 356, 57
- governance
 1400–1800 70–71
 19th century 97
 good 326, 355
- post-1945 110, 115
see also global governance, states
- greed 25, 58, 68, 98
- Green Climate Fund 305, 307
- Grieco, Joseph 34
- Grameen Bank 186
- Gramsci, Antonio 18, 20
see also neo-Gramscian approaches
- Greece 182
 financial crisis 175, 199, 202–4
- Gresham, Thomas 54
 Gresham's law 54
- gross national product (GNP) 262–3, 311
- growth
 and development 266, 276
 and inequality 232
 in India and China 11, 224–6
 and industrial revolution 73–4
 in trade 127, 135
 limits to 51, 294, 296, 299, 311
 and protectionism 126
 of TNCs 152–5
 women's contributions 242–3
see also austerity, development)
- Guinea 137, 361
- Haas, Peter 299, 338
- Hamilton 234
- Hamilton, Alexander 7, 21, 342, 362
- Hanseatic League 53, 56, 57
- harmony of interest 13
 critique of 17, 90
- Hawking, Stephen 234
- Hayek, Friedrich 13, 21
- health
 care 14, 15, 25, 217, 234, 253
 cost 199, 231, 232, 237, 372
 and development 190, 197, 219, 224, 261, 263, 266, 277, 279, 282, 341
 and environment 126, 291, 299, 301, 307, 308, 311, 378, 380
 and gender 237, 243, 247, 249, 252
 and indigenous people 59
- MDGs 33
- mental 218
- public 335–6, 352
 and safety 11, 120
 and security 341, 352, 359–61, 371
- standards 130, 171, 220, 226, 244
- technologies 321, 332
 and trade 130, 139, 140, 142
 and tax abuse 204
 and TNCs 149, 163, 335
- US 105
- women's 102
see also disease, intellectual property rights, World Health Organization
- Heavily Indebted Poor Countries (HIPC) Initiative 190, 282, 283
- Heckscher-Ohlin theorem 122
- hedge funds 187, 191, 195, 201, 313, 327
- hegemony 9, 14, 21, 318
 after 16
 British 77–83
 counter 286
 neo-Gramscian view 18, 20, 338
 US 10, 32, 104, 155
- hegemonic stability theory 94
- historical materialism 20
see also Marxism
- HIV/AIDS
 and debt 189–90
 and development 255, 364, 370
 and gender 248, 250
 and property rights 140, 335–7
 and security 359–60
- Hobson, John A 87
- Hobson John M. 45, 71, 77
- Hong Kong 104, 193, 221, 225, 256, 268, 269, 270, 367
- homework 250

- hormone-treated beef 130, 144, 317, 367
- Huawei 357
- Human Development Index (HDI) 263–4
- Human Development Report* 263, 287, 341, 362
- human rights 27, 33, 85, 94, 125, 285, 364, 371
- labour 230, 373
- and security 342, 348, 353, 354, 356, 372
- women's 247, 248, 251
- human security *see* security
- human trafficking 249, 254, 255, 256, 355, 356, 372
- Hymer, Stephen 153
- Hurrell, Andrew 288, 314
- ideas
- 1400–1800 69
- 19th century 96
- defined 315
- and interests 327–9
- post-1945 115
- theories about 316–18
- see also* economic nationalism, liberalism, intellectual property rights, technology, Washington Consensus
- ideology 83, 273, 315, 346
- defined 76
- liberal 76, 95, 97, 168, 214, 324, 381
- Marxist views 17, 18
- racist 88, 97
- Ikenberry, G. John 34
- illicit financial flows 170, 206
- imperialism
- 1400–1800 65
- 19th century 82, 84, 85–8, 90, 95, 97
- contemporary 18
- cultural 9
- ecological imperialism 59, 71
- legacy 39
- theories of 19, 27, 80, 87–8, 153, 343
- import substitution industrialization (ISI) 153, 168, 190, 269, 270, 272, 273, 274
- India
- 1400–1800 47, 48, 50, 51, 52, 53, 57, 58, 60, 63, 64, 68, 70, 71
- and British imperialism 58, 64–5, 73–4, 85, 88, 96, 97, 104, 215
- development 104, 105, 128, 129, 235, 313
- and environment 300, 304, 311, 379
- and global division of labour 211, 212, 226–7, 231
- global governance 131, 136, 191, 369, 373, 374, 375, 381, 382
- technology industry 114, 219, 320, 336
- TNCs 155, 222
- trade 139, 141, 229
- see also* BRICS
- indigenous
- knowledge 336, 337
- people 59, 61, 62, 67, 74, 86, 285, 313
- individuals
- charity 234
- in economics and rational choice 24, 25, 26, 29–31
- and liberal theory 11–12, 13, 15, 21, 76, 220
- and security 340–2
- and tax abuse 107, 170, 204–7, 232
- see also* consumption
- Indonesia
- pre-1900 48, 58, 68, 85
- Asian financial crisis 5, 6, 193, 275
- decolonization 104
- development 104, 106, 264, 268, 270, 375
- gender 212
- global governance 191, 369
- human rights 229, 356
- TNCs 225
- trade 139
- Industrial Revolution
- described 73–5
- explanations of British origins 63, 75–7
- international dimensions 76
- outside Britain 77–8
- power from 72
- inequality 230–5
- critics of 19, 36, 178, 337
- and development 224, 227, 261, 263, 266, 284, 286
- and division of labour 218, 219, 220, 222
- and environment 293
- and industrial revolution 94
- and knowledge 321, 325, 331
- and finance 197, 208
- gender 38, 212, 216, 237–8, 244, 247–8, 251–7
- and global governance 365, 374, 380–3
- see also* digital divide, poverty
- infant industry protection 11, 106, 123–4, 167–269
- inflation
- and derivatives
- 1970s 27, 101, 180, 188
- debasement and devaluation 54, 79
- hyperinflation 183, 217
- and interest rates 181
- and housing 183
- interwar 91, 93
- low 106, 179, 182, 320
- political issue 32, 40
- risk of 181, 186, 268
- information revolution 84, 93–95, 262, 266–8, 271, 288
- Instagram 337, 356
- institutional investors 194, 200, 308
- institutionalism 31, 33
- liberal 15
- insurance 185, 196, 327, 328, 353, 370
- reinsurance 157
- shadow banks 195
- TNCs 149, 226
- unemployment 217
- intellectual property rights 133
- and corporate power 370
- and developing countries 139–40
- and HIV/AIDS 335–6
- see also* Trade-Related Intellectual Property Rights (TRIPS)
- interdependence 37, 155, 169, 293, 309, 360, 374
- complex 15, 345
- in liberalism 12, 14, 16, 21, 295
- interest rates 157
- and debt crisis 180–1, 188, 190
- and domestic monetary policy 80, 178–9, 184, 197
- and euro 182–3, 184
- and financial crisis 158, 182, 192, 323
- high 186, 269
- and inflation
- and US dollar 181, 195, 196, 197–8
- Intergovernmental Panel on Climate Change (IPCC) 302, 304, 314, 317, 378

- Intergovernmental Science-Policy Platform on Biodiversity and Ecosystems Services 314, 378
- International Bank for Reconstruction and Development (IBRD) 175, 176, 277–8, 279
see also World Bank
- International Confederation of Free Trade Unions 228, 230
- international economic organizations 111–12, 272
see also particular organizations
- international environmental agreements 298
- international labour movement 228
trade unions 74, 76, 106, 107, 142, 216, 225, 226, 228, 250, 258
- International Labour Organization (ILO) 20
core labour rights 228, 229
and development 273
EPZ study 159
and gender 250, 253
and Global Compact 373
global governance 369, 376
origins 319
and women
- international organizations
critical views 20
and democracy 145
and development 268, 272, 277, 286
and environment 293, 301, 307
and gender 239, 245–51
and global governance 88, 94, 101, 110–12, 115, 230, 366, 367–8, 372, 376
and ideas 319, 322
and liberalism 14, 15
and peace 14, 26, 89, 346, 348, 352
see also particular organizations)
- International Monetary Fund (IMF)
2008 global credit crisis
Argentina 201
Asian financial crisis 5, 6, 193
debt crisis 189–90
debt relief 282–3
eastern Europe 196
and gender 250
global governance 111, 115, 191–3, 273, 323–4, 346, 366, 376
Greece 203, 330
influence in 286, 368–9, 374
and liberalism 14, 19, 286, 325
- Mexico 192, 275
opposition to
origins 99, 101, 175–6
and structural adjustment 112, 214, 274, 275, 280, 361
see also debt relief, Washington Consensus
- international monetary system 54
defined 174
euro 181–3
fixed to floating 27, 179–81
gold standard 78–80
interwar era 91–2, 99
key elements 78
post-1945 175
regional currencies 181–4
relationship to capital mobility 185
see also balance of payments, dollarization, euro, Bretton Woods
- international political economy
American and British 37
field of study 23–7
methodological issues 28–33
or GPE 23
theories 5–22
trends 34–7
see also global political economy, methodology
- International Relations 1, 7, 26–7, 46, 99, 293, 316, 344–6, 368, 369, 370
- International Trade Organization 99, 101, 126
- International Trade Union Confederation 228, 371
- International Women's Year 245, 246
- internationalism
democratic 371
financial community 94
- internet 108, 157, 185
control over 109–10, 333
crime 256, 355
security 356
statistics 320, 322
and work 219–20
utopias 332
- Internet Research Agency 356
- interwar period
economic failure 91–2
lessons 99
popular mobilization 92–3
security failure 89–90
US role 93–4
- Iran 100, 264
sanctions against 353
revolution 188
- Iraq 47, 100, 237
war 109, 110, 188, 198, 354, 372
- Islam 100, 351
pre 1900 47, 48, 51, 58
- Italy
1400–1600 53, 55, 57
euro 182
fascism 93
financial crisis 200, 204
global governance 181, 369
imperialism 58, 85, 87
interwar 90
protests 325
see also Venice
- Japan 357
Cold War 100, 101, 344
economic model 31, 104, 105, 217
and environment 114, 310
gender 254
global governance 111, 369
imperialism 78, 86, 88, 90
IMS 180, 181, 199
Industrial Revolution 73, 77–8, 80, 96
patents 331
protectionism 8
Second World War 90, 103
TNCs 148, 149, 150, 151, 155, 161, 166, 225
trade 142
- Jubilee Debt Campaign 382–3
- just in time production 161, 217
- Kabeer, Naila 245
- Kaldor, Mary 342, 348
- Kant, Immanuel 14, 21, 345
- Keohane, Robert 1, 15–16, 21, 22
- Keynes, John Maynard 13, 21, 93
- Keynesianism 13, 15, 25, 93, 101, 106, 113, 271, 319
state 40, 100
- Kindleberger, Charles 92, 98
- Kingsbury, Benedict 288
- Kirchner, Cristina 168
- Klein, Naomi 171, 288
- knowledge 315–38
defined 315–16
diffusion 22, 123
economy 320
and environment 297, 299, 300
and global governance 371
imperialism 58
importance 2, 45, 69

- indigenous 337
- and Industrial Revolution 75, 77, 96
- in IPE 36, 38
- local 77
- and production 215, 217
- in social sciences 24
- structure 10, 69, 153, 313, 337
- TNCs 153, 161, 165, 166, 167
- see also epistemic communities, ideas, information revolution, technology
- Krasner, Stephen 8, 21
- Kuznets curve 263
- Kyoto Protocol 292, 302, 303, 305
- labour 17, 92
 - 1400–1800 60, 61, 62, 63, 64, 67, 68
 - 19th century 72, 73, 74, 75, 76, 78, 95
 - child 74, 228, 230, 254
 - forced 84–5, 229, 254, 356
 - informal 237, 241, 243, 257, 372
 - mobility 183
 - organized 31, 208, 217, 230, 272
 - power 17–8
 - post-1945 105, 109, 114
 - rights 125, 143, 227–9, 235
 - standards 19, 133, 144, 225, 228–9, 230, 369, 383
 - see also division of labour, gender, ILO, migration, peasants, slavery, trade unions, work
- land grabbing see transnational land acquisitions
- Landes, David 12, 45, 71, 75, 98
- Latin America
 - compared with East Asia 269–70
 - debt 323
 - development 189, 193, 262, 267, 278, 285, 312
 - dollarization 184
 - drugs 66, 207
 - gender 243
 - history 60, 67, 69, 85
 - industrialization 89, 131
 - regional integration 144
 - remittances 223
 - trade 215
- law
 - consumer protection 328
 - and cooperation 26
 - Corn Laws 81
 - customary 56
 - de jure 183
 - discipline of 25, 28, 38
 - economic 342
 - English 65
 - environment 297
 - and FDI 140
 - international 89, 94, 110
 - of motion of capital 18
 - of nature 21
 - and political authority 364
 - Poor Law 76
 - property 313
 - rule of 103, 326, 375, 376
 - sources 50, 56, 70
 - tax 204, 206
 - trade 112, 130, 133, 319
 - universal 20
 - US 185, 226, 319
 - and work 216, 220
- Law, David 368
- League of Nations 89, 93, 94, 100, 110, 353, 366
- legitimacy see democracy
- Lenin, V. I. 19, 21, 80, 87, 153, 343
- Leopold II of Belgium 84, 98
- Liberia 137, 215, 361
- liberalism
 - 19th century 12
 - absolute gains 12
 - as a cobweb 16
 - conflict and
 - cooperation 13–14
 - embedded 32, 101, 102, 113, 116, 131, 319, 323, 327
 - environment 290, 292–3, 294
 - key actors 13
 - institutionalism 15
 - neo-15 163, 253, 274, 276, 319, 324
 - and peace 342, 344, 345
 - politics 13, 14
 - today 14–15
 - view of Asian financial crisis 5–6
 - see also division of labour, interdependence, free trade, Washington Consensus
- leisure 37, 38, 212, 234, 237, 321
- limits to growth 51, 294, 296
- Limits to Growth* 299, 311
- List, Fredrick 7, 21, 77, 342, 362
- Liverpool 63
- London 65, 73, 196, 350
- role as a financial centre 80, 185, 367
- London School of Economics 10
- Long Term Capital Management 187
- McDonald's 161
- McMichael, Philip 106, 190, 235, 271, 312
- mafia 10, 30, 348, 371
- malaria 59, 61, 75, 336, 359
- Malaysia
 - pre 1900 48
 - capital controls 179
 - economic success 268, 270
 - financial crisis 193
 - labour conditions 229
 - trade 139, 142, 349
 - TNCs 159, 258, 369
- malnutrition 115, 191, 307, 341
- see also famine
- market
 - access 6, 138, 141, 147, 282
 - commodity 284
 - common 70, 101, 112, 144
 - consumer 161
 - danger of 9
 - discipline 268
 - domestic 19, 31, 73, 124, 147, 152, 199, 269, 377
 - emerging 128, 262, 266, 276, 313
 - exploitation 17–18
 - failure 13, 15, 16, 155, 294, 295, 306
 - financial 5, 113, 155, 157, 158, 177, 179, 185–6, 190, 193, 194, 196, 204, 208, 327, 329–30, 333
 - forces 102, 140, 210, 212, 262, 271, 323
 - free 13, 14, 15, 18, 24, 25, 88, 93, 101, 129, 274, 294, 346, 380
 - fundamentalism 15, 325
 - generating wealth 12
 - housing 183, 185, 195
 - international 12, 81
 - incentives 290, 296, 380
 - labour 72, 75, 92, 143, 164, 168, 196, 216, 221, 222, 237, 243, 244, 254, 320, 321, 333
 - origins 8
 - open 207
 - power 10
 - and states 10, 34
 - see also protectionism, TNCs
- Marshall Plan 99, 101, 176–7, 344
- math 25

- mathematical models 24, 25, 26,
 187, 297, 327, 329, 345
 Martin, Lisa 34, 147
 Marx, Karl 17, 26, 76
 Marxism 33
 actors 17
 conflict 18, 343
 dynamics 18
 and the environment 294,
 295, 297
 and finance 178
 and gender 239
 imperialism 87
 origins 16
 and political economy 26
 and TNCs 153
 and trade 125
 see also communism, critical
 theory, dependency,
 Lenin, neo-Gramscian
 approaches
 masculinity 236–7, 241
 Médecins San Frontières 297
 Meadows, Dennis and Donella 299
 Mediterranean 47, 48,
 52, 53, 62, 125
 mercantilism 7, 8, 21, 40, 123
 see also economic nationalism
 Me Too 238
 MERCOSUR 112, 113, 144
 methodology 16, 26, 31,
 33–4, 35, 321
 Mexico 107, 146, 372
 pre 1800 51, 52, 59, 60, 70
 City 367
 debt crisis 188, 324
 development 270
 financial crisis 192, 326
 global governance 192
 industrialization 221
 regional integration 141, 190
 remittances 222
 structural adjustment 275
 trade 142, 159, 225, 354
 Middle East
 pre-1900 47–8, 50, 53, 58
 Arab Spring 109
 development 278
 gender 191, 242, 256
 migrants 377
 remittances 223
 trade 128, 159
 see also oil
 Mies, Maria 239
 migration 46, 70, 82, 222,
 284, 325, 355, 376, 382
 to the Americas 59, 60
 within China 224
 climate induced 308
 Europe 223
 female 252, 254
 UK 235
 US 11, 77, 226, 235
 military industrial complex 346–7
 Millennium Development Goals
 (MDGs) 33, 248, 261, 322
 Mill, John Stuart 76
 Ming Dynasty 49, 50
 modernization 260, 275,
 344, 364, 378
 theory 267
 monetary autonomy *see* autonomy
 money
 debasement 54
 origins 53–5
 regional currencies 178
 reserve currency 181–4
 utility 54
 see also inflation, international
 monetary system
 Mongols 47, 48, 56
 most favoured nation (MFN) 131, 144
 Multifibre Agreement 133, 226
 Multilateral Agreement
 on Investment 140,
 172, 227, 372
 multilateralism 101, 111,
 132, 143, 347, 364
 multinational corporations *see*
 transnational corporations
 Myrdal, Gunnar 272

 nationalism *see* economic
 nationalism
 NATO 100, 101, 347, 366
 naval power 50, 76, 83, 215, 343
 Nazis 92, 93, 102
 Netflix 333
 networks
 business 155, 161, 355
 communication 156, 157,
 160, 329, 358
 criminal 355
 interdependence 293
 policy 102
 social 109, 112, 245, 372
 terrorist 350
 trade 48, 51, 64
 neo-Gramscian approaches 17, 318
 neoliberalism *see* liberalism
 New International Economic
 Order (NIEO) 18, 104,
 163, 273, 275, 284
 new wars 348, 349
 New York 20, 211, 234, 350
 pre 1900 66, 80
 as a financial centre 185,
 201, 367
 newly industrializing
 countries 129, 193, 221,
 268, 269, 270, 286, 325
 nineteenth century 72–88
 Non-Aligned Movement 104, 273
 non-discrimination 129, 131
 non-tariff barriers (NTBs) 113,
 120, 129, 130, 131, 133, 138
 North American Free Trade
 Agreement (NAFTA) 112,
 113, 143, 144, 190, 192, 227,
 235, 318, 367, 376, 377
 renegotiated 113,
 141, 146, 354
 nongovernmental organizations
 (NGOs) 21
 and development 170,
 193, 226, 262, 275,
 336, 349, 361
 and environment 288,
 293, 298
 and gender 255
 global governance 112,
 371, 372, 379
 and WTO 145, 146
 see also civic associations
 North–South conflict 168, 283–6
 see also developing countries
 Nye, Joseph 15

 Obama, Barack 343
 Occupy movement 324
 official development assistance
 see economic aid
 offshore 107, 155, 157, 166,
 171, 185, 191, 205, 206,
 207, 226, 232, 364, 372
 see also export processing zones
 Ohlin, Bertil 122
 oil
 collapse 105
 crisis 27, 101, 104, 129, 185,
 188, 266, 268, 272, 274
 embargo 353
 environment 216, 298, 301,
 313, 313
 finance 107, 186, 187, 197,
 198
 reliance on 182, 349, 379
 TNCs 149, 151, 168, 357
 opium 65
 wars 66, 84, 97
 Organisation for Economic
 Co-operation and Development
 (OECD) 111, 112, 140, 172,
 206, 227
 and global governance 191,
 368, 274, 381
 Organisation for European
 Economic Co-operation 177

- Organization of Petroleum Exporting Countries (OPEC) 185, 188
- outsourcing 146, 156, 160, 162, 163, 226–7
- ownership location investment model 153
- Palan, Ronen 22, 215, 235
- pandemic 163, 235, 259–61
see also disease
- patents *see* intellectual property rights
- patriarchy 19, 40, 214, 239, 258
see also gender
- Paulson, Henry 328
- Pax Britannica 78–84
inaccuracy of term 84
see also imperialism, Industrial Revolution
- Paypal 110, 333
- peace
and development 261, 283
dividend 347
and environment 308, 309
and gender 246, 247, 250
and health 360, 361
international relations 26, 80, 83, 84, 91, 97, 101, 109, 115, 175, 366, 370
and liberalism 14, 89, 90, 344, 345
and security 340, 342, 349, 351, 353
see also Pax Britannica, security
- peacekeeping 110, 347
- peasants 125, 224
- Penrose, Edith 151
- pensions 194, 203, 223, 329
- personal services 218, 253
- pharmaceuticals 335, 370
- philanthrocapitalism 234
- Philippines
development 139, 189, 225, 264, 268
and imperialism 58, 60, 86, 103, 254, 336
migrant workers 212, 222
- Phillips, Nicola 36, 41
- Polanyi, Karl 20, 80, 92, 98, 369
- political economy 26
classical 34, 35–6, 38
- political science 25–6
- Poor Law reform 76
- Porter, Tony 209, 384
- Portugal
pre-1900 49, 52, 57, 58, 60, 61, 62, 85, 87
euro 182
financial crisis 200, 204, 262
- positive-sum game 12, 121
- postcolonial 19, 23, 27, 262, 352
- post-Fordism 161
- poststructuralism 7, 34, 318
- poverty
absolute 287
anti-poverty movement 383
causes 262–3, 265, 267, 272, 274
and culture 12, 45
and death 115
and debt 282–3
and dependency 18
energy 379
and environment 299, 307, 308, 309, 310, 311
escape from 103, 223, 227, 231, 261, 376
experiences of 260
extreme 231
and famine 88
and financial crisis 6, 196, 274, 341
and forced labour 229
gendered 232, 240, 244, 248, 251–3, 258
and global governance 325, 381
reduction 163, 186, 266, 276
and structural adjustment 275, 280
and violence 62, 100, 350, 351, 352, 355
see also economic development, growth, inequality
- power
of capital 18, 19, 207, 208
corporate 6, 65, 295
class
and critical theories 17, 20
economic nationalism 7–10, 21, 26
and feminism 237–8, 240
and liberalism 15–16
and politics 24, 25
productive 213, 382
state 5–6
structural 10, 166, 207, 208, 368
see also hegemony, industrial revolution, imperialism
- Prebisch, Raul 273
- private authority 370, 384
- privatization 168, 190, 196, 252, 275, 320, 324, 381
- product life cycle model 152, 161
- production 148–173
1400–1800 67
19th century 95
- benefits of global 163–7
globalization of 155–60
post-1945 113
transnational corporations
see also division of labour, Industrial Revolution
- prostitution *see* sex trade
- protectionism
agricultural 123, 130, 133
costs of 12, 122–3
defined 120
and economic nationalism 11
explanations for 29
forms of 129–30, 229
new 129, 133
persistence of 147
TNCs 152
US 181, 319, 326
see also economic nationalism, Multifibre Agreement
- public goods 24, 25, 29
- public policy 25, 29, 87, 169, 222, 233, 337, 347
and gender 245–51
- quotas 85, 120, 130, 131, 138
- race 19, 36, 37, 38
and division of labour 212–13
and gender 237, 254
- racism 62, 87, 97
- Radice, Hugo 151
- railways 55, 73, 75, 78, 95, 150, 377
- Rajoy, Mariano 168
- rational choice 16, 29–31, 32, 33
- rationalist approaches 33, 37, 241, 318
- Reader, Melvin 262
- Reagan, Ronald 181, 324
- realism 7, 9, 21, 26, 90, 239, 292
see also economic nationalism
- recession
1970s 101, 129, 272, 274
1980s 188
2008 126–7, 150, 196, 197, 221, 242, 277, 327
backlash 194
government role 25, 91, 92, 179
and interest rates 188
interwar
Japan 187
and trade 127
UK 182
- reciprocity 95, 129, 131, 271
- Redclift, Michael 294

- regional currencies *see* money
- regionalism 35, 143
- regimes
- criticism of 10
 - defined 367–8
 - development assistance 287
 - environment 293, 316
 - financial 102
 - global governance 32–3, 111, 116, 367–9, 384
 - in IPE 14, 15–16, 35
 - investment 172
 - private 370
 - trade 9, 12, 111, 12, 131, 132, 145, 368, 372
 - welfare 31
- regulation
- of capital 8, 15, 97
 - democracy 326
 - deregulation 107, 119, 157, 168, 185, 208, 275, 320, 323, 324
 - environmental 19, 112, 294, 295, 296, 298, 300
 - financial 107, 175, 185, 187, 190, 194, 196, 327–30
 - and global governance 364, 365, 366, 371, 372, 373
 - labour 97, 108, 220, 227–30
 - national 35, 158, 159, 165, 170, 171–2, 215–16, 227
 - school 217
 - self 15, 327, 371
 - TNCs 105, 162, 169–70
 - trade 120, 123, 130, 135, 141, 143
 - see also* global governance, labour standards, offshore, regimes
- religion 47, 48, 96, 334
- see also* Christianity, Islam
- remittances 222–3, 253, 256, 276, 277, 332, 348
- Reno, Janet 256
- reproductive economy 253–7
- research and development
- see* technology
- Rhodes, Cecil 86
- Ricardo, David 12, 21, 26, 36, 81, 121, 122, 214
- right-wing politics 100, 106, 116, 201, 204, 235, 332, 333, 337, 376, 377, 380, 391
- Rio conference 276, 288, 298, 299, 300, 373
- Rio+20 261, 303–4
- rise of the West 17, 45, 71
- Robinson, Ronald 88
- Roosevelt, F. D. R. 93
- Rostow, W. W. 267
- rubber 58, 349
- terror 84–5
- Rubin, Robert 328
- Ruggie, John 1, 32–3, 41, 101, 116, 131
- Runyan, A. 236, 252
- Rupert, Mark 318
- Russia
- pre-1917 56, 80, 83, 84
 - post-1989 103, 104, 105, 187, 200, 353, 375
 - global governance 32, 111, 115, 191, 303, 374
 - imperialism 86
 - Industrial Revolution 73
 - revolution 87, 92–3, 343
 - USSR 102
 - war with Japan 78
 - and US 356–7
 - see also* BRICS, Soviet Union
- sanctions 124, 198
- against Iran 353
 - as economic statecraft 351–4
 - League of Nations 89
 - trade 130, 368
 - UN 110
- Sauvy, Alfred 265
- Scholte, Jan Aart 27
- science 96, 316, 320, 367, 371, 378
- climate 304, 317, 379
 - fiction 333
 - see also* epistemic community, knowledge
- Second World 106
- Second World War 78
- consequences 89, 90, 103, 131, 175, 347
 - lessons from 14, 99–100
- security
- 1400–1800 70
 - 19th century 97
 - post 1945 115
 - Cold War structure 346–7
 - critical 340
 - cyber 358
 - definitions 339–42
 - dilemma 340, 346
 - economic statecraft
 - food 124, 252, 261, 313, 341, 378
 - human 37, 241, 308, 340–42, 350, 355, 359, 360, 362, 372
 - interwar 89–90, 92–3
 - national 124, 340, 343, 344, 345, 346, 347, 350, 354, 356, 358, 359–60, 364
 - and political economy 342–6
 - post-Cold War 347–51
 - see also* crime, disease
- Seers, Dudley 263
- Sen, Amartya 287
- sex
- abuse 238, 249, 356, 371
 - different from gender 236
 - work 114, 244, 253–6
- sharing economy *see* gig economyshrimp 229
- Sierra Leone 348, 361
- Silk road 47, 377
- silver 52, 53, 54, 58, 60, 62, 63, 65, 66, 69, 71, 230
- Singapore 264, 361, 367
- development success 104, 187, 221, 268, 269, 270
 - trade 142
 - FDI 159, 165, 167
- Sklair, Leslie 222
- slavery 1, 46, 67, 212, 316
- of Africans 61–3
 - sex 254, 255
- Smith, Adam 12, 21, 24, 26, 36, 76, 121, 213–15, 216, 235, 343, 362
- smoking 314, 317
- social credit system 334
- social forces 18, 19, 20, 92, 147, 336
- see also* class, elites, labour, peasants
- social movements 19, 113, 145, 239, 317, 371, 372
- social science 24, 28, 34, 36, 38, 152, 239, 254, 259, 262, 309, 318
- South Africa
- development 107, 189, 205, 264, 382
 - environment 313
 - gender 212
 - global governance 105, 136, 191, 281, 364, 374
 - patent dispute 364–5, 370
 - racial divisions 45, 100, 210, 373
 - trade 139, 141
 - see also* BRICS
- South Korea
- food security 313
 - financial crisis 5, 158, 193
 - gender 238
 - global governance 191, 227, 368
 - industrialization 100, 104, 107, 221, 268, 325
 - TNCs 149, 166–7, 225
 - sovereignty 37, 272, 340, 348, 352

- consumer 11
 early states 56, 64
 global governance
 selling 215
 tax 206
 trade 140, 146
 TNCs 151, 164, 172
 UK 11
- Soviet Union 323
 and Cold War 87, 101–2,
 110, 158, 176, 185, 273,
 340, 346, 347, 352
 demise 19, 102, 324, 366,
 272
- Spain
 pre-1900 57, 58, 60,
 61, 85, 87
 euro 182
 development 262
 financial crisis 200, 204
 gender 238
 TNCs 168
- special and differential
 treatment 140–1
- speculation 6, 68, 182,
 193, 200, 328
- spices 48, 49, 52, 53, 58, 67
- state
 authoritarian 101, 102, 103,
 105, 106–7, 145, 230,
 270, 345, 352, 364, 374
 communist 102–3,
 177, 273, 310
 competition 106, 170, 364
 defined 56
 developmental 106, 107,
 268, 269, 250, 271,
 323, 324, 326
 fascist 90, 93
 and global governance
 364–5
 liberal 75–7, 92, 93,
 97, 113, 228
 national capitalism 271–4,
 364
 origins 56
 transformation 105–8
 welfare 90, 105, 235,
 364, 365, 372
see also embedded liberalism,
 Keynesianism,
 neoliberalism, offshore,
 security, Washington
 Consensus
- state–firm relations 167–72
 statism *see* economic nationalism
- Steans, Jill 236
- stock market 31, 53, 105,
 109, 150, 157, 185, 192,
 194, 196, 325, 327
- Stopford, John 369
- Strange, Susan 1, 10, 21, 22, 39,
 153, 190, 209, 315, 369
- strategic trade theory 77, 124
- structural adjustment
 programmes (SAPS) 104
 content 189, 214, 324
 gendered impact 241
 impact 274, 326, 361
 Mexico 275
 stamp of approval 175
see also Washington Consensus
- structure and agency debate
 39–40
- subsidy
 food 252
 fossil fuel 306
 state 125, 366, 189
 trade 120, 123, 126,
 130, 135, 138
- sugar 45, 52, 58, 61, 62, 63, 65,
 69, 125, 215
- superintelligence *see* artificial
 intelligence
- surveillance capitalism 333–4
- sustainable development 251,
 261, 280, 290, 293, 295,
 296, 322, 375, 379
 as a key issue 309–12
 defined 276
- Sustainable Development Goals
 (SDGs) 164, 170, 249,
 250, 261, 262, 287, 322
- sweatshops 211, 229
- Sweezy, Paul 26
- Taiwan 86, 200, 224
 development 1, 100, 104,
 221, 268, 269, 325
 financial crisis 193
 TNCs 139, 166, 167, 219,
 225, 226, 147, 190
- tariffs 11, 29, 32, 124,
 126, 129, 269
 defined 120
 historic 77, 94
 reductions within GATT
 112–13, 131–3, 135
 tariffication 138
 Trump 146, 354, 377
- Taylor, Fredrick 216
- Taylor, Ian 36, 216
- Taylorism 216, 217
- tax 11, 15, 120, 191, 197, 200, 217,
 234, 235, 324, 325, 333, 348,
 349
 pre-1900 15, 65, 76
 abuse 107, 170, 176, 180,
 204–7, 220, 232–3, 355
 carbon 306, 379
 cuts 181, 198
- havens 107, 171, 215
 holidays 107, 120, 159
 on financial transactions 6
 payers 15, 196, 328
 TNCs 153–4, 164, 165,
 169–70, 172
 Tobin 194
- technology 69, 84
 bio 124
 bubble 109
 change 155–6
 Chinese 49, 357
 control of 109–11
 defence 9
 defined 315–16
 and development 96,
 105, 108, 269
 digital 108
 diffusion 108
 and employment 218–19
 European 57, 75
 environment 291, 297,
 304, 311, 379
 gap 27
 gender 249
 information 319–22, 330–5
 military 61, 70, 347, 357
 nano 124
 Soviet 102
 TNCs 13, 149, 140, 152,
 153, 156, 160, 161,
 165–6, 168, 169
see also Industrial Revolution,
 information revolution,
 knowledge, naval power
- terrorism 115, 339, 342,
 355, 359, 371, 372
 Middle Eastern 350–1
 rubber 85
- textiles 122, 129, 211, 215, 217, 225
 pre-1900 53, 60, 61, 62, 63,
 73, 78
 and gender 159
 protectionism 133, 139, 225
- Thailand 361
 pre-1900 64
 development 189,
 268, 270, 275
 financial crisis 5, 178, 193
 labour conditions 229
 sex trade 254, 255
 trade 139
- theory
 contemporary GPE 34–7
 explanation for
 diversity 20–21
 methods 28–33
 purpose 6–7
 traditional IPE 7–22

- Tilly, Charles 57
- Third World 262, 352
 coalition 273, 274, 284–6
 debt 272, 274, 275, 282–3, 382
 and Cold War 273
 decolonization 103–4
 and FDI 158, 163, 166, 167, 168
 states 40, 106, 268
 use of term 99, 265–6
see also BRICS, developing countries, development
- Thomas, Caroline 381
- Thomas, George 112
- Thunberg, Greta 306
- Touré, Samori 87
- trade
 1400–1800 61, 66
 19th-century free trade 81–3, 94
 barriers 7, 31, 77, 94, 113, 120, 129, 133, 143, 144, 156, 190, 214, 269
 defined
 developing countries 136–41
 environmental degradation 296
 free 121–5, 318, 319, 342, 343, 365, 368, 370, 376
 gains from 9, 122–3, 126, 228
 growth of 127–8, 137
 institutional arrangements
 intra-Asian 58
 intra-firm 127, 128
 intra-industry 127
 post-1945 94
 regional agreements 141–3
 terms of 273, 285
see also comparative advantage, protectionism, WTO
- Trade-Related Intellectual Property Rights (TRIPS) 134, 135, 136, 139, 140, 335, 336
see also intellectual property rights
- Trade-Related Investment Measures (TRIMS) 133, 140
- trade unions *see* international labour movement
- Trans-Atlantic Trade and Investment Partnership (TTIP) 141
- Trans-Pacific Partnership Agreement (TPP) 141, 142–3, 146
- transfer pricing 154, 168, 204, 205
- transnational class 17, 27
- transnational corporations (TNCs)
 communication 156–7
 costs and benefits 153–4, 163–7
- China 224–5
 defined 150–2
 finance 157–8, 179, 188, 204
 Fordism 160
 and gender 257, 258
 global governance 335, 369–70
 globalization of 149, 155–60
 global supply chain 162–3
 growth theories 152–5
 importance 148–9
 labour 71, 227, 229, 230
 largest 149
 mergers 161–2
 organizational principles 160–3
 regulating 171–2
 and states 167–71
 and trade 122, 127, 128
see also corporations, division of labour, state–firm relations
- transnational land acquisitions 312–14
- transparency 6, 109, 130, 131, 142, 145, 170, 193, 205, 206, 233, 282, 326, 331, 343, 372
- transportation 51, 62, 76, 153, 218, 222, 255, 279, 285, 367
- triangular trade 61–3, 215
- Triffin dilemma 176, 179
- Triffin, Robert 176
- Trilateral Commission 309
- Truman, Harry S. 132, 286
- Trump, Donald 11, 113, 130, 141, 143, 146, 281, 305, 326, 253, 354, 357, 364, 376, 377, 381, 382
- tulip mania 68, 109
- Twitter 164, 238, 356
- underdevelopment 18, 267, 272, 355
- unemployment 32, 171, 178, 179, 208, 218, 275, 320
 pre-1900 80
 1970s 27, 129
 2008–12 196, 204, 276
 and automation 108, 218
 female 242
 insurance 217, 218
 interwar 91, 93
 postwar 105
- United Kingdom 106, 208, 220, 353, 356, 357, 383
 pre 1945 73, 88
 Brexit 11, 146, 381
 capital mobility 178, 193
 environment 304, 313
 gender 253, 255, 256
- global governance 32, 101, 102, 181, 369, 376, 377
- financial crisis 181–2, 195, 343–4
- financial liberalization 185, 324
- immigration 235
 post-1945 order
 study of IPE 10, 37
 tax issues 206–7
 TNCs 149, 152, 169, 170
 trade 133
see also Britain, imperialism
- United Nations
 General Assembly 100
 Millennium Declaration
 Security Council 110
see also Global Compact, individual agencies
- United Nations Children's Fund 110
- United Nations Conference on Environment and Development 288, 298, 299, 301, 373
- United Nations Conference on the Human Environment 298
- United Nations Conference on Trade and Development 104, 273, 284, 288
- United Nations Decade for Women 246
- United Nations Development Programme 263, 264, 287, 341, 342, 362, 376, 381
- United Nations Development Fund for Women 248
- United Nations Framework Convention on Climate Change
- United Nations High Commissioner for Refugees 110
- United Nations Labour Rights Convention 229
- United States
 post-1945 economic order
 1980s debt crisis
 and Argentina 201
 and Asian financial crisis 6
 automation 218
 bonds 201
 and China 198–9, 225
 civil war 84, 97, 95
 and Cold War 100–1, 340, 346, 347, 352
 consumption 310
 creditor 89
 and Cuba
 and decolonization 103
 defence spending

- dollar 179–81, 183, 184, 185, 197–200, 209
- drug trade 65–6
- environment 292, 293, 300, 303, 304, 305, 306
- Federal Reserve 188
- financial crisis 187, 194–7, 207, 208, 326, 327–30
- financial deregulation 157
- gender issues 211, 231, 237, 250, 254, 255, 256
- global governance 32, 89, 111, 281, 369, 323–4, 364, 367, 378, 375, 376, 377, 378, 382
- hegemony 10, 18, 20, 27, 88, 90, 101–2, 106, 318
- immigration 77, 226, 235
- imperialism 58, 85, 86
- and IMS 175–77
- and India 226–7
- industrialization 74, 75, 77, 80, 222
- inequality 231–4
- interwar period 92, 93–4
- IPE 10, 15, 16, 34, 35, 36, 37, 41
- IPR 335–6
- Iran 353
- isolationism 94
- and ITO 132
- knowledge advantage 331
- labour 227, 228, 229, 230
- and Latin America 274
- Marshall Plan 177
- model 105, 221, 326
- protectionism 7, 8, 9, 72, 82, 113, 123, 124, 146, 342, 354
- racial issues 41, 210
- security 109, 110, 115, 343, 344, 34, 350–1, 356–7
- settler colony 61, 64, 67
- slavery 67, 72, 212, 215, 316
- tax issues 204–5, 206
- TNCs 139, 141–3, 148, 149, 151–3, 158, 164, 166, 170, 172, 313, 371
- trade 120, 130, 131, 132, 137, 138, 155, 317, 319
- Treasury 6, 195, 200, 323, 328
- see also* Washington Consensus
- United States-Mexico-Canada Agreement 141
- UN Women 250
- Uruguay Round 199, 133, 136, 138, 139
- Venice 52, 53, 57, 64
- Vernon, Raymond 151, 152
- Vietnam 58, 85, 93, 100, 101, 102, 103, 104, 142, 225, 229, 254, 264, 343, 361
- Voices of the Poor* 260
- voluntary export restraints 120, 130
- Wall Street 6, 19, 187, 195, 320, 329
- Walmart 148, 149, 164, 225
- war
- new 348, 349
- and sex trade 254–5
- and state formation 57
- see also* Cold War, security, world wars
- Washington Consensus 102, 175, 177, 189, 274, 276, 323–7, 330, 337
- WhatsApp 337
- Wealth and Poverty of Nations* 213, 235
- Weber, Max 20, 57
- West
- advantages in warfare 69, 84
- economic system 88
- rise of 17, 45, 57–66, 71
- Western Union 110, 332
- Whitworth, Sandra 237, 239
- WikiLeaks 109–110, 356
- Wikipedia 255
- Wilkins, Mira 151
- Williams, Eric 63
- Williamson, John, 323, 325
- Wilson, Woodrow 21, 89
- wisdom 316, 337
- Wolfe, Eric 37
- Wolfers, Arnold 340
- Wolfensohn, James 360
- Wolfowitz, Paul 250, 281
- Wollstonecraft, Mary 17, 76
- women
- and colonialism 64, 68
- and credit 186
- Decade for 246, 247, 248
- employment trends 242–5
- in factories 72, 74, 76, 114, 211, 225, 257
- professional 256
- and race 212
- UN Women 250
- world conferences 245–7
- see also* division of labour, feminism, gender, work
- work
- domestic 249, 256–7
- sex 114, 253–6
- unpaid 211, 241
- see also* division of labour, labour, slavery
- working class *see* class
- World Bank
- and basic needs 273
- criticism of 112, 251, 280, 282
- debt relief 282–3
- democracy 280–1, 374
- and East Asia 193
- and environment 301, 310
- and global governance 99, 101, 115, 175, 189, 192–3, 286, 346, 368, 369, 375, 376
- and health 190, 360
- and inequality 231
- International Bank for Reconstruction and Development 101, 277, 278, 279
- International Development Association 277, 278, 279
- liberal policies 14, 280
- primary roles 176, 278–9
- president 250, 281, 282, 360
- structural adjustment
- lending 111, 274, 323, 324
- structure 175–6
- and technology 218, 322
- and women 186, 250
- see also* Washington Consensus
- World Development Report* 218, 307
- World Economic Forum 222, 231, 237, 259
- World Health Organization (WHO) 110, 249, 361, 369, 376
- world order 18, 20, 22, 40, 88, 125, 127, 346, 363, 365, 366
- see also* global governance
- World Social Forum 222, 337
- World Trade Organization (WTO)
- benefits of 31
- beef dispute 130, 317
- compared with GATT 111, 134, 135
- and democracy 145–6
- developing countries
- interests 136–9
- dispute settlement 135–6, 368
- Doha Declaration/ Round 135, 286
- and environment 112
- global governance 115, 191, 367, 368, 369, 373, 376, 377

- World Trade Organization
(WTO) (*continued*)
IPR 139–40, 330, 335–6, 365
labour rights 227, 228–9
legitimacy 144–6
liberal orientation
 14, 19, 214
ministerial conferences 134
origins 111, 113, 133
principles 131, 133
- protests 112, 116
regionalism 141, 143, 144
special and differential
 treatment 140–1
TNC influence 172, 370
see also process and production
 methods, Trade-Related
 Intellectual Property
 Rights, Trade-Related
 Investment Measures
- world wars 89–91
 lessons of 14, 26, 99–100
worldviews 69, 76, 96, 290,
 315–16, 319, 337
 see also ideas
- zero-sum game 7, 9, 12,
 18, 21, 60, 121