THE TRANSATLANTIC DIVIDE:
WHY ARE AMERICAN AND BRITISH IPE SO DIFFERENT?

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Prepared for the first meeting of the International Political Economy Society,
An academic field of study may be said to exist when a coherent body of knowledge is constructed to define a subject of inquiry. Recognized standards come to be employed to train and certify specialists; full-time employment opportunities become available in university teaching and research; learned societies are established to promote study and dialogue; and publishing venues become available to help disseminate new ideas and analysis. In short, an institutionalized network of scholars comes into being, a distinct research community with its own boundaries, rewards, and careers.

In that sense, the field of International Political Economy (IPE) has existed for less than half a century. IPE, Robert Gilpin once famously suggested, may be defined as “the reciprocal and dynamic interaction in international relations of the pursuit of wealth and the pursuit of power” (Gilpin 1975b: 43). In other words, IPE is about the complex linkages between economic and political activity at the level of international affairs. As a practical matter, such linkages have always existed. As a distinct academic field, however, IPE was born no more than a few decades ago. Prior to the 1970s, in the English-speaking world, economics and political science were treated as entirely different disciplines, each with its own view of international affairs. Relatively few efforts were made to bridge the gap between the two. Exceptions could be found, often quite creative, but mostly among Marxists or others outside the “respectable” mainstream of Western scholarship. A broad-based movement to build bridges between the separate specialties of international economics and international relations (IR) – in effect, to construct the field we now know as IPE -- was really of very recent origin.

David Lake (2006) is right in describing the field today as a “true interdiscipline.” But it is hardly a monolith. Beyond an interest in marrying international economics and IR, there is no consensus at all on what, precisely, IPE is about. Once born, the field proceeded to develop along separate paths followed by quite different clusters of scholars. One source describes IPE today as “a notoriously diverse field of study” (Phillips 2005: 69). Another characterizes it, simply, as “schizoid” (Underhill 2000: 806).

Globally, the dominant version of IPE (we might even say the hegemonic version) is one that has developed in the United States, where most scholarship tends to hew close to the norms of conventional social science. In the “American school,” priority is given to scientific method – what might be called a pure or hard science model. Analysis is based on the twin principles of positivism and empiricism, which hold that knowledge is best accumulated through an appeal to objective observation and systematic testing. In the words of Stephen Krasner, one of the American school’s leading lights: “International political economy is deeply embedded in the standard methodology of the social sciences which, stripped to its bare bones, simply means stating a proposition and testing it against external evidence” (Krasner 1996: 108-109). Even its critics concede that the mainstream American version of IPE may be regarded as the prevailing orthodoxy.

But it is not an orthodoxy that goes without challenge. Elsewhere in the English-speaking world – above all, in Britain – an alternative version of IPE emerged that, from its earliest days, was quite distinct from the American school. Across the pond, scholars are more receptive than in the United States to links with other academic disciplines, beyond mainstream economics and political science; they also evince a deeper interest in normative issues.
British style, IPE is less wedded to scientific method and more ambitious in its agenda. The contrasts with the mainstream American approach are not small; this is not an instance of what Freud called the “narcissism of small differences.” Indeed, the contrasts are so great that it is not illegitimate to speak of a “British school” of IPE, in contrast to the U.S. version.

The distinction is not strictly geographic, of course. There are Britons or others around the world who have happily adopted the U.S. style, just as there are those in the United States whose intellectual preferences lie more with the British tradition. The distinction, rather, is between two separate branches of a common research community – two factions whose main adherents happen to be located, respectively, on opposite sides of the Atlantic.

Between the two sides there is a deep divide. The question is: Why? Why are the American and British versions of IPE so different? And what, if anything, should be done about it? After briefly summarizing the key differences between the two schools, I propose to explore the distinctive origins of each. On either side, both historical contingency and human agency played critical roles, interacting to create separate styles of inquiry. This is not necessarily a bad thing. Each style does have considerable strengths. But each has weaknesses as well. Neither may lay claim to comprehensive insight or exclusive truth. My conclusion, therefore, is a simple one. To promote the further development of the field of IPE, it is not enough to continue to build bridges between international economics and IR. Bridges must be built across the transatlantic divide, too.

THE TRANSATLANTIC DIVIDE

In speaking of a transatlantic divide, I use the term “school” loosely. By no means do I mean to imply any sort of common goal or unified agenda. On either side of the pond, scholars differ greatly on matters of substance as well as emphasis; in terms of theory, consensus is often lacking on even the most basic causal relationships. Rather, I use the term to refer to shared (“inter-subjective”) understandings at a much more fundamental level. Each school is defined by a broadly accepted, if typically unacknowledged, world view – as one source puts it, a specific intellectual culture, representing “a particular view of what and who... constitute the legitimate study of IPE” (Murphy and Tooze 1991: 16-17). Within those separate cultures, each school has crafted its own common language with which to communicate.

At issue are basic questions of ontology and epistemology. Ontology, from the Greek for things that exist, is about investigating reality: the nature, essential properties, and relations of being. In other contexts, ontology is used as synonym for metaphysics or cosmology. In social science, it is used as a synonym for studying the world in which we actually live. What are the basic units of interest and what are their key relationships? Epistemology, from the Greek for knowledge, has to do with the methods and grounds of knowing. What methodologies do we use to study the world? What kinds of analysis will enhance our understanding? The differences between the American and British schools may be best understood in terms of their contrasting understandings about ontology and epistemology.

Briefly, in terms of ontology, the American school remains determinedly state-centric, privileging sovereign governments above all other units of interest. The British school, by contrast, treats the state as just one agent among many, if states are to be included at all. For the American school IPE is essentially a subset of IR, sharing the political science discipline’s
central preoccupation with public policy. The core object of study – the field’s “problematique,” to use a term favored more by British scholars than by Americans -- is limited to questions of state behavior and system governance. The main purpose of theory is explanation: to identify causality. The driving ambition is problem solving: to explore possible solutions to challenges within the existing system. For the British school IPE is more inclusive – more open to links to other areas of inquiry. The problematique is more ecumenical, concerned with all manner of social and ethical issues. The main purpose of theory is judgment: to identify injustice. The driving ambition is amelioration: to make the world a better place. Where the American school aspires to the objectivity of conventional social science, the British school is openly normative in the tradition of pragmatism and classical moral philosophy.

In terms of epistemology, the American school remains wedded to the principles of positivism and empiricism – the twin pillars of a hard science model. Deductive logic and parsimonious reasoning are used to seek out universal truths. Formal research methodologies are put to work to test hypotheses and promote the cumulation of knowledge. The British school, by contrast, embraces approaches that are more institutional and historical in nature and more interpretive in tone. Less formal methodologies are preferred in order to accommodate the school’s wider range of analytical concerns. Where the American school self-consciously restricts itself mainly to mid-level theorizing – highlighting key relationships within larger, stable structures -- the British school aims for grander visions of systemic transformation or social development. Where the American school values “normal” science, the British school identifies more with so-called “critical theory,” best known for what one observer, himself a critical theorist, calls an “oppositional frame of mind” (Brown 2001: 192).

Differences like these are not necessarily undesirable -- if they give rise to fruitful dialogue. Unfortunately, that does not seem to be the case here. In practice, communication between the two schools has been stunted at best, even growing weaker with time. An initial gap between the two styles was understandable, given their separate starting points on the opposite sides of the Atlantic. But over time their mutual insularity has only grown deeper as a result of divergent patterns of socialization. Winston Churchill, echoing an earlier thought of George Bernard Shaw, said that the United States and Britain are two nations divided by a common language. Similarly, the American and British schools of IPE are two cultures divided by a common subject.

This sort of phenomenon is hardly unfamiliar in academic life. Disciplines and areas of study often fragment as specialists seek out the comfort of others who share the same perspective. As Margaret Hermann has observed, “Our identities become intertwined with the perspectives and points of view of the theoretical cohort to which we perceive ourselves belonging. And we tend to distance ourselves from those we do not understand or whose ideas seem discordant with our group’s theoretical outlook” (Hermann 1998: 606). The process is a natural one and tends to be self-reinforcing. Once begun, its momentum is hard to overcome.

As a result, students on either side of the divide are rarely exposed to more than one version of IPE. All too often, they complete their training unaware of the full range of possibilities for research. Without realizing it, they become members of a faction; the language they acquire is more in the nature of a dialect, limiting discourse. Such factionalism may not be a sign of disfunction in a scholarly community. But if the factions don’t talk to each other, it can hardly be regarded as a sign of good health, either.
THE AMERICAN SCHOOL

I begin with the American school, whose origins go back to the pioneering efforts of a remarkable generation of political scientists. Individually, scholars like Robert Keohane and Joseph Nye, Robert Gilpin, Peter Katzenstein, and Stephen Krasner made extraordinary contributions to the construction of the new field of IPE. Collectively, they and others left a stamp that is indelible.

Historical circumstances

What triggered the movement? The birth of a new field of study does not take place in a vacuum. Particularly in the social sciences, intellectual developments tend to be tied to historical context – to new events and trends that make old ways of thinking inadequate. And so it was with IPE. Fundamental changes were occurring in the world – the “real” world, as we social scientists like to call it (mostly without any sense of irony). Both the politics and the economics of global affairs were mutating, calling for new understandings of how things work and how they might be studied.

Most striking was the remarkable recovery of the European and Japanese economies after the devastation of World War II. By the 1960s, a decisive shift seemed to be taking place in the balance of economic power among industrialized nations. At mid-century, the United States had bestrode the world economy like a colossus. But with its growth rate slowing and its balance of payments mired in deficits, America now looked to be on the brink of decline. Continental Europe and Japan, meanwhile, were roaring back, once again forces to be reckoned with. America’s moment of economic dominance – of “hegemony” -- appeared just about over. Meanwhile, postwar decolonization had brought new attention to the challenges and dilemmas of economic development. Pressures were mounting for a New International Economic Order that would fundamentally transform the rules governing relations between the wealthy “North” and the poverty-stricken “South.”

Behind these changes was a growing interdependence of national economies, which seemed to threaten the ability of governments to manage economic affairs. Year by year, world trade was growing more rapidly than output, bringing greater openness and mutual dependence. And soon financial flows began to accelerate as well with the growth of offshore currency markets – the so-called euro-currency markets – from the late 1950s onwards. By the end of the 1960s it was evident that the expansion of international economic activity had reached a critical point. Power now seemed to be slipping from states, limiting their ability to attain critical goals. For governments, markets were becoming a distinct threat, whatever their material benefits.

Conversely, the salience of national security concerns now appeared in abeyance. This was because of a growing détente between the United States and the Soviet Union, the two nuclear superpowers. For years, the Cold War had held center stage, reaching a dramatic peak in the brinkmanship of the 1962 Cuban missile crisis. But by the late 1960s, despite the distractions of the protracted Vietnam conflict, the competing Western and Soviet blocs seemed to be entering a new era of decreased tensions. Détente did not mean that the “high politics” of war and peace had suddenly lost all relevance; indeed, in the 1980s the Cold War was to intensify
once again, as Ronald Reagan declared battle on the “Evil Empire.” But for the time being at least, it meant that students of world politics could now safely divert some of their attention elsewhere – for example, to International Political Economy.

The pioneers

Enter Keohane, Nye, and others of their generation – the pioneers who led the way in the construction of the American school. Ultimately, of course, the achievement was a collective one – the product of a great many minds, each making its own contribution. Yet as every student of collective action knows, leadership is also vital to getting a complex project on track. Ralph Waldo Emerson may have exaggerated when he declared “There is properly no history, only biography.” Yet individuals do matter. Every academic construction owes much to the determined efforts of a few especially creative master builders. “If I have seen further,” the great Isaac Newton once wrote, “it is by standing on the shoulders of giants.” We in IPE may say much the same. If today we can see beyond the horizon, it is because we too are able to stand on the shoulders of giants.

First among these giants were Keohane and Nye, whose landmark volumes on *Transnational Relations and World Politics* (Keohane and Nye 1972) and *Power and Interdependence* (Keohane and Nye 1977) are widely hailed as milestones in the construction of modern IPE. In the former, which introduced the notion of transnationalism, they began to work out a new conception of the dynamics of international economic relations. In the latter, they laid out a vision of the world that remains influential to the present day – the notion of “complex interdependence.”

Complex interdependence was defined by three main characteristics – multiple channels of communications, an absence of hierarchy among issues, and a diminished role for military force. The notion was posed as a challenge to the classic “realist” paradigm of world politics that had long dominated the study of international relations in the United States. For realists, states were the only significant actors in world politics, conceived for analytical purposes as purposive, rational, and unitary actors. But for Keohane and Nye, that perspective was becoming increasingly outmoded. Economic interdependence was spawning a growing swarm of transnational actors – individuals and entities whose control of resources and access to channels of communication enabled them, too, to participate meaningfully in political relationships across state lines. Hence, Keohane and Nye maintained, a new way of thinking was needed: a broader paradigm that would explicitly admit the full panoply of relevant actors.

Today we take for granted that interdependence in the world economy can be analyzed in political terms, not just as an economic phenomenon. We also take for granted that patterns of interdependence can be examined by separate issue areas. We do so because, implicitly or explicitly, we all now share the paradigm bequeathed to us by Keohane and Nye – a sense that the three characteristics of complex interdependence define the essential nature of the international system today. The term “complex interdependence” itself may no longer be particularly fashionable in the IPE literature. Many scholars have forgotten it completely. But the *weltanschauung* it represents is now undeniably a part of the collective unconscious of the field.
Another giant was Robert Gilpin (1975a, 1975b), who was determined to defend the realist tradition. The emergence of transnationalism, Gilpin acknowledged, could not be denied. But that didn’t mean that realist theory had thus become obsolete. At issue was the nature of the underlying connection between economic and political activity, an age-old question that had long divided scholars of political economy. Does economics drive politics, or vice versa? Three schools of thought could be identified, Gilpin suggested, all drawn from traditional IR theory – liberalism, Marxism, and realism – each offering students of IPE its own distinct “model of the future.” Liberals and Marxists shared a belief that economics was bound to dominate politics, though of course they differed enormously on whether this was a good or bad thing. Realists, by contrast, retained faith in the power of political relations to shape economic systems. Keohane and Nye, with their paradigm of complex interdependence, could be understood as the latest heirs of liberalism; their approach, widely seen as a new variation on an old theme, was soon given the label “neoliberal institutionalism.” Gilpin himself, of course, was a barely reconstructed realist.

In response to the new concept of transnationalism, Gilpin sought to spell out the strengths and weaknesses of each of the three schools of thought he identified. His aim was to facilitate clearer and more consistent theorizing about the implications of interdependence. In so doing, he also happened to provide a convenient template for future scholarship. In IPE textbooks today, Gilpin’s three “models” – also referred to as paradigms or perspectives -- are still regarded as the logical starting point for most serious discussion, even if then amended or combined in various ways. Few sources even bother any more to credit Gilpin for the taxonomy. Like the notion of complex interdependence, it has simply become an unexamined part of every specialist’s toolkit.

From a different direction, Peter Katzenstein (1976, 1978a) made a signal contribution by drawing attention to the domestic political and institutional influences on a state’s policy behavior in the world economy. Central was his concept of “domestic structures,” understood to encompass both “the governing coalitions which define policy objectives and the institutional organization which conditions policy instruments” (Katzenstein 1978b: 4-5). Katzenstein’s aim was to open up the unitary state – to complement the systemic (“outside-in”) level of analysis of realism with the domestic (“inside-out”) level of analysis more characteristic of comparative politics. It is a measure of his lasting impact that the necessity to include both levels of analysis is now taken for granted in U.S.-style IPE.

And from yet another direction, Stephen Krasner left an impact with his edited volume on International Regimes (Krasner 1983), the new field’s first comprehensive exploration of institutions governing global economic relations – what quickly came to be known as regime theory. The stimulus was the apparent decline of American hegemony. Both Gilpin (1975b) and Krasner (1976), as well as the economist Charles Kindleberger (1973), were early exponents of the idea that global economic health was somehow dependent on the presence of a single dominant power – a view that Keohane (1980) later labeled the theory of hegemonic stability. Despite what seemed like an erosion of American power, however, the world economy did not appear rudderless. Could there be forms of patterned cooperation among states that might substitute for hegemony in providing effective system governance? Krasner’s volume triggered enormous debate about the role of regimes in world politics and laid the groundwork for decades of study of international institutions.
Abdication

From efforts like these, the American version of IPE was constructed essentially as a branch of political science. The new field did absorb elements of international economics, of course. But for Keohane and Nye and others of their generation, IPE seemed most naturally a logical extension of their interest in IR. As one colleague has suggested to me in private correspondence, Keohane and Nye “opened the door for scholars with an IR framework to think systematically about international economic relations.” Soon every self-respecting political science department began to reserve a faculty slot or two for specialists. Every political science curriculum began to feature one if not several IPE courses. Textbooks in the field -- once a trickle, now a veritable flood – were targeted directly at students of political science.

The critical question is: Why didn’t economists fight harder for “ownership” of the field? Had they done so, the construction of the American school might have followed a very different trajectory – addressing different questions, offering different answers. The basics might have been defined in another manner altogether.

Economists were there at the creation. In fact, most of the field’s earliest work in the United States was by economists, before the political scientists took over. An early example, dating back to 1948, was Jacob Viner (1948), who sought to explore the relationship between “power” and “plenty” as objectives of foreign policy. Twenty years later Richard Cooper published *The Economics of Interdependence* (Cooper 1968), highlighting the political challenges posed by the growing interdependence of national economies. In 1970, there was *Power and Money*, a short book by Kindleberger (1970) on the growing tension between economic and political activity in an increasingly interdependent world. And in 1971 came economist Raymond Vernon’s memorable *Sovereignty at Bay* (Vernon 1971), which heralded the arrival of the multinational corporation as a key political actor on the world’s stage. The period also saw the reissue of a long-neglected study by Albert Hirschman, *National Power and the Structure of Foreign Trade* ([1945] 1969), now rightly regarded as a classic.

Yet once the political scientists arrived on the scene, economists for the most part abdicated. Despite the dramatic changes then occurring in the international environment, the mainstream of the economics profession remained largely indifferent to IPE. The reasons were three-fold: ideological, ontological, and epistemological.

First, there was the chilling effect of postwar anti-communism. Political economy tended to be equated unthinkingly with Marxism or other unacceptable leftist doctrines. By the late 1960s détente was melting the ice of the Cold War, reducing tensions between the nuclear superpowers. But even so, the battle to defend the market system went on – a battle in which economists inevitably found themselves on the front lines. Political scientists might be called upon to defend the virtues of democracy, but not capitalism. Economists, on the other hand, could not avoid being drawn into the ongoing contest between Marxism and market liberalism. Few American economists at the time had much taste for ideas or arguments that might smack of anti-capitalist sentiment. In any attempt to integrate economic and political analysis, most of the profession saw ideological bias.

Second was a kind of intellectual myopia in the prevailing ontology of economics. Most in the discipline preferred to concentrate on the private sphere, mainly addressing considerations...
of technical efficiency and economic welfare. Economists were simply not trained to think in terms of the public sphere – the issues of authority and conflict that are inherent in processes of governmental decision making. Nor were they comfortable when confronted with the very political question of distribution – how the economic pie gets divvied up.

This created two blind spots. First, the importance of institutions was discounted. In the “timeless” analytical framework favored by mainstream of the profession, political structures, if considered at all, were introduced only as a constraint on economic activity, with underlying power relationships being taken more or less for granted. Neoclassical economics discouraged any interest in questions concerning how rules or norms are created or how over time they might support or undermine different patterns of economic activity. And second, attention was directed to the outcomes of policy rather than to its inputs. The aim of theory was to evaluate policy, not explain its origins in the give and take of distributional conflict. An old adage has it that politics is like sausage making: You really don’t want to know what goes into it. Neoclassical economics took that advice seriously.

Finally, there was resistance to IPE on epistemological grounds. Mainstream economists also were understandably hesitant to take up issues that could not be addressed comfortably using the standard toolkit of neoclassical economics. For a century, especially in the United States, the discipline had been growing increasingly abstract, relying ever more on deductive logic and parsimonious theoretical models to pare messy reality down to its bare essentials. The style was reductionist. The aim was to uncover core relationships – “to predict something large from something small,” as economist Harry Johnson once put it (1971: 9).

In this context, political economy seemed to fit like a square peg in a round hole. How was formal analysis to account for the uncertainties of the political process? How could theory model the exigencies of war and peace? How could existing empirical methods cope with seemingly vague notions like power or dependency? Questions like these ran against the grain of the discipline’s methodological standards. Thus mainstream economists could be excused for demurring. As one economist colleague said to me back when IPE was first getting started: “If I can’t quantify it, I’m not interested.” His remark was only partially in jest.

**An irony**

Yet in the end, who is to say which of the parent disciplines has really taken ownership of IPE in the United States? There is a deeper irony here. As the epistemology of the American school has become increasingly standardized, it has come to resemble nothing so much as the methodology of neoclassical economics, featuring the same penchant for positivist analysis, formal modeling, and, where possible, systematic collection and evaluation of empirical data. More and more, what gets published in the United States features the same sorts of mathematical and statistical techniques that we have come to expect in economics journals.

Why is this? Puzzling over the trend, which has been evident for years, the economist Vernon once suggested that it might have something to do with the deceptive accessibility of a reductionist style. “The ideas that appear to travel most easily between the social sciences are the simpler, more inclusive ideas; and when gauged by the criteria of simplicity and inclusiveness, neoclassical propositions have had a decisive edge” (Vernon 1989: 443). But there may also be an element of envy involved. Political scientists have an inferiority complex
when it comes to economics. Even such notables as Katzenstein, Keohane, and Krasner bow their heads, describing economics as “the reigning king of the social sciences” (Katzenstein et al. 1999: 23). Whether the title is deserved or not, it is certainly true that the methodology of economics now appears to set the standard for what passes for professionalism among social scientists in the United States. If today the most highly rated work in the American school of IPE tends to mimic the economist’s demanding hard-science model, it may be simply be to demonstrate that the still young field, for all the uncertainties of the political process, is no less capable of formal rigor. Specialists in IPE want respect, too.

An enthusiasm for the methodology of economics is understandable, offering as it does both technical sophistication and intellectual elegance. Who wouldn’t like to be able to predict something large from something small? But it is also undeniable that reductionism comes at a price in terms of descriptive reality and practical credibility. On the one hand, the full flavor of life is sacrificed for what one critic calls a “tasteless pottage of mathematical models” (DeLong 2005: 128), often wholly unintelligible to a wider public. On the other hand, the true character of life is often caricatured by the implausible assumptions that parsimony demands. The increasing standardization of IPE methods in the United States is by no means costless.

Once upon a time, it was possible to joke about the epistemological differences between economics and political science. A political scientist, one quip had it, was someone who thought that the plural for anecdote was data. The economist, by contrast, was someone who might not be able to remember your phone number but was willing to estimate it for you. Today, however, it is clear those differences between the disciplines are rapidly disappearing. Political scientists may feel they still “own” IPE, and so they do in terms of research agenda. But in terms of methodology – how things are studied -- the dominant role, in practice, seems to be circling back to economics, a trend that might be described as a kind of “creeping economism.” Economists, it would appear, may have the last laugh.

THE BRITISH SCHOOL

The origins of the British school could not have been more different. In Britain, two scholars above all are revered for the key roles they played in pioneering the British version of IPE – Susan Strange and Robert Cox. Neither happens to have been trained in political science; nor did either ever seek to complete a PhD. But they too left a stamp that is indelible.

Susan Strange

First came Susan Strange, whose formal education ended with an undergraduate degree in economics at the London School of Economics, further study being prevented by a little spot of bother called World War II. For many, the moment of IPE’s birth came with publication of a seminal article by Strange in 1970 – the provocatively entitled “International Economics and International Relations: A Case of Mutual Neglect” (Strange 1970). Provocation was indeed what Strange had in mind. The void between international economics and IR – a “dialogue of the deaf” – had endured for too long, she declared, leading scholars from both traditions to neglect fundamental changes then occurring in the world economy. A more modern approach to the study of international economic relations was needed – an integrated approach to occupy the
crucial “middle ground” between political and economic analysis. The article was, for all intents and purposes, a manifesto.

For others, IPE’s birth came a year later when Strange followed up her own call to action by forming an organized research network, the International Political Economy Group (IPEG). The aim of IPEG, which still exists as a research group within the British International Studies Association, was to bring together scholars, journalists, and policy makers for regular discussions of the world economy. Declares one source flatly: “Today’s field of international political economy can be traced back to 1971, when Susan Strange... founded the International Political Economy Group” (Murphy and Nelson 2001: 393).

Much of what followed was a reflection of Strange’s outsized personality, as she continued to play a role in the construction of IPE in Britain until her untimely death in 1998. In the words of Barry Gills, one of the first editors of the *Review of International Political Economy*: “She founded IPE as we know it here in Britain and she left a great hole in it when she left” (private correspondence).

In purely intellectual terms, Strange’s contributions were limited. By her own admission, she was no theoretician. Indeed, she always had a suspicion of grand theory. Gills remembers that “she told me and others in confidence that ‘I do not consider myself a theorist’ but rather someone who was primarily empirical and analytical” (private correspondence). Her aim, according to two colleagues, was not “to develop a full theory of IPE, but a way of thinking, a framework for thinking” (Tooze and May 2002: 15). Her long-term impact is measured less by her own ideas than by the critical role she played in stimulating the ideas of others.

Four themes were ever-present in her writings. IPE, she contended, needed to be open intellectually, normative in ambition, critical in inclination, and passionate in tone. All four themes quickly became an integral part of the style of the British school.

For Strange, openness meant scholarly ecumenism, a resistance to the disciplinary compartmentalization of the social sciences that had prevailed since the nineteenth century – what she jokingly referred to, with a nod to earlier British history, as the enclosure movement. Leading by example, she freely crossed academic boundaries in pursuit of her scholarly interests. If the problem was a dialogue of the deaf, the solution was to insist on multidisciplinary – inclusiveness and eclecticism above all.

The contrast with the American school could not have been greater. For Strange, allowing ownership of IPE to go to the political scientists, as happened in the United States, would be a serious error. IR should be viewed as a subset of IPE, she felt, not the other way around:

The whole point of studying international political economy rather than international relations is to extend more widely the conventional limits of the study of politics, and the conventional concepts of who engages in politics, and of how and by whom power is exercised to influence outcomes. Far from being a subdiscipline of international relations, IPE should claim that international relations are a subdiscipline of IPE (Strange 1994: 218).

Normative ambition meant engagement with social issues. For Strange, the whole point of intellectual inquiry was to find ways to right the wrongs of the world. Theory could only be judged by its usefulness. Distributional considerations, in particular, were always on her mind, whether speaking of the pursuit of wealth or the pursuit of power. The key question for her was
always: *Cui bono?* For whose good? Nor did she shy away from judgments about matters of
ethics or equity. For her, scholarship was inseparable from values. IPE should be “about justice,
as well as efficiency: about order and national identity and cohesion, even self-respect, as well as
about cost and price” (Strange 1984: x).

Critical inclination meant a skeptical attitude toward orthodoxy. No one could miss
Strange’s own impatience with “The Establishment,” as she put it. By nature, she was an
iconoclast. Perhaps reflecting her lack of an advanced university degree, she had little but
disdain for “the barons and the top brass” of the academic world (Strange 1995: 295). A
persistent thread running through her long list of publications was a strong distaste for anything
that might be regarded as mainstream thinking.

Finally, there was Strange’s passion, which suffused everything she undertook. This was
not a woman who could do things by half. Passion could be seen in the wide range of issues she
chose to take on in her writings, as well as in her confrontational, in-your-face approach to
academic debate and teaching. To be a serious scholar, she told her students, you must have
“fire in the belly.” Passion is not a word normally associated with the kind of parsimonious,
positivist analysis encouraged by the kind of parsimonious,

Robert Cox

The other major influence on the British approach came from Robert Cox, a Canadian
whose academic studies terminated with a Masters degree in history. Though largely ignored in
the United States, Cox is revered as second only to Strange in the pantheon of the British school.
His ideas on what he called “the structures that underlie the world” (Cox 1999: 390) have long
inspired British scholars and are widely taught in British universities. His penchant for
interpretive historical analysis remains another hallmark of British IPE.

Cox’s most memorable publications came in the 1980s, beginning with a 1981 article
entitled “Social Forces, States and World Orders: Beyond International Relations Theory” (Cox
1981) – a paper that has since attained virtually iconic status among British school scholars --
and culminating six years later with a monumental book, *Production, Power and World Order*
(Cox 1987). The changes then occurring in the world economy, these works contended, were
profound and needed to be seen in their totality. Much more was involved than merely an
increase of economic interdependence. At issue was nothing less than the emergence of a new
“world order,” a new historical structure reflecting an expansion and integration of production
processes on a transnational scale. And central to it all was a transformative realignment of
“social forces,”defined as the main collective actors engendered by the relations of production
both within and across all spheres of activity.

How would it all turn out? In assessing future world order prospects, Cox rejected the
state-centrism of traditional IR theory. The state could not be analyzed in isolation, he insisted.
Historical change had to be thought of in terms of the reciprocal relationship of structures and
actors within a much broader conceptualization of international relations, the “state-society
complex.” Outcomes would depend on the response of social forces. “International production,”
he wrote, “is mobilizing social forces, and it is through these forces that its major political
consequences *vis-a-vis* the nature of states and future world orders may be anticipated” (Cox
1981:147). The overriding imperative was to support social forces that would “bargain for a better deal within the world economy” (Cox 1981: 151).

In the United States Cox has been received coolly, occasionally even with contempt. In part, the rejection can be attributed to Cox’s underlying ontology, which places modes of production rather than state relations at the heart of analysis. Cox’s emphasis on the “state-society complex” does not mix well with the state-centrism of mainstream U.S. scholarship. Mostly, however, the rejection reflects frustration with an intellectual approach that is so infuriatingly at variance with contemporary standards of American social science. As Cox himself ruefully conceded, “an interpretive, hermeneutic, historicist mode of knowledge lends itself to the epithet ‘unscientific’” (Cox 1996: 29). His grand eclecticism, dense with historical and institutional detail, simply does not fit easily with the reductionist epistemology that is favored in U.S. IPE. Because of the high degree of historical contingency in his approach, it is difficult to reduce his insights to a concise set of logical theorems. Because of the lengthy time perspective of his analysis, it is difficult to convert his conclusions into empirically falsifiable propositions. And because of his propensity to mix positivist observation and moral judgments, it is difficult even to assess the fundamental soundness of his reasoning. So rather than engage Cox directly, scholars in the United States have found it easier simply to dismiss or ignore him.

In Britain, on the other hand, as well in other outposts of the British school, Cox’s distinctive approach has become a key source of inspiration for younger scholars. “The work of Robert Cox,” remarks one observer, “has inspired many students to rethink the way in which we study international political economy, and it is fair to say that [his] historical materialism is perhaps the most important alternative to realist and liberal perspectives in the field today” (Griffiths 1999: 118). Numerous sources cite Cox as the starting point for their own theoretical studies. Stephen Gill and David Law, in an influential paper published in 1989, explicitly build on Cox’s dynamics to explain the development of what they described as the structural power of capitalism. “His analysis of social forces,” they contend, “points to a more comprehensive and flexible approach to the question of structural change than that provided in various mechanistic ‘modes of economism’ in the literature” (Gill and Law 1989: 475-476). Likewise, Ronen Palan and Barry Gills (1994) credit Cox as a central wellspring for their own “neostructuralist” agenda in international relations.

Perhaps the ultimate compliment has been paid by Geoffrey Underhill, who describes the study of the state – “what it is, what it does, and where it fits into Cox’s state-society complex” – as “the problem of international political economy” (Underhill 2006: 16; emphasis in the original). Cox, in other words, defines the core problematique of the British school.

Follow the leaders

But why did Strange and Cox prove so influential? Why, in the end, did the British school follow their lead, diverging so sharply from the American model? Strange’s powerful personality and Cox’s broad vision were certainly part of the explanation. Between them, the two opened the door wide to an alternative understanding of the way the world works. But to gain acceptance for their distinctive conception of IPE, they also needed a receptive audience – a critical mass of scholars prepared to heed their message rather than that of Keohane, Nye, and company across the Atlantic. There was nothing inevitable about the way IPE was constructed in Britain.
In fact, the audience turned out to be remarkably broad. An old slogan for an American bread product proclaimed “You don’t have to be Jewish to love Levy’s Jewish rye.” In Britain, you didn’t have to be British to be in the British school; indeed, you didn’t even have to be resident in Britain. Though rooted in geography, the distinction is as much intellectual as territorial. The school of course has included many Britons, such as R.J. Barry Jones and Roger Tooze. But it has also included the likes of Philip Cerny (American), Barry Gills (dual U.S-British citizenship), Richard Higgott (dual Britain-Australia), Ronen Palan (Israeli and British passports), and Timothy Sinclair (from New Zealand). It includes Geoffrey Underhill, who decamped to the University of Amsterdam, and John Ravenhill, who has spent much of his career at the Australian National University. And it even includes a fair number of U.S.-based scholars, such as Craig Murphy and Douglas Nelson.

Why was the audience so receptive? Standard explanations point to a basic difference in intellectual culture – broadly, the way international studies traditionally have been approached in British universities as compared with the United States. On the American side of the Atlantic, international studies grew up in an environment dominated by the norms of conventional social science, with a particular emphasis on training in quantitative methods. Once IPE was born, it seemed natural for U.S. scholars to channel the infant field’s development along similar lines. In Britain, by contrast, international studies had roots that were spread much more widely, not only in economics and political science but also into a variety of other discipline such as sociology, philosophy, religion, and law. Particularly influential was the so-called English school of international relations, which stressed the existence of a global society that could be studied only in the broadest social and historical terms – an idea, rooted in the classical legal tradition whose origins could be traced as far back as Hugo Grotius. Built on foundations laid by *inter alia* Hedley Bull (1977), the English school was “skeptical of the possibility of a scientific study of International Relations,” as one sympathetic history puts it (Dunne 1998: 7). Indeed, resistance to any kind of hard science model was actually a point of some pride among its adherents. Summarizes another survey: “The epistemological status and methodological principles of English school arguments are left rather obscure” (Linklater and Suganami 2006: 114). Hence it was no surprise that IPE in Britain might develop in the same open manner. Formal methodology was de-emphasized. Instead, the milieu encouraged what Tooze labeled a “historical-relativist paradigm... drawn from an eclectic mix of factors” (Tooze1985: 121). British academics were already conditioned to think in multidisciplinary and normative terms.

Historical circumstances also differed sharply on the two sides of the Atlantic. In contrast to the United States, the new top dog in the global economy, Britain seemed a spent force – a nation mired in long, painful decline. Once the country had been the proud center of an empire on which the sun never set. Now it feared becoming little more than a collection of sad offshore islands, overshadowed by the newly prosperous economies of the Continent and prone to a seemingly endless streak of financial crises. American scholars understandably accepted the new global order as natural, even desirable. British scholars, by contrast, could be excused for adopting a more jaundiced view of the status quo and a greater openness to alternative perspectives.

But these broad differences were hardly the whole story. There were also other, more specific factors at work. First was a latent anti-Americanism often found in British universities, which helped encourage scholars to define their efforts more in opposition to, rather than in
imitation of, American trends of thought. In the jargon of IR theory, British academics were more inclined to balance than bandwagon. Second was a more relaxed attitude toward Marxism or other leftist doctrines, which reinforced a critical disposition toward markets and their consequences. And third was the less formal approach to economic studies in Britain, as compared with the United States, which reduced pressures to conform to a demanding set of methodological standards.

Anti-Americanism in British universities, where it existed, involved two intertwined strands. One was geopolitical, concerning America’s emergence after World War II as the leader of the Western world. In Britain, now eclipsed as a global power, this rankled. Resentment of U.S. dominance at some level was natural, perhaps even inevitable. (Remember the old wartime line about the Americans – overfed, oversexed, and over here!) Britons, like their counterparts in the anti-war movement in the United States, were particularly revolted by America’s seeming “imperialist” war in Vietnam. The other strand was intellectual, concerning the rise of U.S. universities after 1945 to the peak of the world’s academic hierarchy, eclipsing the likes of Oxford and Cambridge. American scholars were seen as privileged by their access to the resources of a much wealthier economy. They were also thought to be unduly influenced by the foreign-policy concerns of a hegemonic power.

These strands came together to encourage resistance to any new scholarly fashion emanating from the other side of the pond. Strange, with her marked ambivalence about America, first helped to set the pattern. In some ways, she truly admired the United States – the only country, she once noted, where you can buy a T-shirt emblazoned with her favorite slogan, “Question Authority” (Strange 1995: 295). As Keohane has accurately noted, “She loved the openness and irreverence of American society.... In a sense, she was by instinct and temperament a woman of the American West” (Keohane 2000: xiv). Yet this did not stop her from being offended by what she perceived as the selfishness of U.S. power and the arrogance of American academics, whom she attacked with unrestrained glee. In one famous essay, Strange compared her U.S. counterparts to those medieval scholastics who, in their superstitious ignorance, imagined dragons lurking beyond Europe’s western horizon (Strange 1983). In another, she publicly challenged a respected American professor to “wake up” and face the facts (Strange 1994).

Jibes like these found a ready audience among British academics, many of whom were understandably eager to create an alternative to what Murphy and Tooze describe as the “self-identified U.S. ‘supremacy’ in the scholarly fields of international relations and IPE” (Murphy and Tooze 1991: 17). As one admiring source puts it, Strange’s “stinging criticism of US intellectual trends provided room for British scholars and students to ask different types of questions and use different methodologies from their US counterparts” (O’Brien and Williams 2004: 28). It might be an exaggeration to suggest that the British school defined itself simply by its opposition to U.S. thinking. But that would it not be entirely inaccurate, either. Even for its sympathizers, the British school’s hostile attitude toward scholarship on the other side of the Atlantic has long been one of its chief sources of inspiration. In the words of Murphy and Nelson: “The success of British school IPE is relatively easy to explain. American hegemony and the hegemony of [American] school IPE created opportunities for those who opposed either or both projects” (Murphy and Nelson 2001: 405).
Attitudes toward Marxism or other leftist doctrines, by contrast, were far more relaxed than in the United States, where most academics were wary of anything that might seem tainted by socialist sympathies. Hence there was less inclination in Britain to resist a new field of study that could possibly smack of anti-capitalist sentiment. Quite the contrary, in fact. Skepticism regarding markets and their consequences was much more acceptable there than it was in America. After all, wasn’t Britain where many fashionable leftist doctrines, such as Fabianism, had first developed? Wasn’t one of the country’s two biggest political parties avowedly socialist in intent? Opposition to the allegedly oppressive nature of markets came easy – especially markets as allowed to operate in the United States. Scholars needed little prodding to look for the politics in economic relations; nor did they find it difficult to heed the call to make fundamentally moral judgments on matters of public concern.

Least of all did British academics require any encouragement to question authority. Critical theory, challenging orthodoxies of all kinds, has long found a comfortable home in the country’s universities. Though divided over issues of ontology and epistemology, most versions of critical theory converge on a revisionist critique of modern capitalism. At the core of critical theory is a heretical disposition that many scholars found easy to carry over into the new field of IPE, making an “oppositional frame of mind” a key element of British school discourse. Indeed, many in the school, one source suggests, might actually prefer to see their version of the field called, simply, Critical IPE (Murphy and Nelson 2001: 394). Another source, using a biological metaphor, amusingly defines the “diverse critical species that comprise the genus” of the British school as *Querimonia*, in contrast to the rationalist species *Ratiosuarus rex* that we know as the American school (Dickins 2006: 480).

Finally, there was the difference in the British approach to economic studies, which was far less abstract than in the United States. As compared with the way that the economics discipline was developing in the United States, there was still much less emphasis on reductionism in Britain and certainly less reliance on numeracy. British economists still wrote with words. (Joked an American economist, “That’s what we call ambiguity.”) Typically they also remained more inclusive in their analysis, sensitive to the role of institutions and history; many British universities, including LSE, even had a separate Department of Economic History, counting among their faculty some of the best known economists in the land. Thus as the infant field of IPE developed, there was correspondingly less pressure to conform to a highly demanding positivist or empiricist epistemology. Professional status did not require sacrificing detail for parsimony. Scholarship could be every bit as eclectic as Strange and Cox were suggesting.

Another irony

In all this there is another irony. When Strange began her campaign for a more modern approach to the study of the world economy, her aim was to end a dialogue of the deaf – the mutual neglect of two self-contained academic traditions. That battle is now won. IPE has become a recognized field of study. Yet the new school that was born in Britain has not only evolved in a manner quite different from that of its American counterpart. It has also grown apart. In effect, a new dialogue of the deaf has emerged – a new case of mutual neglect of two academic traditions. In the words of one keen observer: “US-based and British school IPE
have... evolved largely separately from each other, identified little with one another as parts of the same enterprise, and spoken largely to their own audiences rather than to each other” (Phillips 2005: 12). The two schools have diverged on even the most basic questions of ontology and epistemology.

A new dialogue of the deaf was surely not what Strange had in mind. Her own inclination, true to her convictions about U.S. academia, was to blame it all on the Americans. Three years before her death, she suggested that U.S. scholars needed a hearing aid. Americans, in her words, are “deaf and blind to anything that’s not published in the U.S.A.” (Strange 1995: 290) Unfortunately, there is some truth to that. But arguably Strange too might be said to bear a part of the responsibility, owing to the vigor of her writing and the sheer strength of her personality. One can doubt that she or Cox meant to help create a new case of mutual neglect. Nonetheless, that is what we now have.

A MEETING OF THE MINDS?

None of this is meant to suggest that one of the two schools is somehow “better” or “worse” than the other. Any such comparison would obviously be invidious. The relationship between the two constructions is more akin to Akira Kurosawa’s 1950 film Rashomon, where the same basic story was recalled in vastly different ways by separate narrators. Here the story is the interaction of economics and politics in international relations. The American school tells it one way; the British school, another. Despite what many on either side of the Atlantic might argue, neither is inherently superior.

Quite the contrary, in fact. In practice, the two schools complement each other neatly, the strengths of one largely balancing weaknesses of the other. The American school may take justifiable pride in its allegiance to the demanding principles of positivism and empiricism. But arguably it may also be reproached for its narrow preoccupation with scientific method and its disdain for normative work. Scholars in the U.S. style, absorbed with mid-level theory building, are frequently insular in their intellectual interests and indifferent in their research to matters of equity or justice. Radical new ideas tend to be discouraged by the need to demonstrate careful methodological rigor. History and social context take a back seat to the parsimony of abstract, deductive logic.

Scholars in the British style, by contrast, help to compensate for such shortcomings with their intellectual ecumenism and their critical attitude toward orthodoxy. The British school may be fairly criticized for its less rigorous approach to theory building and testing, which makes generalization difficult and cumulation of knowledge virtually impossible. But the British school may also legitimately claim to make a useful contribution by opening discourse to a wider range of insights and by highlighting the normative element in scholarly inquiry. The more open range for research permits consideration of grander issues of social transformation and historical change. Each school adds value in its own way.

Can there ever be a meeting of the minds? The task is not easy. On neither side is there much tolerance for the preferences of the other. For the American school, the British school’s “historical-relativist paradigm” and normative pretensions represent a betrayal of basic principles of scientific research. For the British school, the American school’s pursuit of objectivity and universal truth is hopelessly chimerical, an impossible dream. Scholars working in the U.S. style
dismiss the likes of Strange and Cox as too eclectic, perhaps even too eccentric, to be taken seriously. Scholars working in the British style dismiss the likes of Keohane, Krasner et al. as too limited in their vision to help us think outside the box. Each side is more comfortable confining discourse to its own faction, where there is more consensus on underlying assumptions. Over time, as prejudices have been confirmed and reinforced, the gap between the two schools has simply grown ever wider.

Yet, ultimately, room exists for compromise, perhaps even synthesis. Since the two schools are so complementary, why not seek to take the best from both, for their mutual gain? The American school could learn much from the British sides’s broad multidisciplinarity, which helps to import useful new insights from other academic specialties. U.S.-style IPE could benefit from a little more ambition, to move beyond the limitations of mid-level theory. The British school, conversely, could learn much from the American side’s more rigorous methodologies, which help bring consistency and coherence to theoretical analysis. British-style IPE could benefit from a little less ambition, to temper the temptation to be overly ecumenical.

In short, the two sides need to talk to each other more, to overcome the factionalism that currently divides the IPE community. Nothing would be better for the health of the field in the future.
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