

## **The Political Economy of Crises**

**Panel Proposed by Karim Knio (knio@iss.nl)**

The apocryphal statement ‘Don’t waste a good crisis’ seems to signal that crises, for many observers, have multiple dimensions. Apart from signalling a rupture in well-known patterns of behaviour, crises also provide opportunities for change and improvement. The combination of the various elements of crisis has led many scholars, from a wide range of disciplinary backgrounds in the past to analyse the genesis, unfolding and impact of crises. Historians, sociologists, political scientists, economists and scholars of international relations have all contributed to the understanding of various facets of the crisis concept.

The series of crises engulfing the world today are arguably very different from the ones famously studied by Karl Polanyi in his seminal book *The Great Transformation*. Yet, there is little doubt as to whether the current crises entail a great transformation or not. Far from being mere changes to the existing world order classically depicted by the rise and fall of particular hegemonic states, the current crises appear to be more structural in their nature forcing us to rethink the manner in which we understand capitalist, financial, regulatory, security, environmental and knowledge regimes.

Yet, an omnipresent sense of crises is not strictly confined to events based, time-space configurations. Crises also elicit epistemic challenges to a variety of scholarly debates situated in various disciplines in the social sciences and in law. For example, classical debates in International Relations (IR) theory about declining American hegemony and the changing nature of liberal internationalism have been further intensified in the wake of the recent crises (Ikenberry 2009; Keohane 2012; Moravcsik 2011). In International Political Economy (IPE), the bulk of the literature appears to alternate between a focus on the impact of the current financial crisis on the US (Krugman 2011; Rodrik 2010, 2012) and the EU (van Appeldorn 2012; Ryner 2012) on the one hand, and an analysis of the nexus between recurrent crises and emergent new forms of capitalism(s) around the globe, on the other (Boyer 2010, 2012; Nolke 2012). In the field of Public Administration, the policy orthodoxy of ‘New Public Management’ is being challenged by arguments centering on the return of the ‘State’ as a way to address the multiple crises (Colebatch 2009; Peters 2011). In the field of Development Studies, notions of ‘good governance’ are contested by the rise of new development paradigms connected to the increased presence of ‘emerging economies’ in developing countries. At the same time, the credibility of modernisation-oriented notions of state-building are questioned as the proper response to situations of ‘state fragility’ and outright state collapse. In the field of public international law, the normative liberal and positivist orientation of legal discourse is gradually giving way to a critical discussion about the politics of justice and international law, particularly in the face of global crises (Koskenniemi 2009; Nouwen and Werner 2010).

The objective of this panel on the ‘Political Economy of Crises’ is to bring together a group of scholars across various social sciences disciplines who are currently working on this

important topic. The understanding of 'Political Economy of Crises' here does not only entail a scholarly analysis of how crises have originated and how they impact a whole array of socio- economic and political practices, but is also concerned with the manner in which we theorise crises in their own right. In other words, this panel seeks to deepen our understanding regarding the conditions under which crises are conducive for the creation and/or facilitation of change, continuity or change-continuity interactions.

Two themes could be related to this panel:

**Theme 1: Social Transformations and Crises: Processes and Impacts**

- a) Impact on US, EU, IFI and other major global players
- b) Crises and the future of the liberal international order.
- c) Crises and new security measures
- d) Commodification of human and natural resources
- e) International crises and the boundaries of legal discourse

**Theme 2: Theorising Crises**

- a) Continuous/ discontinuous analysis of time under crises.
- b) Crises as causal analytical moments for social change.
- c) Relationship between crises and regime breakdown and/or maintenance
- d) Inter relationships between diverse crises.