

International Political Economy: An Intellectual History

Author: Benjamin J. Cohen
Princeton University Press, 2008, 210 pages
ISBN: 978-0-691-12412-4

Mustafa KUTLAY
Uluslararası Stratejik Arařtırmalar Kurumu

International Political Economy (hereafter, IPE) emerged after the 1970s as a distinct academic discipline. The emergence of the field can be regarded as a reaction to the separation between economics and politics. As known, after the Marginalist Revolution in 1870s, economics consolidated its position as the 'most scientific' field in the social sciences and started to be regarded as a separate field of study from other social disciplines. The long and "harmful separation of economics and politics"¹, if we quote Strange, started with the Marginalist Revolution and lasted up until the collapse of the Bretton Woods System at the beginning of 1970s.

The developments over the 1970s have paved the way for spectacular changes in the world's social, economic and political order. At first, President Nixon declared the collapse of the fixed exchange rate system and the U.S. closed the gold window. Immediately after this significant change in the world financial structure, the oil crisis in 1973 hit the world economy and the skyrocketing oil prices changed the balance of payments in favor of the Third World Countries. The political repercussions of this economic change were of vital importance for the academic world not only in Europe, but also in the US: One hundred years later, political economy has come to the forefront again!

Benjamin Cohen, in his latest book, *International Political Economy: An Intellectual History*, "aims to tell the story of the modern field of IPE" as a separate field of study with special reference to the influential individuals in the field, whom he calls the "magnificent seven." The most influential people who shaped the discipline, according to Cohen, are Robert Keohane, Robert Gilpin, Stephen Krasner, Peter Katzenstein, Robert Cox, Charles Kindleberger, and finally Susan Strange. Moreover, Cohen tries to show the dividing lines between different schools within the field and offers solutions in search for the missing middle between these schools of thought.

¹ Susan Strange, "International Economics and International Relations: A Case of Mutual Neglect", *International Affairs*, 46, 2, 1970, p. 304-315.

The book is composed of seven chapters and an introduction. The first two chapters describe the American and British way of 'doing IPE' and deftly underpin the epistemological and ontological differences between the two schools. As Cohen shows, the American School (PIER School) uses methodological individualism, which assumes the full rationality of individuals; regards IPE as a narrow field in principle; puts special emphasis on the state; and concentrates mainly on the study of U.S. Hegemony, especially during the 1980s.² The actors and the issues, in this school, are analyzed within the context of a 'taken for granted' approach. On the other hand, the British School (The New IPE School) is more inclusive in scope and critical in rhetoric. It takes the non-state actors into consideration and does not give priority to the state. The structures, not issues, are studied within the context of 'historical relativism' in British School. By putting emphasis on the ideas, consent, and institutions, it defines hegemony in a broader sense than the U.S. School does. Most important of all, British IPE rejects the positivist object/subject separation and fact/value dichotomy. In this regard, as Cohen aptly says, it has common grounds with constructivist approaches.

After framing the American and British schools in the emergence phase of IPE, Benjamin Cohen goes on to deal with the major problematiqués in contemporary IPE. In this regard, chapters three, four, and five offer a comprehensive account on Hegemonic Stability Theory (HST) and systemic transformation, control gap, and the transformation in the role of the state, respectively.

The third chapter tracks down the history of the first genuine theory, Hegemonic Stability Theory, in IPE. As known, HST has turned out to be the most prominent theory in IPE for almost two decades. HST was revised and updated in time, yet, the basic assumptions have remained the same. According to the proponents of the idea of Hegemonic Stability, the health of the global economy is somehow dependent on the presence of a single dominant power. The original establishers of this theory are one economic historian, Charles Kindleberger, and two prominent Realists, namely Robert Gilpin and Stephen D. Krasner. They argue that the hegemonic power structures are most conducive to establish and maintain the international regimes whose norms are precise and binding. In Kindleberger's words "for the world economy to be stabilized there has to be a stabilizer, one stabilizer."³

The fourth and fifth chapters address the system governance problems in the age of globalization. In the fourth chapter, Cohen clearly reveals the distinctive approaches of the two political economy schools and questions whether the states have undergone a significant transformation or not. In chapter five, Cohen decodes the "mystery of the state" by explaining the importance and place of the state in IPE. As known, American IPE has always

² Robert Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy*, (Princeton, NJ: Princeton University Press, 1984)

³ Charles Kindleberger, *The World in Depression, 1929-1939*, (Berkeley: University of California Press, 1973), p. 305.

been more prone to pursue a state-centric methodology. It regards the state as the most important and rational/unitary actor in world affairs (the so-called 'black box metaphor').

Cohen also touches upon the great globalization debate from American and British perspectives. American IPE regards globalization as "Globaloney" and thinks that its impact on nation states is not unique from a historical perspective. As Krasner puts it, "globalization is not transforming sovereignty. By creating an imaginary past, many observers have exaggerated the significance of contemporary changes."⁴ On the contrary, British IPE looks from a wider perspective and tries to explain the patterns of change regarding the nature and functions of nation-states in the age of globalization. For example, Susan Strange argues that states are not the primary actors in world political economy any more, just one of the parties on the "who-gets-what" game.⁵

Chapter six pinpoints the state of the discipline and tries to answer the question of "what we have learned?" after almost forty years of the emergence of the field. The gap between the American School and British School cannot be overcome. The IPE is still defined as the "question-asking field", since it proves to be much better at asking questions than at providing answers and "the scholars still debate what exactly should be included in the set of questions that defines IPE" (Murphy and Tooze, quoted in p.143). The American School tends to include the hypothesis that can be quantified and tested within the strict boundaries of positivism and empiricism, whereas the British School tends to include almost everything, since they see the IPE as an interdisciplinary area instead of being a subfield of IR. Both of the approaches have lacks as Benjamin Cohen writes:

"If the American School can be criticized for leaving too much out, the British School is vulnerable to the charge that it tries to bring too much in... Where the British School, with its grand emphasis on grand historical narratives, threatens to lose us in the forest; the American School, in its preference for reductionism, risks limiting our vision to individual trees." (p. 141)

In the last chapter, chapter seven, Cohen provides a trajectory for the future of IPE. According to him, what IPE needs today are new "bridge builders" in order to position the discipline as problem solving rather than problem posing, the new openings combining the gap between rationalist and constructivist approaches, as well as the open dialogue between the two sides of the Atlantic.

In summary, Benjamin Cohen provides a *tour de force* of the IPE. He skillfully covers the theoretical history of IPE with special reference to the 'Seven

⁴ Stephen Krasner, "Globalization and Sovereignty", in David A. Smith, Dorothy J. Solinger and Steven C. Topik (eds.), *States and Sovereignty in the Global Economy*, (London: Routledge, 1995), pp. 34-52

⁵ Susan Strange, "An Eclectic Approach", In Craig N. Murphy and Roger Tooze (eds.), *The New International Political Economy*, (Lynne Rienner Publishers, 1991); Susan Strange, *The Retreat of the State: The Diffusion of Power in the World Economy*, (New York: Cambridge University Press, 10th edition, 2006.)

Magnificent' of the field. In addition, the author pinpoints the common grounds for both schools and contributes to "bridging the gap" by emphasizing the complementarities of American and British IPE. Although some of his ambitious attempts can be regarded as naïve, his aim to search for the missing middle in the field is of course respectful and illuminating. In the final analysis, Cohen claims that his aim is not to write a textbook on the field, yet his book should be at the top of the reading list of IPE courses in universities and should occupy the central place of the libraries of the students of world politics.

SÖZ BİTMEYEN Terörle Mücadelede Önleme Stratejileri

Necati Alkan

Bu kitapta kaleme alınan yazılar bir bütün olarak değerlendirildiğinde, 'Önleme Çalışmaları'nın terörle mücadelenin yüzde seksenini, hatta yüzde doksanını oluşturduğu görülecektir. USAK olarak, Necati Alkan tarafından ortaya konan yeni yaklaşımları bu kitabı yayınlamaya tüm toplumuzun istifadesine sunuyoruz.



ULUSLARARASI STRATEJİK ARAŞTIRMALAR KURUMU
USAK, SÜSLÜ SOKAK, NO: 2, MEBUSEVLERİ, TANDOĞAN, ANKARA
TEL: 0312 212 28 86 FAKS: 0312 212 25 84 WWW.USAK.ORG.TR