

INTERNATIONAL
INITIATIVE FOR
PROMOTING POLITICAL
ECONOMY (IIPPE)

WHAT IS IIPPE?

iippe

IIPPE was founded in 2006 aiming to strengthen the presence of political economy across the social sciences through critical and constructive engagement with mainstream economics, heterodox alternatives, inter-disciplinarity, and activism

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IIPPE IN BRIEF

ISSUE 3

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IIPPE Holds its 3rd. International Research Workshop in Ankara

Around 60 IIPPE members from more than a dozen countries gathered on September 14-15 at the Middle Eastern Technical University in Ankara (Turkey) for IIPPE's 3rd. International Research Workshop.

In the wake of the success of two previous workshops in Crete and Procida, this event was proof of IIPPE's continuing growth in terms of both geographic and thematic scope. The Workshop, which was co-organised by the Turkish Social Sciences Association, included the participation of a large number of Turkish heterodox and Marxist researchers — the majority research students — in a remarkable display of the vitality of political economy in this country.

Five plenary sessions were held, with topics ranging from "Fixing the Crisis" to "Turkish Political Economy

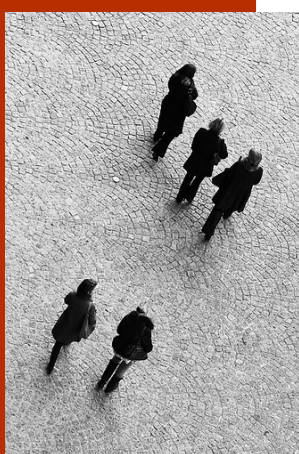
and the Political Economy of Turkey", as well as a dozen parallel sessions. Due in part to the current global economic context, as well as to the significant activity on the topic of finance within IIPPE (not least within the ambit of the Financialisation Working Group), this topic accounted for no less than four parallel sessions, in which 20 papers altogether were presented and discussed. Other parallel sessions addressed topics as varied as "Water", "Labour" and "Neoliberalism". You can find short reports on some of these sessions in pages 4-5 of this Newsletter (the remainder will soon be made available through the IIPPE website, where you can already access most of the papers).

In addition to constituting a stimulating opportunity for the participants to present and discuss their work, the Workshop was also a very pleasant

occasion for socialising: conversations and discussions often went on well into the night at the METU campus, where the participants lodged together. Furthermore, in addition to all the participants being treated to a fine sample of Turkish hospitality and culinary highlights on a number of occasions throughout the Workshop, around 15 IIPPE members went on to take part in a tour of Cappadocia in the following two days, which provided a fascinating glimpse into the natural and human-made wonders of this region.

As each successive IIPPE event matches the success of its predecessors, our sights are now set on the 1st IIPPE Conference, to be held in Crete in September 2010 (see page 3).

News



EAEPE Honours IIPPE

We are pleased to announce that Dimitris Milonakis and Ben Fine have been awarded the Gunnar Myrdal Prize for 2009 for *From Political Economy to Economics: Method, the Social and the Historical in the Evolution of Economic Theory*, Routledge, 2009. The award is made by the European Association for Evolutionary Political Economy.

This is a powerful signal of how successful Marxist political economy can be in engag-

ing with heterodoxy, one of IIPPE's core aims. As chance would have it, the book was promoted in the first issue of the IIPPE newsletter, where it was made available at a discount to readers - as it still is (see http://www.iippe.org/wiki/images/a/ae/From_Political_Economy_to_Economics.pdf).

The same applies to its companion, *From Economics Imperialism to Freakonomics: The Shifting Boundaries Between*

Economics and Other Social Sciences, Routledge, 2009, available at

http://www.iippe.org/wiki/images/d/da/From_Economics_Imperialism_to_Freakonomics.pdf.

Congratulations to Dimitris Milonakis and Ben Fine, whose efforts to pursue and promote political economy have played a central role in IIPPE from its inception.

(See also the opposite page in this newsletter.)

IIPPE Statutes to Be Discussed at the Historical Materialism 2009 Conference

As a growing organisation in search of the best possible institutional framework for the pursuit of its aims, IIPPE will be registering as a not-for-profit association in the near future.

In order to do that, a Statutes proposal was recently drafted and sent out to the membership, and can also be accessed at http://www.iippe.org/wiki/IIPPE_Statutes.

This draft version will be subject to discussion and voting at an IIPPE meeting that will be taking place alongside the events and activities of the Historical Materialism 2009 Conference in London, 27-29 November.

You are encouraged to read the draft version of the Statutes that has been posted online and to contribute your comments, suggestions and criticisms, either at this meet-

ing or prior to it (through the iippe@soas.ac.uk e-mail).

Your contribution is essential to ensuring that the Statutes facilitate the activities and growth of IIPPE!



**For further
news and
updated
information on
IIPPE, visit our
website
www.iippe.org**

INTERNATIONAL INITIATIVE FOR PROMOTING POLITICAL ECONOMY (IIPPE)
and

GREEK SCIENTIFIC ASSOCIATION OF POLITICAL ECONOMY

**FIRST INTERNATIONAL CONFERENCE IN POLITICAL
ECONOMY**

RETHYMNON, CRETE, SEPTEMBER 10-12, 2010

“BEYOND THE CRISIS”

Pre-amble: Following its three previous highly successful international research workshops for students in Crete, Naples and Ankara, the **International Initiative for Promoting Political Economy (IIPPE)** is now holding its **FIRST INTERNATIONAL CONFERENCE IN POLITICAL ECONOMY**, co-organised with the **Greek Scientific Association of Political Economy**, and open to application from all engaged in political economy. Summaries of papers for consideration for inclusion (maximum 1000 words) should be submitted by 31st of March 2010 to iippe@soas.ac.uk with subject heading IIPPE CONFERENCE 2010. Full papers are required to be made available by 30 June 2010 for pre-circulation to Conference participants. It will be possible to attend the Conference without submitting a paper but numbers will be limited. There will be some funding available for those who are unable to rely upon institutional support for participation, with special provision for research students.

Themes: Following the global crisis, the prospects of, and need for, progressive political economy are stronger than for many decades. Orthodox economics is in disarray, but with only a smattering of its own practitioners accepting this, generally by demanding more realism and the incorporation of a few more or less arbitrary behavioural principles. After the collapse of the post-war boom, the recession and slowdown that followed gave birth to extreme forms of monetarism followed by a mild reaction in terms of reliance upon market and institutional imperfections and weakened Keynesianism. The prospects for a radical rethink within orthodoxy and of tolerance to heterodoxy remain bleak. But it is still crucial to sustain critical commentary on orthodoxy's continuing principles and innovations as a new generation of students and researchers are caught between conforming to its reduced and flawed content and the economic realities of the world around them. Political economy has begun to prosper in the wake of the crisis, not least with the rising popularity of Minsky for example. It is imperative that the strengths and weaknesses of the diverse, often insightful, analyses of the nature, causes and consequences of the financial crisis be debated and fully engaged across competing paradigms and emphases. Nor is the crisis confined to economic effects and causes alone. Interdisciplinary approaches are essential to address the nature of, and prospects for, neo-liberalism, the shifting character of the “new world order”, US hegemony and the rise of China, and the economic and the social and cultural restructuring that have both preceded and will follow upon the crisis. This offers opportunities to engage with activists in understanding the impact and incidence of the crisis and in formulating alternatives and strategies in response to it.

The Conference welcomes proposals for papers that address one or more of these issues or any other issue within political economy. IIPPE working groups are entitled to organise a panel. But we also welcome proposals for panels independently of working groups on well-defined themes, with three or four contributions and contributors specified in advance. These must be submitted, ideally with paper summaries by March 31st, 2010, although earlier submissions have greater chance of acceptance as the Conference programme is filled out.

www.iippe.org

3rd. IIPPE International Research Workshop Special: Panel Reports

Labour (1 and 2)

The first parallel session on labour involved three very different presentations. Two were oriented towards applied issues and one was more theoretical. Özgün Sarımeimet Duman proposed a comparative analysis of worker resistance in Greece and Turkey. She highlighted in particular the better opposition of the labour movement in Greece to the neo-liberal so-called “reforms”. The second presentation, by Valentina Prosperi, showed that the construction industry in Delhi resorts intensively to subcontracting relations, in which vulnerable migrant workers are overrepresented. The third presentation, by Bruno Tinel, was about the problem of class structure in Braverman’s *Labour and Monopoly Capital*; this author advocates the



polarisation thesis, while allowing for the possibility of the emergence of a “third” class through several countertendencies.

The second parallel session was more homogeneous as it displayed three case-studies: two on Turkey and one on the Gulf Region. In her paper, Umut Bozkurt discussed and contested, by way of the historical method, the efficiency of the Turkish unions’ strategy to play the game of the consensus with the government and the bourgeoisie as it contributes to demobilizing workers against the destructive effects of the crisis. The presentation by Yasemin Özgün of a paper written together with Özgür Müftüoğlu was also centred on the compromising role of the Turkish unions and their dependency on the capitalist system during the last two decades, with an emphasis on the lack of class consciousness produced by such opportunist options. The contri-

bution of Adam Hanieh was about the place of migrant labour in the class structure of Gulf countries. He showed that those workers constitute a considerable part of the total workforce and are absorbing the negative macroeconomic shocks endured by those economies by forced homeward migration, which worsens the situation of the poorest population of the migrant countries.

Overall, it is interesting to note that the three papers on the Turkish economy all focused on a common theme: the compromising role of the unions in this country and its implication on the weakness of the working class in the struggle against capital and neo-liberalism. This was particularly stimulating and triggered some engaging discussions. Each session drew in around fifteen people and gave rise to interesting questions and fulfilling debates.

Bruno Tinel

Contribute to the Newsletter!



We are looking for comments, articles, cartoons, announcements of publications and other contributions to future issues of IIPPE IN BRIEF. If you have ideas and want to get involved please contact the current editorial team through iippe@soas.ac.uk.

Continued from page 4

Capitalism, Conflict and Crisis (2)

This session had three speakers working on redefining and expanding Marxist critical social theory and the theory of value in an attempt to understand contemporary capitalist development. Heesang Jeon from SOAS tackled the recent discourse on cognitive capitalism, post-workerism and the knowledge economy, critically engaging with the argument that 'knowledge labour' is immeasurable and therefore cannot be captured by the labour theory of value. Knowledge labour's role is, he suggested, not separable from but integrated with commodity production in general, as it plays the role of intensifying commodity producing labour. Romain Felli from University of Lausanne discussed the environmental crisis and its international politics by proposing a Marxist critique

of the 'legal form' through which international relations are established and international law functions. His legal form analysis allows us to see the system of international law as an integral element of the crisis itself and of the new wave of commodification of livelihoods. Rather than delivering a solution, it creates fetishism of the international legislature on which property rights over the atmosphere are constituted. The last speaker, Gong Hoe Gimm from SOAS, raised a significant methodological question for Marxist political economy — the implication of Marx's concept of the 'world market' on the critical capacity of Marxian political economy to understand contemporary capitalism. Marx's world market has been regarded by many only as a historical entity or an end result of capitalist development, thereby promoting 'nationalised' analytical approaches in political economy. In

this formulation, he continues, the world market appears to be merely the "sum of many". Taking the world market as an inherent constituency of capitalism and as an integrated element in Marx's theory of value can promise enormous methodological improvements in understanding the nature of global capitalism as well as capitalist development in a nation, as it reconfigures the way in which we understand interactions between actors and categories in global political economy. Overall, all speakers were impressive in the sense that they were trying to develop their sophisticated critiques of contemporary capitalism by innovatively rethinking the theory of value and the core critical criteria in Marxist political economy that have been taken for granted by many for many years.

Dae-Oup Chang

Finance (1-4)

Given the theme of the workshop, "The Crisis, Interdisciplinarity and Alternatives", it is not surprising that those presenting papers on finance made up a significant proportion of the participants in Ankara. Over the course of four panels, 20 papers were presented which ranged widely in both theoretical content and geographical focus.

Turkey was well represented on the finance panels, with papers examining the instability that ensued following the neo-liberal reforms of the 1980s and the effects of the entry of foreign banks into the Turkish financial systems. These papers drew on a range of theoretical concepts, emphasising such aspects as the generation of ficti-

tious capital, dependency, and the destabilising effects of liquidity preference. Other papers presented at the workshop examined subjects such as exchange rate dynamics, central banking, monetary theory and international accounting regulation. Latin America provided the focus for a number of empirical investigations, with papers on Brazil, Argentina and Peru.

Finally, special mention should be given to the presence at the conference of a most distinguished participant: Professor Alessandro Vercelli of Sienna University gave a highly pertinent presentation on the classification scheme used in the theoretical framework of Hyman Minsky, and in particular the near-ubiquitous use of the phrase "Minsky moment" since the

onset of the financial crisis. Minsky's name has been heard a lot in recent months, but few are better placed to comment on the relevance of his work than Professor Vercelli.

Aside from the formal presentations, the workshop also provided an excellent opportunity to deepen the links between those engaging in heterodox research on finance, and in particular for discussion on the future activities of the IIPPE Financialisation Working Group. A number of areas for future activity were selected, included compiling an annotated reading list on the financial crisis and developing countries, and the launch of a working-paper series. More details of these will be announced soon.

Jo Michell

Op-ed

by
Ali Rıza
Güngen

The Bretton Woods Sisters Met in Istanbul to Polish the Road — but How Far Can They Go?

The 2009 meeting of the International Monetary Fund and World Bank took place in Istanbul in October. In his speech, the managing director of the IMF offered more collaboration, better regulation, and a more stable monetary system. At the same time, the head of the IMF's sister organization called for consideration of the multipolarity of growth, with more responsibility assumed by developing countries. However, considering that Mr. Strauss-Kahn blamed reserve accumulation and the current account surpluses of developing economies for global instability — as if IMF policies offered concrete mechanisms to overcome the troubles of financial liberalisation and were opposed to export-orientation — it becomes clear that the show put on by the BW sisters in the strictly protected congress valley of Istanbul had nothing to offer to those who have been suffering most from the crisis.

Indeed, the downtrodden took to the streets to protest against the hypocrisy of the BW institutions. Thousands of people protested against the meetings on the very same day that Mr. Strauss-Kahn talked about replacing fear with hope. Trade unionists, socialists, communists and anarchists all converged on Taksim square to shout their slogans and demand an egalitarian world free from capitalism. It was not the lip service paid by the leaders of the international financial institutions, but rather the resistance of the oppressed, that was grounds for hope.

The Turkish left used to have a strong orientation towards activism in the 1960s-70s, but this has since weakened. The left does not seem to have been able to overcome the damages inflicted by the 1980 coup d'état and is split into numerous parties, circles and organisations. The prospects of socialism through electoral success in Turkey are very slim and, due to its relegation from the political scene, the left has not succeeded in promoting strong initiatives that might point the way to an alternative organisation of everyday life. Despite these weaknesses and organisational problems, however, the "IMF war" — to use the jargon

of the mainstream media — may be regarded as a turning point in which the Turkish left took direct action. This cannot be understood through an analysis of the violent response by the police forces. A non-protester aged fifty-five died because of the intense tear gas and about a hundred protesters were taken into custody. The physical violence employed by fascist gangs and the police forces during the demonstrations is not extraordinary, but it was sidelined by the media putting forward images of angry socialists. What has been critical at this juncture is that the protests have sought to elucidate — at the political level and though perhaps not in the most effective of ways — the gap between the promised land of neoliberalism and the everyday troubles of the people. This is not to subscribe to the voluntarist line endorsed by many Turkish socialist groups, but rather to call attention to the way in which the weakened Turkish left intervenes in the political scene: by shouting with all its strength that things are not good, by breaking the windows of branches of banks, by attempting to smash everything that symbolises state power and capitalism.

When he addressed the board of governors, Mr. Strauss-Kahn invited the members of the board to consider how far they have come since the fall of Lehman Brothers on the road to recovery. However, if we look at the experiences of the past, we know that this "recovery" in fact means the condemnation of hundreds of millions of people to conditions of extreme poverty. They have come this far, but can they go any further? In a nutshell, the protests in Istanbul were at least successful in reminding us all that the assessment of the past year by the spokespeople of international finance cannot disguise the discontentment of the masses. They cannot go further without having to face up to the dynamics of resistance. The student that hurled his shoe at the managing director of the IMF at the end of the latter's speech at a university in Istanbul did not time his act well, but the protesters did — by making it clear that we must move beyond paying attention to the hollow forecasts and expectations of the representatives of global capital.



WORKING GROUPS PAGE

Working Groups form the backbone of IIPPE. The purpose of the working groups is to facilitate discussion and collaboration in order to strengthen and further the development of political economy. We currently have working groups organised around 17 topics (see box below for a full list of the WGs as well as contact details for each). IIPPE working groups are at various stages of development with operat-

ing autonomously, subject to conformity with the broader aims of IIPPE. So far, activities organised by IIPPE working groups have included workshops, conference panels, online debates and exchanges of literature and other resources. The IIPPE working groups have brought together researchers from across disciplines, institutions and countries. A number of working groups are planning to launch working paper series and

other collaborative work. IIPPE is looking to expand the diversity and scope of the working groups, and we welcome suggestions and offers to organise new working groups, as well as collaboration with other groups from outside IIPPE. Those interested should contact individual working groups or, for more general enquiries and those interested in setting up new groups, please contact iippe@soas.ac.uk.



Current Working Groups

Agrarian Change
Beyond Developmental State
Commodity Studies
Financialisation
Heterodoxy
International Financial Institutions
International Political Economy
Marxist Political Economy
Minerals-Energy Complex / Comparative Industrialisation
Neoliberalism
Political Economy of Conflict and Violence
Political Economy of Institutions

Political Economy of Work
Privatisation
Social Capital
Socialism
Transition as Development

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Featured Working Group: Minerals Energy Complex - Comparative Industrialisation

South Africa is one of, if not the, most unequal societies in the world. According to Development Indicators released by the government in September 2009, the richest 20% of South Africans consume 70% of the total income of the society while the poorest 20% consume just 1.6%.

Members of the 'Minerals Energy Complex-Comparative Industrialisation Working Group' (<http://www.soas.ac.uk/iippe/workinggroups/minerals-energy-complex/>) are to undertake new projects which we hope will shed light on the reasons for this

situation, and propose measures to help overcome it.

The term 'Minerals Energy Complex' was deployed by Fine and Rustomjee in their 1996 book *The Political Economy of South Africa* and is used to understand the specific form that capital accumulation has taken in South Africa. Working Group members are to produce a new edition which will build on the original volume but update it with new analysis of post-apartheid political economy, including examination of the form and the effect of neo-liberal financialisation and globalisation

on South Africa.

We are also investigating the possibility of intervening in policy debates through the renewal of the far more progressive proposals that were attached to the MERG Report and the RDP before they were abandoned by the ANC in the early 1990s.

If you would like to get involved, contact us at iippe@soas.ac.uk, Samantha.ashman@wits.ac.za, or the e-mail addresses indicated above.

Samantha Ashman

ANNOUNCEMENTS

CALL FOR PAPERS

Historical Materialism Conference

York University, Toronto
May 13-16, 2010

Following the considerable success of the First North American Historical Materialism Conference in April 2007, attended by 400 people, we are pleased to issue a call for papers for our follow-up conference at York University, May 14-16, 2010.

The conference will take place against the backdrop of a profound destabilization of global capitalism alongside significant challenges for labour and social movements. Imperialist wars abound and culture has been drawn into the service of empire. Robust theorizations and critical innovations are needed.

In this context it is vital to develop the resources of historical materialism in addressing the pressing problems of the day and informing all forms of activism, including the intellectual. The conference seeks to combine rich development of historical materialist analysis with critical innovations in areas where such analysis has lagged. The organizers welcome presentations from scholars and activists that reflect the current state of theoretical work and activist mobilization. Themes include:

- Marxism and Philosophy
- Political Economy of Capitalism and the Global Crisis
- Gender, Sexuality and Social Reproduction
- Race, Empire and Resistance
- Ecology and the Environment
- Working Class and Social Movements
- Labour Processes and Class Relations

- Art, Marxism, and Everyday Life
- Revolutionary Experiences since 1848
- Fascism, Militarism, Fundamentalism
- State, Culture and Ideology
- Land, Food and Accumulation by Dispossession
- Marxism and the Urban Experience
- Theorizing Crises in Historical and Comparative Perspective

We welcome individual submissions as well as panel proposals. For individual papers, please send an abstract of no more than 250 words; for panel proposals send a 100 word panel abstract along with paper abstracts of up to 250 words. We appreciate your suggestions about which of the above themes your paper might suits, and also welcome papers beyond these themes. Proposals can be submitted by email until January 8, 2010 to torontohm@gmail.com

CALL FOR CONTRIBUTIONS

New column on 'Labour and the Crisis' from the **Global Labour University**
(<http://www.global-labour-university.org/5.html>)

The Global Labour University (GLU) is a network of Universities offering unique masters programmes to trade unionists around the world (Brazil, South Africa, India and Germany). GLU's courses are jointly developed by universities and workers' organisations and are aimed at students from trade union and social movement backgrounds in developed, developing and transition economies. GLU aims to bring together and inform labour activists to better meet the challenges of achieving sustainable development, the promotion of social justice and international labour standards in a globalising world. To this end, GLU together with

the Corporate Strategy and Industrial Development (CSID) Research Programme at the University of the Witwatersrand, will be publishing a regular column on the crisis, its impact on labour, and labour and the trade union movement's responses and struggles. The first column will be published on the GLU website in October 2009. The current crisis presents both challenges and opportunities for labour. On the one hand labour faces mass redundancies, increasing short time working and further casualisation. On the other, renewed debate has opened up about alternatives to neoliberalism. The acute challenges for labour presented by the crisis can only be met with a collective, coordinated and well informed response. The GLU column on 'Labour and the Crisis' aims to provide a forum in which labour movements and their allies around the world can connect, debate, and share knowledge and experiences. Articles will be short (1000-1500 words) but with high quality and critical content. They should be free from academic or overly technical jargon. Pieces should be factual, informative and useful for union activists and labour researchers and should stimulate thought and debate. We therefore seek contributions along the lines of opinion pieces, journalistic summaries of academic papers, comments on government responses to the crisis, and commentary on unfolding struggles, discussions and debates within specific national contexts and by the global union movement. We seek contributions by academics, labour researchers, trade unions, and trade union federations and we hope that you will feel able to contribute. Please register your interest by contacting:

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Email: iippe@soas.ac.uk

Website: <http://iippe.org>

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