



## Darkness and Light in a Global Political Economy

Louis W. Pauly

To cite this article: Louis W. Pauly (2020): Darkness and Light in a Global Political Economy, New Political Economy, DOI: [10.1080/13563467.2020.1841136](https://doi.org/10.1080/13563467.2020.1841136)

To link to this article: <https://doi.org/10.1080/13563467.2020.1841136>



Published online: 24 Nov 2020.



Submit your article to this journal [↗](#)



Article views: 117



View related articles [↗](#)



View Crossmark data [↗](#)

---



# Darkness and Light in a Global Political Economy

Louis W. Pauly

Department of Political Science and Munk School of Global Affairs and Public Policy, University of Toronto, Toronto, Canada

## ABSTRACT

If we make reasonable guesses about where blind spots might exist in IPE, we might be able to shine a little light in their direction. A disciplinary blind spot is suggested whenever our innate scholarly skepticism gives way to assertions of certainty. A conceptual blind spot seems indicated whenever we take the idea of political 'structure' to be more than a metaphor for the *status quo* and its impermanent routines. An empirical blind spot is to be suspected when the ideology of intergovernmentalism encourages us to exaggerate the limiting effect of organisational innovations in the mid-1940s, to avert our gaze from complex and ambiguous developments eight decades later, and to discount the probability of fundamental transformation in global governing practices over time.

## KEYWORDS

international political economy; global governance; intergovernmentalism; global authority; federalism

Do we have blind spots in the field of international political economy? Since we can't see them, we can't know for sure. But the skeptical sensibility that brought many of us to the field takes it for granted that we are always missing something. Although some scholars of IPE either pretend to be certain about the nature of the world we study or live under the illusion of certainty, most of us put a high value on doubt. This characteristic inclination complicates notions of political and economic structure commonly deployed in our field. It also reinforces resistance to ideological, analytic, or methodological uniformity.

In this brief essay, I adopt the typology outlined by the editors of this special issue to suggest three possible blind spots in our field. The first is the disciplinary blind spot likely signalled whenever we forget our skeptical roots or take our assertions to be anything more than probabilistic guesses. The second is a conceptual blind spot that hints at its existence when we over-emphasize the kind of stability implied by the term structure, as in the 'structural' foundations of international economic orders. The third and related blind spot, empirical in effect, may well be indicated when our imaginations are overly constrained by the ideology of intergovernmentalism as it distinctively re-emerged in the immediate aftermath of the Second World War.

## Skepticism and its Promise

Attend any meeting where IPE colleagues gather, and it is common to hear many bemoaning the narrowness of some of our major journals. Highly specialised articles proliferate, whether rationalist, behavioural, or constructivist. We find it difficult to recall the big questions that once brought us together. We have built an expansive literature, but it seems increasingly to be organised around gated communities.

---

**CONTACT** Louis W. Pauly  louis.pauly@utoronto.ca

This article has been republished with minor changes. These changes do not impact the academic content of the article.

© 2020 Informa UK Limited, trading as Taylor & Francis Group

Many associate that gating with the United States, specifically with certain trend-setting graduate departments. Although more technical now, the adjective 'liberal' ironically applies to them as well as to their precursors in the field of international relations in both inter-war Great Britain and post-1945 USA. In both cases, exerting major influence and closing off alternative approaches were developments in the foreign policies of the liberal hegemonic states within which leading departments were embedded. Liberal IPE today is heavily influenced by dilemmas of US foreign policy as well as by the methodological style of dominant schools of international economics and international relations. As Paul (2010, 4898) put it:

The 'American school' of IPE, also known by its practitioners as Open Economy Politics, [has its] roots in both neoclassical economics and realist international relations theory. It has a strong tendency to limit its empirical interest to observable behavior, define interest in strictly material terms, and assume the psychology of decision-making to be rational and therefore unproblematic.

Although a bit harsh and exaggerated, especially since the behavioural turn in economics has also begun to influence liberal IPE, the restricted focus and status-quo orientation of today's American school have attracted criticism not only from outside but also from some of its own early advocates (Cohen 2008, 2009).

When the microphones at our conferences are turned off, though, most of us, regardless of school, would probably concede that the preferences and interests of those we study are not fixed, that our knowledge claims remain quite tentative, and that more open debate across our fiefdoms and with other disciplines needs to be encouraged. We might also acknowledge discomfort with those amongst us who appear, at least in public, to be absolutely certain about either the state of our world, the state of our field, or the best methods to deploy in our research.

Indeed, skepticism is as close as we can come to a widely if sometimes quietly shared disciplinary touchstone. The atheist who is rigidly certain that death is the end of life and the zealot who admits of no uncertainty about eternal life have one thing in common. They do not doubt. Our field, on the contrary and despite attempts to build our own gates, is full of doubters and critics, scholars embarked on a never-to-be completed quest for knowledge always wrapped in a shroud of uncertainty. Challenging established world-views—especially among our students—comes naturally. But we are also still joined by an often-unspoken sense of hope for the future, for what would be the purpose of our day-to-day work if we did not? We thus meet together at the intellectual point where some kind of faith and persistent doubt co-exist. My first contention arises at that very point. Whenever our skeptical instincts are attenuated, we may sense the existence of a disciplinary blind spot.

Those of us educated in the American or British mainstreams, and who still see the basic roots of IPE in the field of international relations, have been encouraged for many years now to open our research and teaching to non-Western perspectives (e.g. Blyth 2009, Helleiner 2014, Acharya 2016, Acharya and Buzan 2019, Getachew 2019). That movement is advancing, and it is reinforcing our innate sense of skepticism. The nomothetic component of the dominant academic culture surrounding us, though, continues to place a high value on rigorous debate aimed at parsimonious and universal truths. Deep inside that culture, economics retains its hegemonic position. Yet it is in the very essence of our self-described 'inter-discipline' to cross boundaries existing around such fields as international relations, economics, sociology, geography, and history (Lake 2006, 2009). This puts definite limits on our ability to emulate mainstream economists.

I once sat in an Oxford seminar room with a former Canadian prime minister. He listened carefully as faculty colleagues engaged in a passionate back-and-forth on the strengths and weaknesses of the international economic fora identified by the capital letter 'G.' What was the foundation for the legitimacy of the G20? How effective could the G7 be without a permanent secretariat or even a formal archive where decisions could be recorded, tracked, and assessed? How could the opacity, proliferation, and relative informality of 'coalitions of the willing and powerful' contribute to the building of a coherent system of global economic governance? Near the end, our

distinguished guest expressed disappointment, even exasperation. 'This is why I never sought advice from scholars of IPE,' he stated. 'Economists, on the other hand, always gave me crisp guidance. I might not take it, but at least their arguments came to clear conclusions.'

As much as I admire that senior statesman, his comment reinforced my own belief that I had chosen the right field. Providing unquestioning guidance to the powerful is the work of courtiers. A central source of energy in our field globally comes from a broadly shared passion constructively to criticise the *status quo*, to disturb the powerful and satisfied, and to support aspirations toward a better world. Driving even the work in our field that follows the most rigorous scientific canons commonly remains a commitment to encouraging a world more dynamic and resilient, more peaceful and prosperous, and more just and equitable. There is nothing wrong with drawing out policy implications from research often motivated by topical and important problems. We should try to do so. But we cannot hide our awareness of the uncertainty surrounding our reflections. A leading indicator of a blind spot at the disciplinary or individual level would be hubris.

## Structural Obscurity

The idea of structure as often evoked in our field might hint at a complementary conceptual blind spot. Distinct clues were provided by a prominent founder, who was also a profound skeptic. Susan Strange played a key role in the initial construction of IPE when she left Chatham House in the mid-1970s to begin teaching at the London School of Economics and Political Science. Hardly coincidentally, the study of the politics of international economic relations had just then begun morphing on both sides of the Atlantic into a distinct subfield. Economists, she thought, had left an opening for research open to historical and sociological approaches, while mainstream IR scholars and political scientists had underplayed the role of economics. It seemed then that scholars beginning to examine ideas and events at the meeting point between international economics and international politics were missing important aspects of *global* power by focusing too narrowly on the present and by understanding their theories to constitute complete and internally consistent worldviews.

Strange insisted that aspiring to any sort of settled or grand theory in our field would always obscure more than it enlightened. The social phenomena of interest were too complicated to fit into simple analytic or methodological frames. IPE scholarship instead entailed moving beyond shallow empiricism and acknowledging the unsettled and ideologically informed nature of historical interpretation. Her friend Robert Cox (1981, 128) famously encapsulated the same commitment. 'Theory is always *for* someone and *for* some purpose. There is, accordingly, no such thing as theory in itself, divorced from a standpoint in time and space.'

Sharing such a sensibility, Strange recommended against drawing stark lines between the search for causes and the search for meaning. In particular, she saw IPE essentially interpreting the ways in which contemporary societies met (or failed to meet) the material needs of their members, as well as their variable demands for security, order, justice, and liberty. Skeptical observation in the real world of political economy then led her to ask why the wielders of power in modern capitalism always seemed to come up short, both within and across inherited political boundaries. (Germain 2016).

That very question still gives a distinctive shape to much of our field, again at least outside departments in leading universities resistant to historical and sociological approaches. It continues to underpin a rapidly developing literature aiming to combine conceptual ambition with contextualised and broadly based empirical investigation. Power, its contested nature, and its uses and abuses, is the common, if often elusive, target.

As Barnett and Duvall noted in their influential exegesis, compulsory and instrumental power may be readily observable in most social interactions. Strange opened the door to thinking in practical terms about the deeper influences behind such interactions when she provided detailed descriptions of extant spheres of production, finance, security, and knowledge. She wrote that 'structural power' in these domains 'means rather more than the power to set the agenda of discussion or to design (in American academic language) the international regimes of rules and customs that

are supposed to govern international economic relations.' It is 'the power to decide how things shall be done, the power to shape frameworks within which states relate to one another, relate to people, or relate to corporate enterprises (Strange 1988, 25).' Despite the durability thereby implied, she concluded that the system embodying such structural power in the contemporary period was failing (Strange 1999).

This is not the place for a full review of the structure-agency debate and its significant role in the evolution of contemporary IPE. But Strange herself later suggested that evoking structural causes could obscure the truth, especially when limited to a statist worldview. She understood intuitively that an even deeper kind of power constitutes the very identities and interests of political actors, and that it often works through diffuse social processes. On this very theme, Barnett and Duvall proposed the term 'productive' power. More recently, Katzenstein and Seybert (2018) asserted the ever-hidden presence of 'protean' power.

Here too is the realm of Austin's 'performativity,' Foucault's 'governmentality,' as well as Bourdieu's *habitus*, where practices and representations that become conventional have the typically unconscious effect of constructing and constraining social choices and authoritatively governing behaviour. Adaptations by Callon (1998) and MacKenzie (2006) have inspired much related study in IPE. Adler and Bernstein (in Barnett and Duvall 2005, 296) share a similar perspective when they use the term 'episteme' to mean 'intersubjective knowledge that adopts the form of human dispositions and practices—the "bubble" within which people happen to live, the way people construe their reality, their basic understandings of the causes of things, their normative beliefs, and their identity.' More than the projections of our individual imaginations and not necessarily precluding resistance and the possibility of agency, they are 'social dispositions (ordering collective understandings and discourse), which make the world meaningful.' Strange surely had such dispositions in mind when she asserted that her American friends tended to

exclude hidden agendas and to leave unheard or unheeded complaints, whether they come from the underprivileged, the disenfranchised or the unborn ... a vast area of non-regimes that lies beyond the ken of international bureaucracies and diplomatic bargaining (Strange 1982, 479).

That very same logic should apply to the way Strange herself understood political 'structures.' She did draw attention to the non-territorial underpinnings of the American imperium. But did they have any more substance, coherence, or durability than the sinews of the British Empire of her youth? Wasn't she, and aren't we, really trying to conceptualise something that is always and inexorably dynamic and fluid?

During the global financial crisis of 2008 or the incipient liquidity crisis during the early stages of the COVID-19 pandemic, who could deny the vital role played by the US Treasury and Federal Reserve in stabilising cross-border markets? Less obvious was the active followership of others, who may now be inclined to lessen their dependence in the longer term. In other global policy arenas, evidence of an American retreat from leadership seems to mount by the day. Even the ideology of neo-liberalism that many depicted as dominant in the post-Bretton Woods era appears to be fading. How could what we thought of as a system be changing so quickly?

Mainstream economists, often avoiding challenges posed by the categories of class, race, and gender, simplify the conceptual foundations of market systems by focusing on the condition of generalised 'confidence.' Without a belief in the future, and in the possibilities of persistent social-market life, who would bother to save or invest? Without a willing suspension of disbelief in the inevitability of catastrophe, how would individuals and collective actors price present and future claims, the essential pillar of modern financial markets? How would they justify enduring inequalities in either opportunities or outcomes?

In the face of deep uncertainty, those knowingly or unknowingly wielding power in all its forms seem indeed to have learned how to carve out commonly understood zones of risk backstopped by the fiscal capacities of organised polities. When moments of impending emergency pass, they have proven adept at hiding, denying, or forgetting the intentionality behind apparently collective

decisions (Panitch and Gindin 2012, Jacobs and King 2016). Scholars of IPE are attentive to the notion of market confidence, but they also focus intently on the distributive implications of actual outcomes. This inclination leads to strong arguments that agents with some capacity to influence globalising capitalist environments can convince themselves and others that they are not responsible for such outcomes. The pretense of structural constraint then becomes very convenient. Skeptical and historically minded analysts are charged to remain mindful of any such pretense, as well as doubtful of expectations of inevitable acquiescence by those seemingly without influence. Although we ourselves are implicated in that which we study, we understand the complexity always underneath the *status quo* and its routines.

'Structures' are never really static. They cloak interests, repress bad memories, and promote disaster myopia. Pointing this out in a truly *global* context and constantly seeking but never definitively agreeing on their ultimate drivers and variable implications will never make scholars of IPE popular. They might, however, help us in our efforts to shed as much light as we can on the uses and abuses of power in all its forms.

We are hardly immune, though, from wishful thinking. As a graduate student introduced to structural realism, I could readily be convinced that only a state-centered world was conceivable. In later years, I believed that something like the 'compromise of embedded liberalism' could be improved, revived, and expanded under the auspices of a reformed liberal hegemonic state (Ruggie 1982, Rodrik 2011, Helleiner 2019). But disappointment should encourage deeper debate. Acknowledging the dynamism of power in its many dimensions ought to reduce the size of at least one conceptual blind spot in our field. It also might signal the existence of another.

## Embracing Ambiguity

Contemplating deepening problems of collective action in financial, public health, and other policy arenas, scholars of IPE now commonly confront the question of how the post-1945 'system' can possibly cope. Even before the wildfire spawned by nationalist populism in the United States and elsewhere, our imaginations were hard-pressed to specify the conditions under which a new system could be built. Some of us again find it easier to imagine the reconstruction of a better American-led order. One does not have to delve very deeply into American political history, however, to see that a unique and internally focused interest-group based polity was always a most unlikely foundation for sustainable global governance (Lowi 1979). But is that really the end of the story? It could be, but more hopeful reflection surely stimulates, among other ideas, a re-imagining of the practical possibilities of *federalism* in a more variegated, less integrated world.

Many readers of that last sentence will immediately conjure images of dreamers writing in the immediate aftermath of 1945. As Carr (1939) underlined even as World War II was just beginning, doctrinaire utopianism leads nowhere. It is, in any case, not prominent in our field today, focused as it remains on wicked problems not likely to be solved by romantic or nostalgic dreams. But does a more obviously constraining ideology today forestall constructive new debates on feasible governing arrangements at the global level?

Ulrich Beck (2009) described the contemporary emergence of a world risk society unable to separate into manageable territorial clusters a widening array of unavoidably 'global' risks, including the now-obvious risks associated with novel viruses, global warming, and rapid technological change. It is true that his concluding expectations of cosmopolitan responses, both in and beyond his European homeland, already look naïve. At the very same time, however, even casual empirical observation renders it difficult to deny that the global risks Beck identified continue to expand in scale and depth. A tidy answer, for example, to the 'too-big-to-fail' dilemma after the global financial crisis of 2008 was to break intermediaries down to a level where none was too-big and any could be allowed to fail. Notwithstanding much ensuing discussion about reinforcing national financial borders, the scale and inter-connectedness of funds, conduits, havens, and networks constitutive of global capital markets today continue to expand. At the same time, frontier barriers erected as

COVID-19 spread around the world now threaten to complicate collective efforts to prevent future pandemics. And who but the most self-absorbed and irresponsible policymakers in the world today can ignore the near-term prospect of global emergencies spawned by climate change? Perhaps Beck went too far with his hopes for cosmopolitanism. But what is stopping us from responding with more promising ideas for managing systemic risks?

Another blind spot may be suspected, this one empirical in nature but rendered invisible by a more subtle ideology guiding much of our field's central work on world order after 1945. Our vision seems restricted by the ideology of intergovernmentalism, specifically the idea that since the Second World War voluntary cooperation among sovereign states traces a limit around the possibilities of planetary-level governance. We appear to have forgotten that not too long ago others tried to clear an imaginative space in between utopian dreams and realist dogma.

Rosenboim (2017) provides a timely, if admittedly Eurocentric, reminder of a serious conceptual and empirical project well advanced during the inter-war years, before expectations of a stable American imperium preempted it. Although she does not label them practitioners of IPE, it is not hard to see the project's pioneers as progenitors of our field in its initial trans-Atlantic phase. Those pioneers flourished in the late 1930s and early 1940s. With the League of Nations experiment clearly in the background and bloody military competition in the foreground, an array of scholars and public intellectuals focused attention on the possibilities of world federalism. Utopian hopes of permanently preventing resort to war carried over from the post-1918 years. But more down-to-earth ideas for ameliorating the excesses of modern capitalism that helped catalyse or reinforce modern conflicts motivated deeper practical debates among, for example, Lionel Robbins, Barbara Wootton, and Friedrich Hayek.

After 1945, those debates were overtaken by the exigencies of the Cold War and, for a time, the surprisingly persistent global aspirations of the United States, driven in significant part by the spectre of proliferating nuclear arsenals. Thereafter, reflection on post-war collaborative institutions, like the International Monetary Fund, the World Bank, and the broader United Nations system, was circumscribed by doctrines still traceable to Woodrow Wilson's long-ago embrace of national self-determination and non-interference in the internal affairs of sovereign states. Subsequent agendas for empirical research in our field tended to be limited from the start by explicit or implicit insistence on the ultimate authority of states, inclined or not to collaborate as their power, interests, and dominant ideologies allowed.

Nevertheless, the technological innovations of modern capitalism had already inaugurated an era of incipient global governing practices that did not so much challenge the sovereignty of states as erode its traditional meaning. The expansion of border-spanning corporations, the rise of non-governmental lobbies, the expectations placed on central banking and standard-setting networks, the emergence of cross-national social movements, the encouragement of cross-border financial engineering, and the expansion of tax havens—such developments combined with the increasing accessibility of various weapons of mass destruction to render the reality of a single human community seeking somehow to govern itself on a small planet difficult *not* to see. Repressed after 1945, however, was the very idea that our species might therefore need to begin experimenting with dramatically new arrangements for making collective decisions.

The practical necessities of an open, global life and the observable politics of inter-state institution-building now appear to be locked in a profound and dialectical tension. Realist pioneers of IR, like Hans Morgenthau, Hedley Bull, and Robert Gilpin, emphasised the role of national interests and remained wary of the global side of the dialectic (Pauly 2017). They never dismissed it entirely, however, especially when they contemplated the implications of nuclear weapons (Scheuerman 2009, 155). As the IPE branch of IR was taking off in the United States, Robert Keohane and Joseph Nye proposed an analytical framework shaped by an expanding kind of transnational interdependence led by a liberal state. We might try to sense the empirical blind spot engendered even by such a nuanced version of intergovernmentalism whenever we, as analysts of capitalism reconfigured by repeated bouts of globalisation and deglobalisation, find it hard today to envisage even

dimly the emergence of legitimate and effective governing instruments in a world bereft of a singular and coherent leading state. An imaginative leap is surely now essential.

Adler (2019, 296) calls for just such a leap in his expanded theory of cognitive evolution. The relevant arena of analysis for him is

one level of abstraction higher than states and their interaction. It does not dismiss states and material power for world ordering or the politics associated with it. But it places communities of practice at center stage ... because they are the site where agency and social structures come together and where collective learning and political contestation take place.

Similarly, Albert (2016) advocates focusing ever more directly on observable political-economic aspects of an historical process through which capitalism, as it continues transforming world society, encourages innovations aimed at effective, legitimate, *and* increasingly differentiated governing instruments. Conceding, though, that *semi-sovereign* capitalist states in a fading imperium are still key but not exclusive elements in a global political transformation does not mean that we must fall into what Zürn (2018, 5) calls 'the traps of technocracy, neoliberal hegemony, hiding American rule, or idealism.' Innovative *empirical* studies in our field can well be stimulated by loosening the ideological strictures that prevent us from seeing like *and beyond* the state defined for us by IR traditionalists (Eatwell 1999, Grande and Pauly 2005). Identifying in dynamic and complex settings emergent spheres of authority, encompassing state and non-state agents in fluid, open-ended, and even brutal contests is not the work of either dreamers or cynics. Again, it is the vital task of hopeful skeptics.

The gap between global environmental, economic, and social impulses and established intergovernmental governing instruments does seem to be expanding. Like skilful political practitioners in pluralist polities, why should analysts not directly acknowledge the empirical possibility that human beings, mindful of that growing gap, may well be collectively learning to embrace ambiguity (Best 2005). Haven't elite beneficiaries of a globalising capitalism that outrageously privatises gains while socialising losses recently demonstrated the tactical wisdom of such an embrace? Since we cannot all move to New Zealand, the need for the rest of us to address the perverse consequences of their personal decisions can hardly be avoided. Why should we then not expect ambiguity to be useful, even strategically necessary, as systemic governing arrangements are recast in the cause of collective survival. The very difficult global politics of redistribution, not least in the face of climate change, appear to require it.

As usual in IPE, empirical and normative questions combine. Today, we might again find inspiration in the work of those in the twentieth century who themselves recovered ancient ideas on managing inherent tensions between different levels of societal organisation. They included thinkers noted above as well as Aron, Lattimore, Curtis, Maritain, Polanyi, Merriam, and Sturzo. As Rosenboim summarises her admittedly selective *tour d'horizon*:

In the 1940s, the 'global' emerged as a new, all-encompassing space. The global was imagined as a point of reference for all political units, embodying the tension between the oneness of planet Earth and the diverse communities that inhabit it. Transnational conversations assembled a vocabulary of globalist ideas deployed to characterize the normative and institutional shape of the new dimension of politics. The languages of globalism thus formed the conceptual basis for a loose, transnational, multifaceted, and dynamic ideology that emphasized the need for new forms of political association beyond the state: regional and world federations, religious networks, transnational liberal communities, functional agencies, and constitutional unions. In response to devastating total war, these global conceptions of politics entailed a promise of new world order (272).

Along the same line, Walker, Rosenau, Wendt, Buzan, Ruggie, Kratochwil, and other scholars influencing the contemporary move from IPE to GPE, drew attention to the practical drivers of change. They all pointed toward an opaque and ambiguous terrain lying between autonomy and integration. Non-Western perspectives on that terrain may well reinforce the nuanced sensibilities required to explore it.



## Re-imagining a Global Economic Order

Significant political innovations in human history have often resulted from practical, non-linear experimentation under pressure. Resistance to change is surely commonplace, especially when powerful individuals and groups benefiting from existing arrangements are threatened. Emergencies, or exogenous shocks in the language of economists, can sometimes overcome such resistance. Then, trial and error—one failure after another—can occur before stability returns (Best 2014). A stark question before us today is whether catastrophe must really be necessary to open the door to the next phase of systemic experimentation. The weaknesses of existing institutions of global governance, like observable weaknesses in peak organisations within existing national or regional federations, provide no excuse to avoid the question (Kreuder-Sonnen 2019). Nor does a forced leap to commonplace fears of ‘world government’ give us a convincing rationale for evasion. Skeptical, hopeful, analytically rigorous, and empirically minded students of IPE should rise to the challenge of re-energizing the practical study of federalism at world scale.

Our special task lies in between intergovernmentalist explanations of where we are now and normative speculations about how our species ought to evolve. It involves empirical studies of how world society is adapting, or failing to adapt, in the face of global risks. We are not naïve about the possibility of violent backsliding. But we are open to the probability that successful innovations must somehow entail the practical migration of essential administrative functions and fiscal capacities to the level of the system as a whole, but only to the extent plausibly required to anticipate, preempt, or manage prospective global crises.

No IPE scholar conscious of the history of deep political conflicts within existing national and regional federations will credibly argue that federal arrangements are ever the first resort for collectivities seeking the point of ideal equilibrium among policy objectives of safety, stability, efficiency, prosperity, and justice. Federal experiments have instead been the last resort of pragmatists resigned to living with change as well as with social and political fragility. Only rejecting worse alternatives, actual societies inevitably fated to interact with one another have sometimes managed to take a step in their joint governance beyond revocable treaties. They have sometimes been able to construct just-adequate, if tenuous, political instruments aimed at balancing cross-cutting, often unclear, commitments both to solidarity and subsidiarity (Deudney 2007, Stein 2008, Rector 2009, Weiss 2013, Fossum and Jachtenfuchs 2018). Russell’s (2017) image of ‘incomplete conquest’ in the Canadian case is apt. Ever less defensible are assertions that absolute geographic, cultural, and historical limitations must apply to any such governing experiments, that free-riding can never be constrained, or that continuing conflict even among close allies is a signal of ultimate failure.

Political economists have no special claim to wisdom on the normative justifications for deeper political integration. With our inclination toward empirical study, though, we do have the disciplinary capacity to observe and try to interpret the evolution of practices that might be beginning to transcend conventional political and social boundaries. We have a responsibility, moreover, not to let any single ideology preclude such observations and interpretations. To deserve serious consideration in new debates over the governance of our species, quasi-federalist experiments at global scale must only pass a low threshold. In paradigmatic terms, they must seek only to address vital challenges by striking more promising balances across complex and cross-cutting interests than can seriously be promised by two commonly imagined alternatives—the rise of a new and stable concert of great powers underpinning a fresh and enforceable systemic rule-book or the emergence of open and resilient markets broadly accepted as legitimate and capable of distributing and redistributing necessary adjustment burdens with finality. In the real world, both chimeras leave us wandering in the darkness.

Near the end of her life, Strange (1998, 190) sensed the central political dilemma of our times. ‘We have to invent a new kind of polity but we cannot yet imagine how it might work.’ I think she underestimated us. The practical project of discerning the direction of dynamic political change toward or away from sustainable instruments for governing a global political economy was well-launched long

before she left us. We must follow associated developments wherever they lead, cognisant of the ideologies framing and constraining our analyses, and never letting skepticism collapse into cynicism. Along this path, turning away from ambiguity and intensifying complexity, like abandoning hope, would suggest not blind spots but wilful blindness. Our world features plenty of shadows, but our field is primed to seek the light.

## Acknowledgements

For the constructive advice of the editors and three anonymous referees, I am deeply grateful.

## Disclosure Statement

No potential conflict of interest was reported by the author(s).

## Notes on Contributor

*Louis W. Pauly* is the J. Stefan Dupré Distinguished Professor of Political Economy at the University of Toronto. He is a former editor of the journal *International Organization*; his publications include *Opening Financial Markets and Who Elected the Bankers?* (both from Cornell University Press); *The Myth of the Global Corporation* (Princeton University Press); and *Power in a Complex Global System* (Routledge).

## References

- Acharya, A., 2016. Advancing global IR. *International studies review*, 18 (1), 4–15.
- Acharya, A. and Buzan, B., 2019. *The making of global international relations*. Cambridge: Cambridge University Press.
- Adler, E., 2019. *World ordering: A social theory of cognitive evolution*. Cambridge: Cambridge University Press.
- Albert, M., 2016. *A theory of world politics*. Cambridge: Cambridge University Press.
- Barnett, M., and Duvall, R., eds. 2005. *Power and global governance*. Cambridge: Cambridge University Press.
- Beck, U., 2009. *World at risk*. 2nd ed. London: Polity.
- Best, J., 2005. *The limits of transparency: ambiguity and the history of international governance*. Ithaca: Cornell University Press.
- Best, J., 2014. *Governing failure*. Cambridge: Cambridge University Press.
- Blyth, M., 2009. *Routledge handbook of IPE*. New York: Routledge.
- Callon, M., 1998. *The laws of the markets*. London: Blackwell.
- Carr, E., 1939. *The twenty years' crisis*. London: Macmillan.
- Cohen, B., 2008. *International political economy: An intellectual history*. Princeton: Princeton University Press.
- Cohen, B., 2009. The way forward. *New political economy*, 14 (3), 395–400.
- Cox, R., 1981. Social forces, states, and world orders. *Millennium*, 10/2, 126–155.
- Deudney, D., 2007. *Bounding power*. Princeton: Princeton University Press.
- Eatwell, J., 1999. A world financial authority. In: J. Bisignano, W. Hunter, and G. Kaufman, eds. *Global financial crises*. Dordrecht: Kluwer, 373–388.
- Fossum, J., and Jachtenfuchs, M., eds. 2018. *Federal challenges and the challenge of federalism*. Abingdon, UK: Routledge.
- Germain, R., 2016. *Susan Strange and the future of global political economy*. Abingdon, UK: Routledge.
- Getachew, A., 2019. *Worldmaking after Empire*. Princeton: Princeton University Press.
- Grande, E. and Pauly, L., 2005/7. *Complex sovereignty: reconstituting political authority in the twenty-first century*. Toronto: University of Toronto Press.
- Helleiner, E., 2014. *Forgotten foundations of Bretton Woods*. Ithaca, NY: Cornell University Press.
- Helleiner, E., 2019. The life and times of embedded liberalism: legacies and innovations since Bretton Woods. *Review of international political economy*, 26 (6), 1112–1135.
- Jacobs, L., and King, D., 2016. *Fed power*. Oxford: Oxford University Press.
- Katzenstein, P., and Seybert, L., eds. 2018. *Protean power*. New York: Cambridge University Press.
- Kreuder-Sonnen, C., 2019. *Emergency powers of international organizations*. Oxford: Oxford University Press.
- Lake, D., 2006. International political economy: A maturing interdiscipline. In: B. Weingast and D. Wittman, eds. *The Oxford handbook of political economy*. New York: Oxford University Press, 757–777.
- Lake, D., 2009. Open economy politics: a critical review. *Review of international organization*, 4 (3), 219–244.
- Lowi, T., 1979. *The end of liberalism*. New York: W.W. Norton.
- MacKenzie, D., 2006. *An engine, not a camera*. Cambridge, Mass.: MIT Press.

- Panitch, L. and Gindin, S., 2012. *The making of global capitalism*. London: Verso.
- Paul, D., 2010. Liberal perspectives on the global political economy. In: R. Denmark, ed. *The international studies compendium*, 8. Oxford: Blackwell, 4898–4919.
- Pauly, L., 2017. The Anarchical Society and a global political economy. In: H. Suganami, M. Carr, and A. Humphreys, eds. *The Anarchical Society at 40*. Oxford: Oxford University Press, 179–197.
- Rector, C., 2009. *Federations*. Ithaca, NY: Cornell University Press.
- Rodrik, D., 2011. *The globalization paradox*. Oxford: Oxford University Press.
- Rosenboim, O., 2017. *The emergence of globalism*. Princeton: Princeton University Press.
- Ruggie, J., 1982. International regimes, transactions, and change: embedded liberalism in the postwar economic order. *International organization*, 36/2, 379–415.
- Russell, P., 2017. *Canada's Odyssey*. Toronto: University of Toronto Press.
- Scheuerman, W., 2009. *Morgenthau*. Cambridge: Polity.
- Stein, A., 2008. Incentive Compatibility and global governance. In: A. Alexandroff, ed. *Can the world be governed?* Waterloo, Canada: Wilfrid Laurier University Press, 17–84.
- Strange, S., 1982. *Cave! Hic Dragones*: a critique of regime analysis. *International organization*, 36 (2), 479–496.
- Strange, S., 1988. The future of the American Empire. *Journal of international affairs*, 42 (1), 1–17.
- Strange, S., 1998. *Mad money*. Ann Arbor, MI: University of Michigan Press.
- Strange, S., 1999. The Westfailure system. *Review of international studies*, 25 (3), 345–354.
- Weiss, T., 2013. *Global governance*. Cambridge: Polity.
- Zürn, M., 2018. *A theory of global governance*. Oxford: Oxford University Press.