Relationship between neoliberalism and neorealism

NEO-LIBERALISM, NEO-REALISM & THE ' NEO-NEO SYNTHESIS'

Do you agree that neo-realism and neo-liberalism have come so close together so as to form a ' neo-neo synthesis'? Or is the long-standing confrontation between the two very much alive today?

' This positivist-realist legacy has, despite slight differences and dichotomies, persisted in later positivist scholars of international relations: Robert Gilpin, Stephan Krasner, and Robert Kohane. Whereas they have a number of differences to debate, namely anarchy, regime, state cooperation etc., they belong to the Neo-realist research programme which as been called the '' neo-neo synthesis''. Despite the substantive debate between neo-realists and neo-liberal institutionalists, Neo-institutionalism does not actually challenge but complements neorealism . . . This indicates that neo-realism and neo-liberalism are no longer incommensurable: they commonly share the rationalist research programme.'

(Toru Oga, 2000: p. 3)

This quotation is given at such length because it succinctly and excellently gives the theoretical foundation for the notion of a ' neo-neo synthesis', and for the merger and integration of neo-realism and neo-liberalism. For a long part of the twentieth century realism and liberalism, and later neo-realism and neo-liberalism, were bitterly opposed to each other at both theoretical and practical levels: the former espoused a economic and political ideology that viewed the ideal international community as one possessed of *lassiz-faire* economic policies, of free markets and limited government intervention; the later proposed, to the contrary, that the international community should

be a restraint upon nation states, limiting and controlling their political and economic activities, and making them behave according to mutually agreed criteria (Booth, 1995). Considering the antithetical nature of these two positions, it long seemed to supporters of both camps that a synthesis of their positions would be both heretical and impossible. Nonetheless, in the mid 1980's a convergence of the two schools did indeed begin to emerge as it became clear that their differences were not as great as they has formerly assumed, and as other schools of a more radical nature began to attack neo-liberalism and neo-realism alike (Kratochwil, 2000). As Oga suggests above, the two schools came to see that they were both working according to the ' rationalist research programme' and that this joint philosophy might bear better fruit if they co-ordinated their work. This essay however proceeds to argue, using the twin criticisms of John Ruggie's and Alexander Wendt's constructivism and Richard Ashley' and David Campbell's deconstructivism, that the neo-neo synthesis is but a verbal mirage, a rhetorical convergence of ideas that is not a political reality and whose theoretical foundation is both illogical and unhistorical. It will therefore be shown that neo-realism's and neo-liberalism's long-standing confrontation is as alive today as it has been at any time in its history.

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' Social constructivism' first emerged as a challenge to the validity of the neo-neo synthesis of neo-realism and neo-liberalism in the work of John Ruggie (1986) and Alexander Wendt (1989). The principal objection raised by

these scholars to the neo-neo-neo synthesis was that it failed to sufficiently account for or explain the roles and functions of national interests and national and corporate identities in the domain of international politics. In the words of Oda ' *Firstly, the neo-neo synthesis is unable to explain how territorial states formed particular identities and interests. Secondly, it fails to explain how state identity and state interest are co-instituted. Finally, there increasingly emerges the normative factor in international relations, such as humanitarian intervention, which the synthesis totally ignores* ' (Oda, 2000: p. 5). The neo-neo synthesis is therefore criticised on three counts: one, it pays too little attention to how national and territorial identities are formed, and therefore does not have sufficient knowledge of these identities when needing to make informed decisions on international political and economic policy; secondly, this being a related point, the neo-neo synthesis does not make clear the relationship between how state identities are formed and therefore how states will behave internationally in the protection of their interests; and, thirdly, the neo-neo synthesis in entirely impotent when asked to make decisions regarding one of the most significant developments in recent international politics: the emergence of humanitarianism. Thus Ruggie came to define the opposite to the neo-neo synthesis, i. e., constructivism, with the following statement ' *Social constructivists have sought to understand the full array of roles that ideas play in world politics, rather than specifying a priori roles based on theoretical presuppositions and then testing for those specified roles, as Neo-Utilitarians do* ' (Ruggie 1998: p. 867). If this constructivist position is accurate, Ruggie argued, then the neo-neo synthesis cannot also be accurate.

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' On the one hand, the sign of ' sovereignty' betokens a rational identity: a homogeneous and continuous presence that is hierarchically ordered, that has a unique centre of decision presenting over a coherent ' self', and that is demarcated from, and in opposition to, an external domain of difference and change that resists assimilation to its identical being. On the other hand, the sign of ' anarchy' betokens this residual external domain: an aleatory domain characterised by difference and discontinuity, contingency and ambiguity, that can be known only for its lack of the coherent truth and meaning expressed by a sovereign presence'

(Ashley, 1988: p. 230)

A further attack upon the solidity of the neo-neo synthesis has been launched by the deconstructivism school founded by Richard Ashley (1988) and David Campbell (1998) â”€ the criticisms of both centring upon failure of the neo-neo synthesis to properly explain the anarchical nature of the international political domain. According to the rationalistic model of the neo-neo synthesis the international economic and political community must be ordered according to absolutely certain and definite economic and political principles that are open to scientific research and investigation. Likewise, it is a belief of the neo-neo synthesis that economists and politicians are able to make predictions about the nature of the international environment by using these scientifically determined laws of economics and politics; the

above model cannot allow for capricious economic and political events whose causes lie outside of scientific prediction (Lapid, 1989). Deconstructivism on the other hand, as Ashley shows in the quotation above, argues that the order bestowed upon a nation by its ' sovereignty' is not present in the international arena where a lack of sovereignty produces events that defy economic and political laws derived from the economic and political conditions in sovereign states (Ashley, 1988). In different words: the international arena and the sovereign domestic arena are markedly different and behave differently according to different sets of laws. Thus Ashley came to speak of the international arena as place of ' anarchy problematique' (Ashley, 1988: p. 201): a notion considerably developed by the other founder of deconstructivism, David Campbell. In *Writing Security* (1988) Campbell considers the domestic and foreign policies of the United States as an example of the dichotomy between sovereign domestic behaviour and anarchical international behaviour. At the domestic level, successive American governments, be they republican or democratic, produce prudent and conservative policies designed to operate within a narrow ideological range; such policies are designed to appeal to an average American mind-set that is fond of such conservative policies. American foreign policy however manifests itself in much more radical forms, most recently witnessed in the invasion of Iraq, including many policies that violate the political, moral and economic ideologies expected at home. In Iraq, for instance, American policy is forced to respond to anarchical conditions that require very different policies and practices from those employed the homeland of America; these normal freedoms and rights are suspended because of the changed anarchical conditions over which America presides in Iraq. The explanation

for this policy and ideological dichotomy rests upon a difference of identity: American citizens identify themselves at home, due to long tradition and experience of certain rights and freedoms, as possessing these absolutely and do not permit their governments to make major deviations from these; in the international arena however the identity of those making policy is not so strongly tied to cultural or individual identity but is rather an abstract spectre that can as such justifies more anarchical policies. Thus Campbell famously stated that ' *Identity can be understood as the outcome of exclusionary practices in which resistant elements to a secure identity on the '' inside'' are linked through a discourse of '' danger'' with threats identified and located on the outside. Foreign policy, being those practices of differentiation implicated in all confrontations between a self and other, embraces both positive and negative valences* ' (Campbell, 1998: p. 73.). The neo-neo synthesis, according to Ashley, Campbell and others of the deconstructionist school cannot properly exist in the form it pretends to because it does not take sufficient account of the anarchical element in international politics.

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In the final analysis, it can be stated with some assurance that the ' neo-neo synthesis' is a desperate verbal illusion created by neo-liberals and neo-realists alike when jointly threatened by the strength of the constructivism / deconstructivism critique. The eminent political scientist Francis Fukuyama predicted in his famous *National Interest* article of 1989 entitled *The End of*

History that differences of economic and political ideologies would soon be a thing of the past as the world, driven by forces of globalization, came together behind the consensus that liberal democracy and capitalism represented the end point of human history and would soon create a homogenous political order (Fukuyama, 1989). Deeply influenced and threatened by the persuasiveness of such ideas, and so by the notion that their own ideological differences might become superfluous; scholars of both schools created the ' neo-neo synthesis' as a self-defence mechanism. This mechanism has subsequently been revealed as both illogical and irrational by the criticisms levelled against it by the constructivism and deconstructivism schools. The pretence of ideological unity is falsified by the practical manifestations of both theories, which diverge radically and which show that the long-standing confrontation between the two positions is as alive today as at any other time before.

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