

**Imagined Recoveries, Recovered Imaginaries:  
A Cultural Political Economy Perspective**

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This article draws on cultural political economy (hereafter CPE) to develop an account of crisis dynamics and crisis management.<sup>1</sup> CPE makes a cultural turn in critical political economy whilst retaining the latter's concern with the specificities of economic and political institutions, their contradictions, and their crisis-tendencies. A key part of this balancing act is critical semiotic analysis to de-naturalize and (re-) politicize sedimented economic and political imaginaries and to explore the mechanisms of variation, selection, and retention that translate some imaginaries from simple construals into performative social constructions. CPE also claims that this process of sedimentation depends on the adequacy of such imaginaries to the prevailing balance of forces and underlying material realities. It is in this context that this article explores the role of (recovered) imaginaries in imagined recoveries. It has four main parts: an introduction to cultural political economy; a broad sketch of crisis dynamics from a semiotic, material, and spatio-temporal perspective; some remarks on learning in and from crisis; and an account of imagined recoveries proposed by different social forces as the global financial crisis unfolded from 2006 to mid-2011.

## **Cultural Political Economy**

CPE highlights the contribution of the cultural turn (a concern with semiosis or meaning-making) to the analysis of instituted economic and political relations and their social embedding. The turn includes diverse (re-)discoveries of the role of semiosis in social life, including narrative, rhetorical, discursive, argumentative, reflexive, visual, and other accounts of the social production of intersubjective meaning and its role in constructing as well as construing social relations. These arguments hold for other fields but CPE focuses on their relevance to political economy. It does not add 'culture' to politics and economics to create a three-dimensional analysis. Instead, arguing that all social phenomena have semiotic *and* material properties, it studies their interconnections and co-evolution. This enables CPE to offer a 'third way' between a structuralist Scylla and a constructivist

Charybdis. Given the range of cultural turns and the widely different definitions of (critical) political economy), there is no scholarly consensus on what cultural political economy entails. This article develops just one approach (see also Sum, this issue) without claiming to be exhaustive or exclusive.

What has been termed cultural political economy did not spring fully formed from the head of Zeus. It is prefigured in classical political economy, the German Historical School, and some versions of critical political economy and/or 'old institutionalisms'; there are similar currents in other fields of social scientific inquiry. Six features taken *together* distinguish the present version of CPE from its precursors and contemporary variations: (1) its grounding in the existential necessity of complexity reduction as a condition of 'going on' in the world and the associated dialectic of meaning-making (semiosis) and structuration (constrained compossibility); (2) its emphasis on the role of evolutionary mechanisms in shaping the movement from social *construal* to social *construction*; (3) its interest in how learning processes contribute to variation, selection, and retention of social construals; (4) concern with the interdependence and co-evolution of the semiotic and extra-semiotic aspects of social relations; (5) the significance of technologies, in a broadly Foucauldian sense, in this regard; and (6) its de-naturalization of economic and political imaginaries and, hence, its contribution to the critique of ideology (*Ideologiekritik*) and domination (*Herrschaftskritik*) (for elaboration, see Jessop 2009, Sum and Jessop 2012).

Like several other currents in contemporary social science, CPE starts from the complexity of the social world. It does not aim to theorize or model complexity as such,<sup>2</sup> however, but to explore how actors and observers reduce complexity through semiosis and structuration. The first moment of complexity reduction is *semiosis*. Social agents reduce complexity by focusing selectively on some aspects of the world rather than others in order to 'go on' in within it (as active participants in that world) and/or for describing and interpreting it (as disinterested observers). While the real world pre-exists complexity reduction (and is also transformed in certain respects in and through such reduction), it does not come pre-interpreted once-and-for-all but requires engagement and reflection. Thus the 'aspects' that actors/observers regard as significant are not pre-given but depend on their respective meaning systems.<sup>3</sup> The second moment of complexity reduction concerns

the patterning of interactions among actors and/or with the natural world. If these are not to be random, unpredictable, and chaotic, there must be limits on possible connections and sequences of action. This occurs through *structuration*. This refers to the structurally-inscribed strategic selectivities associated with particular configurations of social interaction, organizational hierarchies, social networks, institutional orders, resource distributions, and so on. This sets limits to compossible combinations of social relations. Of most interest below is the structuration achieved through generalized commodity production and how its associated social forms shape the selection and retention of competing economic imaginaries.

As forms of complexity reduction, semiosis and structuration transform meaningless and unstructured complexity into meaningful and structured complexity insofar as (a) the world becomes relatively meaningful to actors and (b) social interactions become more predictable. Complexity reduction is never wholly innocent. Many other meanings are thereby excluded and so are many alternative social assemblages. Indeed, to paraphrase Orwell (1945), while all actors engage in construal (reduce complexity), some construals are more equal in their instituting effects. Thus we must ask why some are translated into policy and get institutionalized, and others do not. This is not just a question of coherence, rhetoric, resonance and so on but also depends on a range of extra-semiotic factors. It is in this context that we should explore discursively-selective ‘imaginaries’ and structurally-selective institutions in the making of economic practices and structures.

The passage from construal to construction has four interrelated aspects: semiosis, structuration, technologies, and agency. First, semiotic selection concerns the resonance of particular categories, imaginaries, and discourses, i.e., their ability to be articulated with others and appeal to a wide range of actors across different fields of social action. Second, thanks to structuration, not all actors have equal access to the capacities associated with particular configurations and spatio-temporal horizons of action. Third, for present purposes, technology covers technologies of communication, governance, and, above all, governmentality that facilitate the translation of some social construals into social construction and to discipline social action (cf. Miller and Rose 2008). They not only orient meaning-making (for example, through instruments of classification, registration, ordering, enumeration, and

calculation) but also guide the coordination of actions within and across different scales of social organization. Finally, agential selectivities concern the differential ability of particular actors deploying the same discourses in similar structural positions to 'make a difference': this could be related to issues of embodiment, gender, ethnicity, position in interconnected networks, ability to mobilize resources, rhetorical abilities, charisma, personal authority, and so on.

Two important processes that cross-cut and connect these selectivities are sedimentation and politicization. Sedimentation<sup>4</sup> comprises all forms of routinization that lead, inter alia, to forgetting the contested origins of discourses, structures and processes. This gives them the form of objective facts of social life. In turn, politicization covers challenges that aim to denaturalize the semiotic and material (extra-semiotic) features of what has become sedimented. It is a key aspect of *Ideologiekritik* because ideology is most effective when least visible, e.g., sedimented in taken-for-granted discourses and linked practices (Fairclough 1989: 84-86). Sedimentation and (re-)politicization are not confined to a specific 'political' domain (separate from others); they are contingent aspects of all forms of social life (Glynos and Howarth: 2007). I argue below that these twin processes are crucial to the development of new economic imaginaries, the formulation of imagined recoveries, and the recovery of imaginaries.

## **On Economic Imaginaries**

I now elaborate these general observations for the 'economy' as a historically constituted category with changing denotation and connotations. In other contexts, it would be more germane to consider other fields of social practice, such as technology, law, politics, education, science, or religion. Imaginaries are semiotic systems that frame individual subjects' lived experience of an inordinately complex world and/or guide collective calculation about that world. Viewed in these terms, an economic imaginary gives meaning and shape to the 'economic' field and, in certain conditions, may become the basis for economic strategies, state projects, and hegemonic visions (Jessop 1990, 2008, and 2009).

In terms of what orthodox economics misleadingly describes as the macro-level, CPE distinguishes the 'actually existing economy' as the chaotic sum of all economic activities (broadly defined as activities involved in the social appropriation and transformation of nature for the purposes of substantive provisioning) from the 'economy' (or, better, 'economies' in the plural) as an imaginatively narrated, more or less coherent subset of these activities occurring within specific spatio-temporal matrices. The totality of economic activities is so unstructured and complex that it cannot be an object of effective calculation, management, governance, or guidance. Such practices are always oriented to subsets of economic relations (economic systems, subsystems, networks, clusters, etc.) that have been semiotically and, perhaps organizationally and institutionally, fixed as appropriate objects of intervention. Economic imaginaries have a crucial constitutive role here. They identify, privilege, and seek to stabilize some economic activities from the totality of economic relations. They are always selectively defined and typically exclude elements – usually unintentionally – that are vital to the overall performance of the subset of economic (and extra-economic) relations that have been identified. These remarks hold, *a fortiori*, for projects to recover from economic crisis. For, while crises may reveal the limitations of prevailing imaginaries, they may also provoke new recovery projects based on new or recovered imaginaries.

Imagined economies are discursively constituted and materially reproduced on many sites and scales, in different spatio-temporal contexts, and over various spatio-temporal horizons. While there is usually massive scope for variation in one-off transactions, the medium- to long-term semiotic and material reproduction demands of meso-complexes and macro-economic regimes narrow this scope considerably. Recursive selection of semiotic practices and extra-semiotic processes at these scales tends to reduce inappropriate variation and thereby secure the 'requisite variety' (constrained heterogeneity rather than simple uniformity) behind the structural coherence of economic activities. Moreover, if they are to prove more than 'arbitrary, rationalistic, and willed' (Gramsci 1971: 376-7), they must have some significant, albeit necessarily partial, correspondence to real material interdependencies in the actually existing economy and/or in the relations between economic and extra-economic activities. Conversely, where an imaginary has been successfully operationalized and institutionalized, it transforms and naturalizes these

elements into the moments of a specific economy with specific emergent properties. This said, by virtue of competing economic imaginaries, competing efforts to institute them materially, and an inevitable incompleteness in the specification of their respective economic and extra-economic preconditions, each 'imagined economy' (of whatever kind and at whatever scale) is only ever partially constituted. There are always interstitial, residual, marginal, irrelevant, recalcitrant and plain contradictory elements that escape any attempt to identify, govern, and stabilize a given 'economic arrangement' or broader 'economic order'. Such elements can interfere with the smooth performance of imagined economies (and also provide a reservoir of semiotic and material resources to be mobilized in the face of instability or crisis). More significantly, underlying structural contradictions and strategic dilemmas and the inevitable incompleteness of any economic imaginary condemn all such economies *en régulation* to fragility and instability.<sup>5</sup>

### **On the Variation, Selection, and Retention of Economic Imaginaries**

This approach provides the basis for exploring the actors, factors, and processes that affect the movement from construal to construction. For, in taking the cultural turn, the present version of CPE also makes an *evolutionary* turn. It explicitly integrates into semiotic analysis the evolutionary mechanisms of variation, selection, and retention that are already familiar in institutional economics. It investigates the co-evolution of semiotic *and extra-semiotic* factors and processes in the contingent emergence (variation), subsequent privileging (selection), and ongoing realization (retention) of specific discursive and material practices (cf. Fairclough, Jessop and Sayer 2004; Jessop 2004, 2009).

Combining these general principles with its particular concern with political economy, the present CPE approach pursues two complementary lines of research. First, given the infinity of possible meaningful communications and (mis)understandings enabled by semiosis, what role do *extra-semiotic* factors have in the variation, selection, and retention of economic imaginaries and their associated practices in ordering, reproducing and transforming capitalist social formations? And, second, given the structural contradictions, strategic dilemmas, and overall improbability of capitalist reproduction, especially during its recurrent crises, what role does semiosis

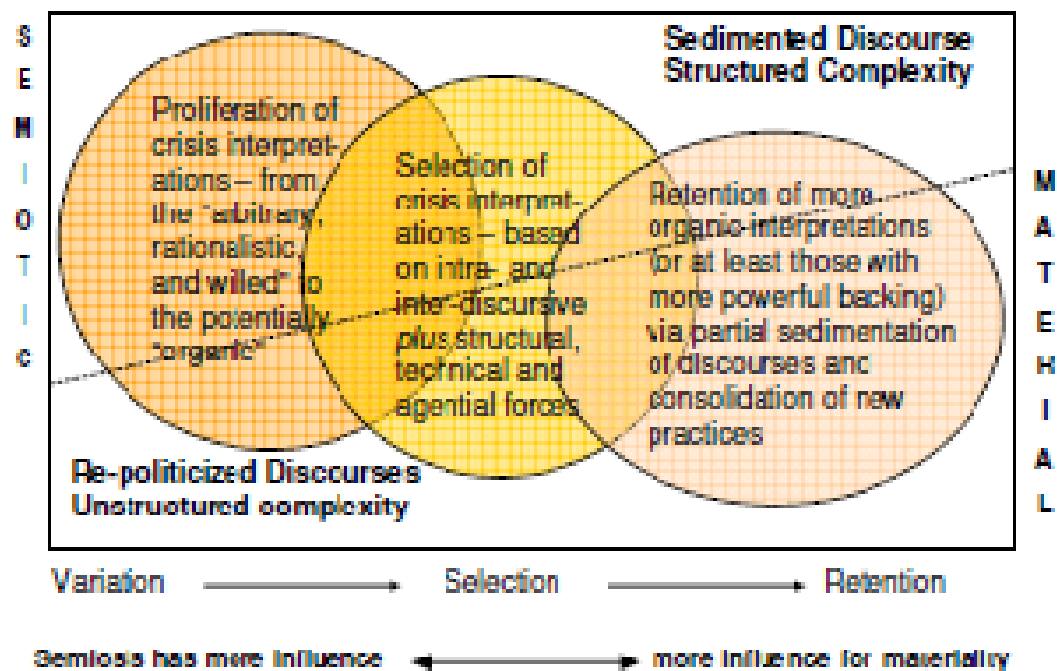
play in construing, constructing, and temporarily stabilizing capitalist formations at least within specific spatio-temporal fixes and their associated zones of relative stability?<sup>6</sup> For example, in the face of economic and political crises, how do established or new economic and political imaginaries contribute, if at all, to crisis-management and resolution and, in particular, the emergence and influence of imagined paths to recovery?

From such an evolutionary perspective, crises are especially interesting because they often create profound cognitive, strategic, and practical disorientation by disrupting actors' sedimented views of the world. They disturb prevailing meta-narratives, theoretical frameworks, policy paradigms, and/or everyday life and thereby open the space for proliferation (*variation*) in crisis interpretations, only some of which will be *selected* as the basis for 'imagined recoveries' that get translated into economic strategies and policies – and, of these, only some will prove effective and be *retained* and consolidated. It is likely that the relative importance of semiosis and the extra-semiotic varies across different stages of crisis, crisis-interpretation, crisis-management, and recovery. Specifically, semiosis is less constrained when crises disrupt taken-for-granted discourses and generate unstructured complexity, provoking multiple crisis interpretations. Its scope is more restricted in the selective translation of some imagined paths to recovery into specific social responses. Extra-semiotic mechanisms will matter most in the retention of some strategic responses as the basis for new, sedimented routines, organizations, and institutions. This is depicted in Figure 1, which should be interpreted as a heuristic device rather than as an empirically-grounded summary of results. It represents an overlapping sequence of variation, selection, and retention of crisis interpretations triggered by a crisis characterized by the re-politicization (contestations) of sedimented discourses and by the breakdown of established patterns of structured complexity (relative institutional coherence). The dotted diagonal line indicates that the relative weight of semiotic and material factors changes across the three stages and, just as importantly, that the semiotic and material are always co-present and co-determining. As one crisis-interpretation and its imagined recovery trajectory are selected, discourse becomes sedimented once more and new forms of structured complexity are established (or old patterns restored). If the third stage of retention is not reached because the imagined path to recovery is impractical, then the sequence begins again at stage



one or stage two. Let me emphasize again that this is currently a heuristic device and one of its primary purposes is to avoid an overemphasis on construal due to a one-sided focus on variation (where semiosis matters most) or an overemphasis on the structural overdetermination of crisis responses due to a one-sided focus on retention (where materiality matters most).

**Figure 1: Variation, Selection, and Retention**



The first phases of a crisis generally prompt massive *variation* in construals of its nature and significance, opening a space for the (re-)politicization of sedimented discourses and practices. Many early accounts will be short-lived, disappearing in the cacophony of competing interpretations or lacking meaningful connections to the salient phenomenal forms of the crisis. This holds for many religious readings as well as claims that the terminal crisis of capitalism had arrived. Overall, the plausibility of interpretations, strategies and projects depends on their resonance (and hence their capacity to reinterpret and mobilize) in an ‘intertextual’ field with its associated discursive selectivities. Relevant aspects include the lived experiences of members of key classes, strata, social categories, or other groups affected by the crisis, diverse organizational or institutional narratives, and meta-narratives.

What matters from a CPE viewpoint is which of these many and diverse interpretations get *selected* as the basis for private and public strategic and policy initiatives oriented to managing the crisis and/or moving beyond it through imagined recoveries. This is not reducible to narrative resonance, argumentative force, or scientific merit alone (although each has its role in certain contexts) but also depends on diverse extra-semiotic factors associated with structural, agential, and technological selectivities. This involves, *inter alia*, the prevailing ‘web of interlocution’<sup>7</sup> and its discursive selectivities, the organization and operation of the mass media, the role of intellectuals in public life, and the structural biases and strategically selective operations of various public and private apparatuses of economic, political, and ideological domination.<sup>8</sup> That some institutional and meta-narratives resonate powerfully does not mean they should be taken at face value. All narratives are selective, appropriate some arguments rather than others and combine them in specific ways. So we must consider what goes unstated or silent, repressed or suppressed, in specific discourses. Moreover, while some narratives need to convince only a few key policy makers or strategists leading to more administered, indirect, market-mediated, or molecular changes that involve limited participation from subaltern groups, others are effective only through their capacity to mobilize significant support from a broader range of social forces.

A third phase begins when some accounts are *retained* and undergo theoretical, interpretative, and policy elaboration leading eventually to sedimentation and structuration. Regarding this phase, there is many a slip between the discursive resonance of old, reworked, or new imaginaries in a given conjuncture and their translation into adequate policies, effective crisis-management routines, durable new social arrangements, and institutionalized compromises to support accumulation. It is one thing to (re-)politicize discourses in the context of the apparently unstructured complexity associated with crisis, it is another to move to sedimented (taken-for-granted) discourse and seemingly structured complexity. This raises the key issue of the (always limited and provisional) fit between imaginaries and real, or potentially realizable, sets of material interdependencies in the economy and its embedding in wider sets of social relations. Proposed crisis strategies and policies must be (or seen to be) effective within the spatio-temporal horizons of relevant social forces in a

given social order. In general, the more sites and scales of social organization at which resonant discourses are retained, the greater is the potential for institutionalization. This in turn should lead to relative structured coherence across institutional orders and modes of thought and to relatively durable patterns of social compromise among key actors (Jessop 2004; Sum and Jessop 2001). If this proves impossible, the new project will seem 'arbitrary, rationalistic, and willed' and the cycle of variation, selection, and retention will be triggered again.

### **A Cultural Political Economy of Crisis**

Crisis conjunctures are unbalanced: they are objectively overdetermined and subjectively indeterminate (Debray 1973: 113). Because they are never purely objective, extra-semiotic events or processes that automatically produce a particular response or outcome, crises offer a real-time laboratory to study the dialectic of semiosis and materiality. Thus a CPE approach examines: (a) how crises emerge when established patterns of dealing with structural contradictions, their crisis-tendencies, and strategic dilemmas no longer work as expected and, indeed, when continued reliance thereon may aggravate matters; and (b) how contestation over the meaning of the crisis shapes responses through processes of variation, selection, and retention that are mediated through a changing mix of semiotic and extra-semiotic mechanisms. Here I focus largely on the second set of questions.

Imaginaries shape the interpretation of crises and the responses thereto. At one pole of a continuum, some crises appear 'accidental', that is, are readily (if sometimes inappropriately) attributable to natural or 'external' forces (for example, a volcanic eruption, tsunami, crop failure, AIDS). At the other pole, there are form-determined crises, that is, crises rooted in crisis-tendencies or antagonisms associated with specific social forms (for example, the capitalist mode of production). Another useful distinction is that between crises *in* a given social configuration and crises *of* that configuration. Crises '*in*' occur within the parameters of a given set of natural and social arrangements. They are typically associated with routine forms of crisis-management that restore the basic features of these arrangements through internal adjustments and/or shifting crisis effects into the future, elsewhere, or onto marginal and vulnerable groups. This is exemplified in alternating phases of unemployment

and inflation in the post-war advanced capitalist economies and their treatment through countercyclical state economic policies. Crises 'of' a system are less common. They occur when there is a crisis of crisis-management (that is, normal responses no longer work) and efforts to defer or displace crises encounter growing resistance (cf. Offe 1984). Such crises are more disorienting than crises 'in', indicating the breakdown of previous regularities and an inability to 'go on in the old way'. new visions, projects, programmes, and policies and a struggle for hegemony develops Crises of crisis-management can cause social stasis or regression, attempts to restore the old system through *force majeure*, fraud, or corruption; efforts at more radical social innovation for good or ill, leading in some cases to exceptional regimes (for example, military dictatorship, fascism), or else to attempts to break the power of such regimes and initiate moves (successful or not) towards democratization. This can be illustrated from the crisis of the post-war mode of growth, reflected in the declining effectiveness of Keynesian economic policies, which created the conditions for a neoliberal regime shift and a transition to a finance-dominated mode of economic growth.

In short, a crisis is a moment for contestation and struggle to make sense of it and inform individual and collective responses. This involves, among other issues, delimiting the origins of a crisis in space-time and its uneven spatio-temporal incidence; identifying – rightly or wrongly – purported causes (agential, structural, discursive, and technical – in various senses of this last word) at different scales, over different time horizons, in different fields of social practice, and at different levels of social organization from nameless or named individuals through social networks, formal organizations, institutional arrangements, specific social forms, or even the dynamic of a global society; determining its scope and effects, assessing in broad terms whether it is a crisis 'in' or 'of' the relevant arrangements; reducing its complexities to identifiable causes that could be targeted to find solutions; charting alternative futures; and promoting specific lines of action for socially identified forces over differently constructed spatio-temporal horizons of action (for a study of the 1997 crisis in the Republic of Korea on these lines, see Ji 2006).

Getting consensus on interpretations about the crisis (or crises) and its (their) most salient features is to have framed the problem. Successfully to blame one set of

factors and/or actors distracts blame from oneself and sets the stage for efforts to resolve crisis. For example, limiting crisis-management to the search for correct policies, however wide-ranging, also implies that the crisis is due to incorrect policy or inadequate regulation rather than being rooted in deeper structural causes that are linked to patterns of economic, political and social domination that demand more radical solutions (Wolff 2008). Whether defined as a crisis *in* or *of* a given set of social relations, conflicts occur over how best to resolve the crisis and allocate its costs as diverse social forces offer. Other things being equal, more resonant interpretations will get selected as the basis for action, whether this takes the form of restoration, piecemeal reform or more radical innovation. But other things are rarely equal. Powerful narratives without powerful bases from which to implement them are less effective than more 'arbitrary, rationalistic and willed' accounts that are pursued consistently by the powerful through a *de facto* exercise of power. This has proved important in the global crisis because some national states and some international institutions and some are clearly more important than others. Finally, as this last remark indicates, power matters. While not all discourses and their advocates are equal, periods of crisis also illustrate forcefully the power involves the capacity not to have to learn from one's own mistakes (Deutsch 1963:37). Asymmetries of power in the geo-economic and geopolitical field are especially significant in the selection of crisis-interpretations and their translation into crisis-responses and imagined recovery scenarios. This is a fundamental factor behind the re-assertion of key elements in the neoliberal project despite the initial shock to that project from the form, timing, location and incidence of the current crisis.

Timing and sequencing also matter. Because this crisis was not only 'made in the USA' but broke there, with contagion spreading first to other finance-dominated regimes, crisis interpretations, crisis-management, and imagined recoveries were initially shaped by readings in these neo-liberal heartlands. Developed nations focused on their own financial market stability rather than addressing crisis-induced global repercussions. Elsewhere, the impact began in developing economies with the most globally integrated financial sectors (notably in Eastern Europe). It was then relayed through trade relations as manufacturing and commodity prices and/or volumes dropped (notably in East Asia, sub-Saharan Africa and through ties to Russia and Central Asia). Subsequently, falling remittances from migrant workers

and other repercussions on the informal sector affected the most vulnerable groups in many economies. Most recently, the crisis has changed from again through its effects on public sector finances, which, even without the weak fiscal and institutional capacities in that characterize many less developed economies, are limiting the scope to pursue countercyclical policies and cushion the impact of the crisis (see Oxfam International 2010).

### **Crisis-Management and Learning**

*Learning* has a critical role in crises (including crises of crisis-management), affecting the capacity to formulate imagined recoveries. It has the same selectivities (semiotic, structural, technological, and agential) and is also subject to variation, selection, and retention. A crisis does not automatically lead to learning: sometimes learning does not occur because the situation is too unstructured (chaotic) or because cognitive capacities are lacking, sometimes lessons learnt are irrelevant because the situation is too turbulent for lessons to be applied. Learning depends on a dialectics of *Erlebnis* and *Erfahrung* that has its own temporalities, shaped by crisis dynamics. *Erlebnis* refers to *immediate experience* in the face of disorientation and associated attempts to make sense of disorienting events/processes. *Erfahrung* refers to the lessons learnt from this disorientation and sense-making. Importantly, it typically includes an element of the objective dimensions of the crisis – lessons must be adequate to the crisis, not just idiosyncratic reactions.

When crises throw established modes of learning into crisis, three stages in learning can be distinguished analytically: learning in crisis, learning about crisis, and learning from crisis (these distinctions are first presented in Ji 1996). Each stage can also involve different degrees of reflexivity, i.e., learning about learning. Reflexive strategic learning requires not only the recognition of the need for a new interpretive framework due to the persistent failure of the pre-existing framework to work well as in a crisis situation, but also the reorganization of the material process of information collection, calculation, and memory. And this reorganization of strategic learning and knowledge production often requires a shift in the balance of forces in wider social relations in which the pertinent actor is embedded. Each stage is likely to involve different balances of semiosis and structuration in the movement from variation

through selection to retention (figure 1). Conversely, crisis management will reflect the objective features of the crisis and the social, spatial, and temporal hierarchies among strategic actors and particular foci/sequences of crisis-management.

Crises of a given system, hence crises of crisis-management, are especially likely to disrupt learnt strategic behaviour and lead to an initial trial-and-error 'muddling-through' approach. *Learning in crisis* occurs in the immediacy of experiencing crisis, considered as a moment of profound disorientation, and is oriented to the phenomenal forms of crisis. It involves attempts to make sense of an initial disorientation (at some level of everyday life, organizational and/or institutional and/or policy paradigms, disciplinary or theoretical framing, and meta-narrative) in order to 'go on' in the face of the crisis as it is experienced (*Erlebnis*). Three points are worth making here. First, social actors have different social, spatial, and temporal positions as well as reflexive capacities and past and will live the crisis in different ways. In this sense, actors' strategic learning does not come directly from the crisis as a whole, but from their own circumstances and crisis experiences. This can lead to different strategic responses (strategic variation); and their results vary in terms of success or survival under certain structural and conjunctural conditions (strategic selection). Second, actors vary in their capacities to 'read' the crisis and to respond to it in the 'short-term'; at one extreme we will find wilful blindness, 'crying wolf' or, at the other extreme, the manufacturing of crisis to force decisions favourable to one's own interests. And, third, in critical realist terms, learning in crisis is more likely to be concerned with the empirical and actual dimensions of the crisis, not with its real causes (especially in terms of their spatio-temporal breadth and depth).

*Learning about crisis* occurs with lags in real time as actors begin to make sense of the crisis not merely at the phenomenal level but also in terms of its underlying mechanisms and dynamics. It builds on learning in crisis to learn about the crisis, going beyond its 'phenomenal' features to its 'essential'<sup>9</sup> features in order to develop more effective initial responses and a more effective mid-term strategy. It occurs as a crisis unfolds, often in unexpected ways, and as the routine crisis-management procedures adopted by actors prove, or seem to be, inadequate or inappropriate, with the result that policy-making and implementation take an experimental form. It differs from learning in crisis because it takes more time to dig beneath phenomenal

features (if it did not, then this would not be a 'crisis' that is disorienting at the level of theoretical or policy paradigm and crisis-management routines would be deployed) and/or to scan the environment for analogous events in the past and/or the present. Social actors learn from their particular responses and their results (though some actors fail to survive as 'strategic vehicle/carrier'), and in this sense, it is through 'learning about crisis' that they first embark on learning from crisis.

*Learning from crisis* occurs after a crisis is (temporarily) resolved (or changes its form, e.g., from liquidity crisis to sovereign debt crisis or fiscal crisis) and includes preventive or prudential actions to prevent repetition, to improve crisis-management routines, and so on. It may lead to revisions in meta-narratives, theoretical frameworks, policy paradigms, and everyday expectations and routines. In this phase, strategic lessons are retained and consolidated after surviving social actors have had sufficient time to reflect and calculate on the new, different realities after the crisis (strategic retention). Only then is 'learning from crisis', i.e. overall strategic reorientation and path-breaking, accomplished.

*Lessons from the past* are invoked in the course of both types of learning. This illustrates 'historicity', i.e., the use of history to make history or, put differently, the effort to define appropriate historical parallels as a basis for responding effectively to the crisis in real time. Such lessons often interact with 'spatial' dimensions, such as policy transfer across different fields, sites, levels, and scales of policy-making.

### **Financial and Economic Crisis (2007-2011)**

The 'global financial crisis' (GFC), which is far more complex, multidimensional, and multiscalar than this simple label implies and which has unfolded very unevenly around the globe, offers a good opportunity to explore the analytical categories presented above. The GFC began to emerge well before it attracted general attention in 2007-2008 and is a product of the interaction of at least five processes: the global environmental, fuel, food, and water crisis; the decline of US hegemony, dominance, and credibility in the post-Cold War geo-political order; the crisis of a global economy organized in the shadow of ongoing neo-liberalisation; a range of structural or branch crises in important sectors (such as automobiles and



agriculture); and the crisis of finance-dominated accumulation regimes. Each of these processes has its own spatio-temporal and substantive logic, each interacts with the others, and, in the aggregate, they are overdetermined by specific local, regional, national, and macro-regional factors which mean that crisis-tendencies are always spatio-temporally and substantively specific rather than simple instantiations of global crisis tendencies. These five crisis-tendencies have been superimposed on more local (regional, national, sub-national regional, local crises) and are linked to other crises (fiscal, legitimacy, institutional, and so on). Moreover, since immediate contexts also vary, there is both an uneven spatio-temporality to the unfolding of the crisis and a differential capacity to engage in crisis-management.

The crisis has passed through different stages and spread unevenly, whether through contagion and/or endogenous causes, leading to different phases in its interpretation and different learning processes (see above). Indeed, this unfolding raises an important theoretical question: is a crisis a single event (and, if so, how would one identify its beginning and its conclusion), a contingent series of events distributed in time and space that are connected, if at all, because of earlier crisis responses that could have taken a different turn, or a series of events with an underlying tendential logic that therefore unfold as a relatively predictable process? This question can be answered, and often is, in terms of alternative crisis construals: the crisis is defined through its construal. For a CPE approach contradictions, crisis-tendencies, strategic dilemmas, and material interdependencies also matter but these exist only insofar as they are reproduced through particular social practices.

This poses issues of the resonance of construals, on the one hand, and their material adequacy, on the other. Thus, as the crisis became more visible from mid-2007 (however far back its causes may be traced) and unfolded as a series of events that were regarded as a connected process, its extent, depth, and complexities grew faster than economic and political leaders could grasp, let alone find time to agree upon a coherent, coordinated response. This was most remarkable in September-November 2008, with countless competing interpretations, explanations, strategic plans, and specific policy recommendations. Accounts ranged from claims that this was the terminal crisis of capitalism to the equally fanciful belief that it was a blip in an otherwise sound, self-correcting free market system. Even

‘mainstream’ interpretations, explanations, blame and proposed solutions reflect different regional, national, and macroregional economies’ experiences of ‘the’ global financial crisis and its broader repercussions. This has been associated in turn with different aspects of *learning in crisis* as the crisis seems to have transmuted from a containable crisis in the subprime mortgage market in some economies into a broader liquidity crisis in the financial sector, then a solvency crisis, then a sovereign debt crisis in other economies, and, most recently, a fiscal crisis of the state requiring major austerity packages. This has been accompanied by important disputes about the character, material causes, and agential responsibility for the crisis as different actors seek to draw *lessons from the past* and/or from elsewhere – does it involve a normal business cycle, a normal recession, an epic recession, a great depression, and so on; and are the parallels to be found, for example, in Weimar Germany, the depression years in the USA, the Asian crisis, Japan’s lost decade, or elsewhere? Moreover, as various official and unofficial inquiries into earlier features and dynamics of the crisis report and seek to understand and draw lessons, we can see efforts to *learn from the crisis* and shape how recovery may be conceived in future.

To paraphrase Baudrillard (1995) on the Gulf War, one could say ‘*the Crisis*’ did not happen. It means different things to different actors and its interpretation beyond immediate lived experience is heavily mediatized. To labour the obvious, the crucial sites for crisis-interpretation and crisis-management following the outbreak of crisis in 2006–08 have been the United States and the IFIs that it dominates. Much mainstream commentary has read the crisis from the viewpoints of capital accumulation rather than social reproduction, the global North rather than the global South, and the best way for states to restore rather than constrain the dominance of market forces. Such commentaries reflect government responses to the crisis, especially in the global North. They have been slower to respond to the needs of ‘social reproduction’ in daily, life course, and intergenerational terms; and to take effective action on impending environmental, food and fuel crises.

With some differentiation reflecting specific economic, political, and institutional locations and interests, the leading economic and political actors in neo-liberalized economies have defined this as a crisis *in* finance-led accumulation or, at most, *in* neoliberalism. In the short-term, generous (and often ill-defined) discretionary

powers were granted to the executive, or its nominees, to solve the crisis (Scheuerman 2002). The authorities reacted quickly without much consultation and with timely, targeted, and temporary emergency measures to safeguard the monetary, banking and credit systems and stimulate demand in vulnerable industrial sectors. In particular the aim was to rescue financial institutions that were deemed too big (or too interconnected) to fail. These emergency measures were accompanied by recapitalization of the biggest (but not all) vulnerable banks, (promises of) tighter regulation, and proposals for a reformed (but still neoliberal) international economic regime. These measures initially facilitated a rapid return to an appearance of 'business as usual' at some unfortunate, but necessary, cost to the public purse, some rebalancing of the financial and 'real' economies and, in the medium-term, cuts in public spending to compensate for the costs of short-term crisis-management. Another effect was the concentration and centralization of political power in the hands of economic and political elites and the extent of agreement among the leading political parties has narrowed the space for democratic debate and accountability to a limited set of alternatives. This diverted attention from more basic questions of institutional design and, more radically, of the basic social relations that reproduce crisis-tendencies and shape the forms that they take. Challenging this implication is an important part of *Ideologiekritik* in this period and also relates to the structural selectivities of economic and political orders.

Looking beyond the leading neoliberal economies and their house-trained IFIs, the GFC was more often read by leading forces elsewhere in the Global North in one or both of two ways: (i) as a crisis *of* finance-led accumulation, prompting efforts to limit the influence of the financial sector through more radical re-regulation, restrictions on the size and activities of banks, and greater investment in the 'real economy'; and/or (ii) as a crisis *of* neoliberalism more generally, requiring efforts to roll-back neoliberalism at home and impose more controls on market forces in supranational and international contexts, notably regarding finance and credit. Even in more neostatist or neocorporatist advanced capitalist economies, however, calls are being made for stricter regulation of *financial* markets in various supranational and international contexts. But this has not yet prompted leading forces to question the broader commitment to world market integration through free trade in goods and

services or to take seriously sub- or counter-hegemonic proposals from subaltern nations, institutions, agencies and social forces.

The feasibility of both kinds of response will depend on the integration of different economic spaces into the world market, the respective strengths of the political regimes promoting them domestically and in international arenas, and the substantive rationality of the proposals in the light of the more general global economic crisis, financial problems and crises in sovereign debt, and the worsening environmental crisis. The latter crisis-tendencies indicate that, although restoring neo-liberal 'business as usual' may displace and/or defer the costs of crisis-management, it will not, indeed, cannot, address the far more fundamental impending crises.

One reason for the lack of popular mobilization against the crisis and these measures in the heartlands of neoliberalism may be the widespread belief that 'everyone' is to blame because of generalized 'greed' based on the financialization of everyday life in the neoliberal economies. This implies that the housing bubble and financial meltdown were due to excessive consumption rather than unregulated, profit-oriented supply of loans, and also distracts attention from the explosive growth in unregulated derivatives. A more significant account, especially in the United States, 'blames' China for its exchange rate policy, sweated labour, excess savings and so forth, and, accordingly, demands that it bears a significant part of the burden of economic restructuring in the immediate post-crisis period.

Overall, taking account of responses across the broad spectrum of advanced capitalist economies, economic and political elites have proposed variable combinations of the following solutions in response to the dawning recognition that markets can fail:

1. The restructuring, recapitalization and nationalization of banks, as well as isolating toxic assets in state-owned or state-supported 'bad banks'. This is a core plank of crisis-management in all advanced economies and has been pursued behind a veil of secrecy through emergency legislation and executive discretion. It resulted in the nationalization and/or recapitalization

of 'impaired' banks (notably in Iceland, Ireland, the USA, and the UK plus those Baltic States and Eastern and Central European economies that took a radical neo-liberal turn and, inter alia, experienced real-estate booms).

2. A turn to the typical state powers of sovereignty, command, planning, nationalization and subvention, taxation, and public spending to restore stability, stimulate growth, and restructure public finances through a mixture of modest tax rises and more or less savage spending tax cuts. This is reflected in a recovered Keynesian economic imaginary, especially in neo-liberal economies, where Keynes had been declared dead or redundant. It is reflected in state-sponsored Keynesianism, nationally, regionally, or globally, involving a shift from 'private Keynesianism' – where consumer debt sustained demand despite declining real wages – to massive expansion of demand through quantitative easing (releasing money also for investment bubbles in raw materials, emerging economies, and so on) and short-term stimulus to some of the hardest hit industrial sectors. Both solutions are handicapped because deregulation and liberalization have weakened state capacities ideationally and materially – hence the resort to printing money which is one of the least demanding of state responses, and in historically low interest rates with the resulting risk of debt-deflation-default cycles and a double-dip recession. It has also reinforced dependence on private sector financial expertise, that is, on the same forces behind the crisis, especially in the neo-liberal heartlands.
3. Efforts to redesign and re-regulate markets so that they are less prone to predictable kinds of market failure. This is the preferred approach of neo-liberal organic intellectuals and think tanks, financial lobbyists, and unrepentant neo-liberal politicians. This applies particularly to a medium-term strategy of restructuring the international financial architecture. Here we find echoes of Bretton Woods as another recovered imaginary. This is proving much harder to realize in a concerted and coherent way even with the expansion of the G8 to the G20, at first informally, then formally. It appears easier to introduce new institutions than reform old ones, which leaves the latter in place and in power. The opportunity for tighter regulation seems already to have been lost as the semblance of 'business

as usual' was restored in the financial sector and stock markets.

4. Another imagined path of recovery is through the G-20. This self-elected group of 19 key industrial and emerging market economies (plus the European Union, the IMF, World Bank and other major IFIs) has become the *de facto* global crisis committee. This reflects growing recognition of the actual and potential influence of the 'BRIC' economies (Brazil, Russia, India and China) and the creditor position of major East Asian economies. Thus, the G-20 Summit in November 2008 expanded the Financial Stability Forum to incorporate creditor nations, including China; and, in April 2009, it established a Financial Stability Board with a wider remit. This has integrated the leading 'Southern' economies into problem-solving and burden-sharing, thereby strengthening the leading IFIs, and has also reinforced an unsustainable growth-oriented global economy. But the informal, self-selected status of the G20 means that it cannot replace the United Nations, IMF, WTO and other official bodies in crisis-management, with their official status and, in some cases, significant strategic intervention capacities (Bello 2009). The rise of the BRIC economies has also encouraged their redefinition as an exit strategy for mobile capital and a source of strength and hope for a global recovery (see Sum, this issue). A sometimes favoured alternative is the G-77, which comprises a loose union of developing nations. Despite its association with China, it lacks, however, clout in international decision making.
5. Measures to introduce further flanking and supporting mechanisms to maintain the momentum of neo-liberal reforms – a sort of re-invigorated Third Way approach. This concedes that there are some problems with neo-liberalism, especially in its celebration of greed and creation of distorted incentives as well as in its polarizing redistributive effects, with broad swathes of the middle classes as well as the industrial working class and 'underclass' losing out to financial elites, transnational capital, and political insiders. But new policies are not intended to stop the further extension of a hopefully *remoralized* neo-liberalism but to provide greater compensation to those who lose from that extension within national

frameworks or, in the case of the European Union, a European framework that nonetheless reproduces center-periphery relations. The remoralization of capitalism in tune with corporate social responsibility (CSR) and responsible, even 'green' competitiveness (Sum 2009).

6. In other capitalist regimes, however, the crisis is more often interpreted as a crisis *of* neoliberalism and this has led to a divergence in domestic and international economic policies: rolling back neoliberalism at home and seeking stricter regulations on neoliberalism in various supranational and international contexts. The feasibility of both kinds of response will depend on the integration of different economic spaces into the world market, the respective strengths of the political regimes promoting them domestically and in international arenas, and the substantive rationality of the proposals in the light of the more general global economic crisis and worsening environmental crisis. It also depends on how problems that have been merely postponed or displaced will be addressed when the crisis re-emerges and how those committed to alternatives can prepare the ground for the next set of encounters in key economic spaces and states.

### **Alternative Voices and Solutions**

There are many other accounts of the crisis and proposals for reform, but they are not backed by economic and political actors with enough economic, administrative, fiscal or legislative resources to offer 'necessary' institutional and policy solutions on the most relevant scales of action or long-term prospects for another type of global economic order. This is especially evident in the Global South and in the operation of different international organizations. The attempt by the United Nations General Assembly to take a lead in the global debate on the crisis illustrates this well. In October 2008, the President of the 63<sup>rd</sup> General Assembly established a commission of experts under the leadership of George Stiglitz with the mandate 'to review the workings of the global financial system, including major bodies such as the World Bank and the IMF, and to suggest steps to be taken by Member States to secure a more sustainable and just global economic order' (United Nations General Assembly 2008). The General Assembly also convened a three-day summit in June 2009 'to

identify emergency and long-term responses to mitigate the impact of the crisis, especially on vulnerable populations, and initiate a needed dialogue on the transformation of the international financial architecture, taking into account the needs and concerns of all Member States' (see United Nations 2009a). These initiatives aimed to give a voice to the interests of developing countries, which are not fairly represented in the existing institutions of global economic governance.

But as the 'Stiglitz Commission' prepared its report, the main lines of policy response were already being set by the leading economies (the United States, the European Union, China) and institutions of global economic governance. Furthermore, sharp differences of opinion emerged between the G-77 group of 130 developing countries that pushed for a major role for the United Nations in dealing with the crisis and backed a comprehensive set of reforms, and Northern countries, including the United States and the European Union, that played a blocking game (Brettonwoodsproject 2009). Although the Commission's outcome report mentioned the disjunction between growing world market integration and the weakness of representative global economic governance, identified problems of institutional design and the inequities of the international reserve system, and the need for economic and social measures to protect the most vulnerable, the specific proposals that it actually recommended did not measure up to the critique (United Nations 2009b). The Commission failed to propose an alternative to finance-led growth (Amin 2009; Khor 2009) or question the basic logic of profit-oriented, market-mediated capital accumulation and its implications for the 'triple crisis' of finance, development and the environment.<sup>10</sup>

The members of the G-77 are generally among the worst affected victims of the crisis, due to contagion and/or spillover effects, and are also suffering from the longer term and more wide-ranging effects of climate change produced over many decades by the developed economies. The G-77 has been a major voice calling for more concerted action to deal with world poverty and the Millennium Development Goals (MDGs), including a debt moratorium, enhanced IMF resources and increased official development assistance (ODA) (e.g., Ministerial Declaration 2009). It has also demanded that polluters pay for climate change, the stalled Doha Development Round negotiations be re-activated, mutually beneficial South-South trade arrangements and regional cooperation among developing economies be pursued,



technology be transferred in ways that do not reproduce dependence on the developed economies, and the global South be more effectively integrated into global economic governance through reform of the international financial and economic institutions. This could also include new forms of international reserve (for example, BRIC arrangements) as an alternative to the dollar, euro, yen and Special Drawing Rights. With fewer resources, however, many members of the G-77 have been forced to pursue procyclical monetary and fiscal policies, adversely affecting their economies.

Social movements and some governments in the global South have nonetheless been active in proposing alternative imagined recoveries. It is possible to identify nine sets of sub- or counter-hegemonic discourses, projects and practices that have gained currency in the context of the crisis.

1. A trend toward relatively autonomous regional solutions and/or multipolar cooperation aimed at de-coupling from the neoliberal dynamic of the global North with its inherent deflationary bias. Two prominent examples are the revival of proposals for an Asian monetary fund and the Bolivarian Alliance for the Americas (ALBA), which (following the withdrawal of Honduras) currently comprises eight Latin American and Caribbean member states. Instituted in 2004 by Venezuela and Cuba to promote South-South solidarity and fair trade as an alternative to neoliberalism, ALBA has nevertheless been weakened by the crisis and faces domestic opposition from right-wing populist groups and external neoliberal forces.
2. Demands for a re-adjustment of the balance between capital and labour to boost demand, employment and decent work. This makes most sense in more developed economies without large informal sectors.
3. Emphasizing the close connection between economic development and social protection and the fact that measures of social protection, should also contribute to economic recovery.

4. Relatedly, neoliberal trickle-down policies are being rejected in favour of a trickle-up approach on the grounds that money 'invested in the poor' has an immediate economic stimulus impact and also contributes to social development. This policy can have a neoliberal inflection (witness the idea of 'the bottom billion'<sup>11</sup>), or be aimed at promoting a social economy and social empowerment.
5. A human rights approach is being advocated to economic development, environmental justice, global governance, and transparency. This focuses not only on strengthening soft and hard law but also active citizenship and claims making, which are seen as crucial for the realization of rights.
6. There are demands for tax reform through closure of tax havens, clampdown on tax evasion, and imposition of a 'Robin Hood' tax on financial transactions to release billions of dollars for investment in poverty reduction and social infrastructure.
7. The exhaustion of neoliberal theoretical and policy paradigms is complemented by the activities of the World Social Forum, its regional affiliates and similar bodies concerned to promote South-South cooperation, mutual learning and policy transfer on the basis of social movements and social activism with a strong emphasis on various anti-imperialist, anti-capitalist, feminist, environmentalist, anti-racist, socialist and autonomist alternatives.
8. Many local and regional initiatives are pursuing alternative development strategies based on fair trade, a solidarity economy, local trading schemes, eco- and agri-tourism, slow food, and so on.
9. The benefits of revamped developmental states for a post-neoliberal world are being asserted – with even grudging, half-hearted recognition from bodies such as the IMF and World Bank.

## **Does the Green New Deal offer a Post-Liberal Future?**

Looking beyond the current crisis, the more interesting question is what sort of economic imaginary is likely to shape a meaningful a 'post-finance-dominated' or 'post-neo-liberal' macro-economic order in an increasingly integrated world market. From a CPE perspective, such an imaginary would need to satisfy two requirements. First, it should be able to inform and shape economic strategies for all scales from the firm to the wider economy, for all territorial scales from the local through regional to the national or supra-national scale, and for most market forces and their non-market supports. And, second, it should inform and shape state projects and hegemonic visions on different scales, providing guidance in the face of political and social uncertainty and providing a means to integrate private, institutional, and wider public narratives about past experiences, present difficulties, and future prospects. The more of these fields a new economic imaginary can address, the more resonant and influential it will be. This explains the appeal of Fordism and the knowledge-based economy in the last and current long waves of growth respectively and indicates the potential of the 'Green New Deal' (or GND) as a post-neo-liberal economic imaginary. Initially without this particular label, the GND has been proposed on many occasions as a global (in the triple sense of comprehensive, planetary, and world-wide) solution to diverse problems from the mid-1990s (see Brüggen 2001).

Little agreement exists, however, on how to proceed, let alone how to translate promised action into binding multilateral commitments, as shown by the 2009 Copenhagen Summit. It is associated with many different visions and strategies, with neoliberal, neocorporatist, neostatist, and neo-communitarian inflections that prioritize, respectively, market incentives, social partnership, societal steering and solidarity. At stake, however, are the form, manner and likelihood of its retention as a powerful imaginary that can be translated into accumulation strategies, state projects and hegemonic visions. Currently, it seems likely that the Green New Deal will acquire a strong neoliberal inflection in the leading national economies whatever its form beyond them and/or at local level. In short, following the panic of late 2008, the dominant forces in the leading capitalist economies have managed to normalize the situation, individuals have accepted the crisis as a fact of life and turned to coping

strategies, populist anger against ‘banksters’ and politicians has been defused, and there is a return to capitalist normality.

The GND remains a floating signifier, which is being narrated as capitalism’s best hope – a ‘magic bullet’ (Brand 2009) that can create jobs, restore growth, deal with the problem of peak oil, and limit climate change (for example, NEF 2008). It has the power to frame broader struggles over political, intellectual and moral leadership on various scales as well as over more concrete fields of technical and economic reform. The basic idea has been articulated on many scales from the local (even under previous hostile Bush Administration, climate change was on local and state level agendas) to the national (notably in Norway, Germany, and China) and supranational (with the EU strongly engaged) and up to the global (sponsors include the United Nations Environmental Programme). It also appeals to diverse organizational and institutional sites from firms to states, many systems besides the economy in its narrow sense, such as science and technology, law and politics, education and religion, and in the public sphere and lifeworld. Thus it is being articulated across fields as different as technology (eco-technologies, energy efficiency), the productive economy (green collar jobs, sustainable development, ecological modernization, low carbon economy), the financial system (cap and trade, carbon trading, green bonds, sustainable investing), law (environmental rights, new legal regimes), politics (the green movement, climate change), religion (environmental stewardship), and self-identities (homo virens, green lifestyle). It has been translated into many visions and strategies and can be inflected in neo-liberal, neo-corporatist, neo-statist, and neo-communitarian ways by using market incentives, social partnership, meta-governance, and appeals to solidarity respectively. Indeed, the very fuzziness of the ‘Green New Deal’ seems to be productive initially in building alliances and compromises but there is little agreement on how to proceed, let alone how to translate promised action into binding multilateral commitments (witness the 2009 Copenhagen Summit). Thus, whatever its initial discursive resonance as a strategy for imagined recovery, rolling it out on a global scale is likely to prove a challenge too far.

The GND can be seen in some ways as an imaginative extension of the paradigm of the knowledge-based economy that was consolidated in the mid-1980s to mid-1990s

– a paradigm that was sidelined but not negated by the rise of a finance-dominated accumulation that reflected the interests of financial rather than industrial capital. It has acquired serious traction only in the current crisis (indicating again the key analytical distinction among variation, selection, and retention) as a floating signifier that can be articulated in different ways to resolve a crisis (or complex of crises) also read in different ways. Its appeal from early 2008 onwards lies in its mobilization of the opposition between the interests of those engaged with the ‘natural’ or ‘real economy’ and the interests of ‘footloose finance’ (for an exemplary presentation, see New Economics Foundation 2008). In this sense, the GND has moved from one economic (and political) imaginary among many in the mid-1990s to one that has been strongly *selected* as the basis for concerted action in the late 2000s. At stake now are the form, manner, and likelihood of its *retention* as a powerful imaginary that can be translated into accumulation strategies, state projects, and hegemonic visions. The role of structural, agential, and technological selectivities will be even more important in this stage and is likely to acquire a strong neo-liberal inflection in the leading national economies whatever its form elsewhere.

## Conclusions

Although the crisis has opened space for sub- and counter-hegemonic discourses, projects and practices, the overall trend emerging from crisis interpretation and response appears to have been the further strengthening of the neoliberal project at the cost of some modest (and capitalistically necessary) limits on finance-dominated accumulation. Events in the European Union in 2011 and the more general signs of a double-dip recession indicated that the global economic crisis had not disappeared, and that the emergency measures had produced only an illusion of business-as-usual while downgrading the urgency of other moments of the multiple crises confronting global capital and marginalizing the voices of the ‘global South’. Attention was redirected from the crisis in the financial sector and the real (but private) economy to the public sector, framed in terms of accumulated government debt, unsustainable public spending and public sector employment. Nonetheless, sub- and counter-hegemonic projects have proved significant sources of local and regional resilience and have put social and environmental protection on the agenda away from the mainstream forums. There is widespread evidence that local solutions

can be developed to address the short-term effects of the crisis in its various local manifestations, and the challenge is to establish ways to exploit this real-time experimental laboratory to find what works, for whom, when and why, as a basis for mutual learning and policy transfer among subaltern groups. But a global crisis cannot be solved at local level (even in a slower, less runaway world that is partly decoupled from the world market and that emphasizes local sustainability). Thus there can be no quick-fix to the crisis and more imaginative work remains to be done.

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## Endnotes

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<sup>2</sup> This would paradoxically involve the reduction of complexity.

<sup>3</sup> These meaning systems are shaped by neural, cognitive, and semiotic frames (Lakoff & Johnson 1980) as well as, of course, social interaction, meaning-making technologies, and strategically-selective opportunities for reflection and learning.

<sup>4</sup> This term was elaborated by Husserl but has a broader meaning in CPE.

<sup>5</sup> Similar arguments would apply, with appropriate changes, to meso- or micro-level economic phenomena, such as industrial districts or individual enterprises.

<sup>6</sup> On spatio-temporal fixes, see Jessop (2002).

<sup>7</sup> A web of interlocution comprises metanarratives that reveal linkages between a wide range of interactions, organizations, and institutions and/or help to make sense of whole epochs (Somers 1994: 614).

<sup>8</sup> On discursive selectivity, see Hay (1996) and Somers (1994); on structural selectivity, see Jessop (2007).

<sup>9</sup> The scare quotes warn against a simple, fixed distinction between appearance and essence. At stake is strategic, not ontological, essentialism.

<sup>10</sup> Regular updates on the crisis have been posted on the TripleCrisis web site: [www.triplecrisis.com](http://www.triplecrisis.com).

<sup>11</sup> See Collier (2007).

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