

# **The Demystification of Global Finance: A Feminist Interpretation**

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YCISS Occasional Paper Number 44

March 1997

Dramatic global and local phenomena associated with economic restructuring are reshaping the ways we view interpersonal and transnational relations. The relationship of citizens to their governments, of governments to governments, and of non-governmental organisations to each other is altering in ways that challenge our understanding of government and governance, and power and politics. Much of the discourse associated with global restructuring and globalisation casts the ‘new world order’ (NWO) as an inevitable, primarily economic process bringing positive change. But this emphasis on economic processes masks a multitude of broader and deeper dimensions of the emerging global order.

Transnationally, restructuring and globalisation discourse has a complex, many-faceted political, social, and economic impact. Traditional academic ‘disciplines,’ with their often narrowly drawn paradigms of understanding and explanation, have been unable to cope with the complex impact of global restructuring and have struggled individually to understand the subtleties and intricacies of these processes and the accompanying discourse. With linkages to several traditional fields, international political economy (IPE) has emerged as an area especially well positioned to deal with the *interdisciplinary* nature of globalisation.<sup>1</sup>

Given its multidimensional impact, academics and policy makers alike have expressed a need to broaden discussions of global restructuring to include more than the military-centric research which has traditionally received the majority of attention and funding. A dramatic reordering of priorities has resulted in a new urgency to understand international political economy. In particular, there has been increased appreciation for the relevance of global finance and its relationship with governmental and non-governmental politics. The extent to which issues and effects of global finance are interwoven with all ‘levels’<sup>2</sup> of social life is beginning to be realised in more systematic and interdisciplinary ways in the literature of IPE, Political Science, Economic Geography, or Green approaches. However, in spite of the need for more critical and inclusive perspectives on the global, national, and sub-national repercussions of trends in financial policy making, the majority of current research is relatively conservative and

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<sup>1</sup>This is particularly the case for ‘critical’ IPE (see, for example, Gill and Law, 1989; Cox, 1987; Jenson, et al., 1993). In addition to those within IPE that espouse a critical approach to globalisation, there are cross discipline critical approaches, for example, in the fields of economic geography (e.g., Corbridge, Martin and Thrift, 1994; McDowell and Court, 1994 [who are multidisciplinary]; Shachar and Oberg, 1990; Hodder and Lee, 1974), and Green political thought (e.g., Dobson, 1990; Elkington and Burke, 1987; Merchant, 1990).

<sup>2</sup>Feminist authors note the problems inherent in discipline imposed ‘level’ divisions that blur the ways in which phenomena can be simultaneously multi-levelled. Research at the systemic level, for example, is often ‘abstract’ and ‘gender-neutral.’ It is crucial not to simply disregard the discussion on ‘macro’ processes, but rather to seek places for feminist incursions and, as I have suggested, cross-levelled linkages therein.

non-critical. Alternative perspectives outside of traditionally defined *economic nationalist*, *liberal*, and *radical* (read Marxian and/or Gramscian) divisions are missing. While critical perspectives have explored the ways in which the influence of the liberal financial order extends beyond the economic into cultural, political, and social aspects of life, feminist<sup>3</sup> approaches can contribute to this research by providing additional insights about the effects of identity politics, as well as the ways that dominant powers operate across micro, meso, and macro levels.<sup>4</sup> This linkage may prove especially useful in efforts to improve accessibility by demystifying global finance for those who are affected by its processes but who are left out of its policy making circles. It is at this juncture that feminist frameworks and perspectives could be enlightening.

Over the years, feminist IPE interventions have linked the public and private roles of individuals, institutions, and broader global structures, and have thus improved our understanding of these processes and our ability to ask new questions. This research often highlights reproductive *and* productive aspects of the economy, as well as the broader social and cultural implications of the current environment. Their work has primarily focused on structural adjustment and development, shedding light, for example, on the problematic and gendered implementation of International Monetary Fund (IMF) and World Bank (WB) policy in ‘third

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<sup>3</sup>While I am concerned with the position and treatment of *women*, just ‘adding’ women as a group or a category to current analyses of global finance may prove interesting yet inadequate. We must also understand *gender* (as a socially constructed concept of masculinity/femininity and male/female), or the “social construction of power inequalities constituted by the hierarchical dichotomy — pervasive in discourses, practices, institutions and identities — of masculine over/against feminine.” (Peterson, forthcoming: fn. 1, p.1) However, it is also not sufficient to study *gender* or *women*, as categories of research, without reference to race, class, ethnicity, heterosexism, etc., given that these categories are interconnected and not mutually exclusive. The term *feminist* helps us to identify a body of research that includes questions about women and gender, but may also seek linkages to broader research on other social categories. This paper contributes to a larger body of research with an acknowledged political agenda that seeks the empowerment of women and men by exploring problematic structures and processes in order to eliminate multi-levelled oppression. This ‘broader brush’ construct then is more useful particularly as we are exploring areas of *potential* research.

<sup>4</sup>Specifically, micro level research focuses on the individual, macro approaches emphasize the state/system level, and *meso* approaches examine the structures linking micro and macro phenomenon. Elson discusses the recent move in economics to introduce a ‘new’ level of analysis, the *meso*: “Meso analysis concerns itself with the structures that mediate between individuals and the economy considered as a whole, by providing economic signals, costs and benefits, and typically focuses on markets, private-sector firms and public sector services.” (Elson, 1994: 33) While the addition of a level may help to break down the micro/macro dichotomy, it may also add more complexity. Elson not only discusses the ‘new’ level, but also discusses “feminist strategies for enabling economic analysis at these three levels to contribute towards the empowerment of women, rather than perpetuation of their subordination.” (Elson, 1994: 33). This strategy applies in this paper as well, but the concept of empowerment is extended to all who are disempowered by both the operation and the study of global finance.

world' contexts. Yet, while early work on 'restructuring' and macro economic policy in certain advanced capitalist contexts has contributed to our collective understanding of these processes,<sup>5</sup> consistent multi-levelled linkages and an inclusion of questions of global finance within a global framework remain little explored areas of research.

Feminist views of the gender politics of global finance may suggest new, otherwise unobserved questions about common issues such as exchange rate policy, interest rate policy, capital flight, and bond rating processes as they relate to current globalising trends. This research can complement existing perspectives on these issues. For example, Sinclair (1994) explores the ways in which non-governmental global governance is occurring in secret processes of credit rating. Missing from Sinclair's analysis is attention to existing identity undertones influencing both agency, composition, and the actual procedures and protocols utilised to make rating decisions. Exploration of the gendered knowledge creation and the location and form of power in global finance might offer new insights into the politics of bond rating. The secretive nature of this process renders it potentially problematic as a form of regulation or governance because it operates outside more accountable forms of governance. By overlooking the identity politics of this and other forms of governance, existing restructuring (and democratisation) research provides only a partial and inadequate view of current global processes.

There is a need for feminist work to explore the gendered processes and the gendered effects of global finance and global restructuring that is situated at the intersection of IPE, economics, and politics. In order to examine the theory, meta-theory,<sup>6</sup> and practise of global finance through a *gender-sensitive* lens, I situate my research within a broader feminist project. With a theoretical framework informed particularly by current feminist sociological, post-colonial, critical economic, structural adjustment, and development literature, as well as mainstream political economy literature, I will begin to address the multi-levelled social, political, and economic inter-connections of restructuring processes.<sup>7</sup> These processes and

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<sup>5</sup>This includes M. Cohen's (1994) work focusing on Canadian restructuring.

<sup>6</sup>Meta-theory provides us with an understanding of the process of theorising, or knowledge production. It is at this level that decisions are made that will affect the inclusion or exclusion of certain concepts or ideas, and the form of rationality that will be invoked in the realm of global finance.

<sup>7</sup>It is important to recognise the extent to which nation-state research fails to make the cross-level connection required for research on restructuring. For example, current feminist and mainstream economic research on the relationship between Hungary, the IMF, and the global financial community does not systematically consider the impact dynamics of the global financial market or the macro/micro intersection of global finance and economic, political and social restructuring in Hungary. For example, the current regime has moved to a system that includes a flexible exchange rate system. The rapid change in exchange

effects come to light, in part, through an examination of the *discourse* created by economics, IPE, and global finance. As well, utilising a small set of practises associated with global finance, I examine the links between feminist macro-economic policy literature and the operations of finance on a global scale, and conclude by suggesting some potential directions for future research that might promote fresh thinking about IPE and global finance, its discourse, the centrality of ‘the market,’ and the increasingly complex social and political relationship between production and reproduction.

What are the gender politics of power and knowledge at play here governing inclusion and exclusion, and the control of language and meaning? The discursive dynamics that discourage feminists from engaging in the economics/IPE/global finance discourse also hinder efforts by mainstream approaches to consider alternative ‘critical’ dimensions beyond solely class-based approaches. When an exclusive and inaccessible language or *jargon*<sup>8</sup> is created and perpetuated, particular understandings are privileged. What is striking about the growing recognition of the political importance of global finance is the increased interest in understanding its linkage to other areas of politics. Global finance is not merely more politically relevant, but is also a likely location for a type of *high politics* which is similar in form and operation to the power politics of security studies.<sup>9</sup>

## **Discourse and the High Politics of Global Finance**

Feminist academics have become increasingly sensitive to the role that discourse and representation play in the subordination of women. A discourse can be judged as sexist when women are either ignored or debased, and patriarchal when it assumes and inscribes a sexual division of labour into a representation, thereby

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rates has a differential effect on sectors of the economy that are themselves gendered, such as the textile and service sectors.

<sup>8</sup>Language or jargon that is inaccessible is problematic for all academic and policy writers, be they critical or non-critical. It is important not to mistake complex language for a more sophisticated argument. This criticism has also been made about feminist revisions of political science. The challenge for all academics is that it is sometimes difficult for those in our own fields to understand our work unless it is written in familiar language. Of course, this means that for those outside of our small academic circles, our work is often opaque and its relevance to daily life is often unclear.

<sup>9</sup>If global finance has become a new form of high politics, valued in new ways by governments, we need to understand the internal dynamics and operations of this area, with attention to this new importance. Who determines the form and content of finance discourse and how does this affect access and accountability for those outside the inner circles of global finance? Decisions taken far from existing parameters of accountability affect governments and individuals alike who are unable to participate in these decisions.

denying women and men the same access to self-determination. Finally, and most insidiously, a discourse is phallogentric when it represents highly gendered social agents or processes in terms of universals and genderless abstracts such as 'worker,' 'entrepreneur,' and 'competition.' (Brodie, 1994: 48, cites Grosz, 1990: 149-51)

Discourse is not an easily definable concept. It is constructed out of the interaction and cooperation between language and speaker or reader, and is therefore *inter-subjective* in that it is the result of the mediation "between language-users: not only in relationships of speech, but also of consciousness, ideology, role and class." (Gunew, 1990: 19, quoting Fowler, 1977: 80-81) Gunew also examines the work of Michel Foucault on the operation of power relations and concludes that:

...discourse serves desire and power and arguably other combinations, such as reason and folly, truth and falsity, at the same time that it covers over these relations. The prohibitions which regulate discourse determine who may speak and who may not and what conventions need to be employed. Foucault's later studies concentrate on what is left out of these discourses and what is covered over by them. (Gunew, 1990: 19)

Gunew acknowledges that language in its relationship to discourse is "neither a neutral tool nor a transparent reflection of reality." (Gunew, 1990: 19) Rather, perception of reality is shaped by language. What appears to be the *real* world is in fact a construction that depends upon social, cultural, and historical context. Thus, the ways in which discourse is gendered, as identified by the above quotation by Brodie, are important to understand because of their role in the construction of reality or what 'is.' Our comprehension of discourse and of language within that discourse is extremely important because it helps in attempting to unearth relationships of power in all forms of politics.

...the deep-seated discursive formations which determine the production of knowledge in a given period are intimately bound up with non-discursive factors defined as 'an institutional field, a set of events, practices, and *political decisions*, a sequence of economic processes that also involve demographic fluctuations, techniques of public assistance, manpower needs, different levels of unemployment, etc.' (Foucault, 1972: 157) ...Thus, discourse or a particular discursive formation is to be understood as an amalgam of material practices and forms of knowledge linked together in a non-contingent relation. (McNay, 1992: 26-27, emphases mine)

McNay highlights the ways in which the material and non-material are linked together in Foucault's theory of discourse. For this paper, what is required is a definition of discourse reflective of these interconnections which takes into account the complexities of social life. Non-discursive elements, like the "political decisions" Foucault described, are made meaningful in the context of a supporting discourse. So the rationality of a decision to invade a given country, for example, is established by the supporting military-security discourse. For this reason it is important to observe that discursive and non-discursive aspects intertwine to create a more complete picture of the constructed reality of globalisation. Discourse is understood here to mean not only the language and ideas that create and perpetuate our comprehension of economics, politics, and globalisation, but also includes the intellectual and cultural framework that supports ideas and language, the social framework for the interrelations between individual participants that gives meaning to the concepts and connections, and the material conditions within which all of this operates.

The concept of discourse helps us to understand the roles of language, rationality, socialisation, and knowledge production as they collectively contribute to and reproduce the exclusive mind set of global finance. Language in discourse is power. It is the power to define, describe, and determine understanding and to construct *reality*. The complexity of this helps to explain the difficulty encountered by those with alternative views in their efforts to ask new questions and to begin from a different set of assumptions and life experiences. Discussion of concepts like social reproduction is unlikely to occur in a capital-based framework that focuses so heavily on the accumulation of wealth. Central concepts like profit or security exert a dominance so complete that alternative perspectives or values are inconceivable. Cohn's well known study on the language of defence intellectuals, for example, highlights the power of a gendered discourse and illustrates the irrationality of policy making boardrooms where the language and discourse of missiles and megatons leave no room for comprehensive concepts of peace and non-militarised personal security. (Cohn, 1987)

Cohn examined this exclusive defence and security community of experts and found them to be remarkably insulated and self-contained. The form and content of the language which is associated with this community encourage and reinforces this insulation. This abstract *techno-strategic* language disembeds and disembodies debate from social and historical contexts. (Cohn, 1987: 690) This is because, as Cohn asserts, "the 'reality' of which they speak is itself a world of abstractions." (Cohn, 1987: 709) Emphasis in this language is placed on 'controlling' or 'managing' nuclear weapons by the experts. This makes the users of strategic language themselves powerful through their ability to *create* meaning and deploy this meaning to produce a desired response. (Cohn, 1987: 704)

This “militarisation of the mind” (Cohn, 1987: 714) limits the potential to think in new ways because users are transformed by the language. Constructed around a particularly militarised masculinity, strategist identity is transformed by this language and discourse. Cohn recommends “recognizing and developing alternative conceptions of rationality . . . creating rich and imaginative alternative voices — diverse voices whose conversations with each other will invent these futures.” (Cohn, 1987: 718) But how do ‘we’ accomplish change in a discourse that transforms us as we engage in it? Is there a location ‘outside’ the dominant discourse that would permit a different type of engagement with economics, global finance, and IPE? Perhaps, but the difficulty lies as well in the way in which the dominant discourse itself appears to empower its users, individually and collectively.<sup>10</sup>

Experts who have mastered the language of profit have developed an ‘economised’ mind set which is comparable to the militarised mind of the defence community. In this way, the financial community is trained and socialised as an ‘inner circle.’ This makes them major players in the transformation of global finance into ‘high’ politics or power politics (see, for example, Whitworth, 1994: 117). Although these individuals have some ability to alter their behaviour and language, and therefore to affect discourse generally, they are also constrained by their sense of values, as well as their conception of reason and rationality.

The shared ethics of wealth accumulation guides the actions of these elites and other market players. The full-time, 24 hour world of finance discourages competing value systems

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<sup>10</sup>Waring sees this impact on ecological movements in the language of ‘sustainability’ used to refer to natural resources, materials, energy, and people to create “ecosystem goods and services.” (Waring, 1994: 156-7) She identifies the quantitative language of economics is with patriarchal power, “It’s the source of knowledge, it keeps us out of the argument; it’s an argument carried on in an obscure language which means that the majority of the people can’t participate.” (Waring, 1994: 161) The point is that it is difficult to speak to those within from outside the inner circle. Language itself helps to build the borders or boundaries of empowerment that make it “very, very tempting to think that since economics is all powerful, the way in which we can empower our beloved ecosystem is to give it monetary value — quantify it.” (Waring, 1994: 159) This, she concludes, leads ecological economists to construct biological and ecological accounting systems “...bigger models, with feedbacks, and they even have debit sides!” Waring, (1994: 156) Once engaged in this discourse, it becomes difficult to move away from quantification tendencies. Speakers are forced to speak within the framework of the dominant economics discourse and to use its assumptions and constructions in order to be ‘understood’ and valued.



that often arise in social democratic states.<sup>11</sup> Knowledge is disembodied<sup>12</sup> into exchanges of ‘neutral’<sup>13</sup> numerical information circulated among global players who are themselves often only tangentially associated with the material wealth of the exchange. Money, its exchange and accumulation, is both virtual and ‘real’ and acts as the discursive and non-discursive ‘currency’ of global finance. It is not an entity removed from social reality. Rather the *valu-ing* of money, and the power relations that determine and sustain its nature, form, operation, and meaning, creates the decontextualised and depersonalised profit maximising ‘reality’ of global finance. In addition to the shared values and assumptions of capital accumulation, individual players in global finance also share a common instrumental sense of reason and rationality that is consistent with market behavior.

The form of instrumental rationality associated with profit-maximisation is prioritised as applicable to individuals and states alike in a self-regulating market environment. Tickner argues that this form of rationality results from its basis in public sphere activities. She asserts that the liberal and economic nationalist perspectives:

...rely on an instrumental, depersonalised definition of rationality that equates the rationality of individuals and states with a type of behaviour that maximises self-interest...since rationality is associated with profit maximisation in capitalist societies, the accepted definition of rationality has been constructed out of activities related to the public sphere of the market and thus distinguished from the private sphere of the household. Feminists argue that, since it is men who

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<sup>11</sup>No longer is productive investment the dominant form in professional finance, now extractive investment is central which “creates money or buying power...without creating anything of corresponding value... The extractive investors’s gain is at the expense of other individuals or the society at large.” (Korten, 1995: 195-6)

<sup>12</sup>Harcourt concludes that the language of economics is associated with “purity” or superiority of its association with *episteme*, or an instrumental form of disembodied, logic, and rationality knowledge. She compares this form to practised embedded *Techne ‘doing’* knowledge. As Harcourt asserts, “western civilisation has learnt to consider episteme as the only pure knowledge and has elevated episteme to superior knowledge and relegated techne to no knowledge at all.” (Harcourt, 1993: 13, citing Marglin, 1990. emphasis mine.) What results from this privileging of epistemic knowledge and the accompanying Western scientific view of the ‘real world’ is a form of rationality which is reflective of the “objectivist metaphysics (phallogo-centrism) of western philosophy. Constraining (and enabling) how we conceptualise and make sense of our experience/world, this metaphysics of identity naturalised a now familiar litany of hierarchical dichotomies: subject-object, culture-nature, mind-body, public-private, etc., *that are based on the dichotomy of masculine-feminine.*” (V.S. Peterson, forthcoming: 8, emphasis in the original.)

<sup>13</sup>Elson (1994) questions the ‘neutrality’ of money, suggesting that “money and all its forms (prices, wages, rates of interest, and so on) become ‘bearers of gender,’ expressing male bias both in quantitative terms...and in qualitative terms. Money is not gender neutral.” (Elson, 1994: 41)

have primarily occupied this public sphere, rationality as we understand it is tied to a masculine type of reasoning that is abstract and conceptual. (Tickner, 1992: 91)<sup>14</sup>

This dominance of Western values and rationality is important because it shapes interpersonal relations and creates the parameters of choice. Alternative, less abstract, more personal conceptualisations of rationality that are grounded in daily life, such as Tickner's *ethic of care and responsibility* (Tickner, 1992: 91),<sup>15</sup> are rendered irrational.<sup>16</sup>

But this construction of 'rational' economic man is problematic not simply because this construction promotes a certain type of behaviour, but also because it fails to completely explain the type of behaviour and decision making prevalent in global finance. Individual actors in the market, such as stock market traders, are presumed to make decisions which will result in rational policy outcomes. Wriston (1992) argues that the 'market' itself (as an entity) decides the fates of governments and corporations alike:

In the international financial markets today, a vote on the soundness of each country's fiscal and monetary policies, in comparison with those of every other country in the world, is held in the trading rooms of the world every minute of every day... Just as politicians often manage to trick the electorate for a short period but in the end are found out and removed from office, so central bankers, finance ministers, and parliaments sometimes imagine that their words can affect the price for currencies. But over time the market will not be fooled: Fundamentals will always prevail. The politically astute officials are the ones

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<sup>14</sup>This form of instrumental rationality, associated with the concept 'economic man,' is applied broadly to both the operations of the 'self-regulating' market and the 'sovereign' gender neutral individual in that market. In addition to Tickner, see especially Ferber and Nelson (1993) for a discussion of the construction of the market man. On public/private and rationality in the context of institutionalist economics see, for a recent example, J. Peterson and D. Brown, 1994.

<sup>15</sup>Tickner describes this form of rationality as one that "would be compatible with behaviour more typical of many women's lived experiences and would allow us to assume rational behaviour that is embedded in social activities not necessarily tied to profit maximization." (Tickner, 1992: 91) This form of rationality might include a sense of responsibility for the ecology, future populations, as well as the household. (Tickner, 1992: 92)

<sup>16</sup>Nevertheless, Tickner, Harcourt and other critical feminist authors expressly seek to *re-value* other more embedded and embodied ways of knowing and to challenge the dominance of Western values. See also Elson, 1992 and 1994; Mies, 1986; Peterson, 1994; and Vickers, 1991. Examples of 'critical' feminist economics include: Bakker, 1994a, 1994b and 1994c; Elson, 1994; Ferber and Nelson, 1993; and Tickner, 1992. Here questions of modernity and post-modernity offer insights and potential avenues for feminist interventions.

who see where fundamentals are driving the market and then jawbone it in that direction, hence, the phenomenon of cockcrow followed by sunrise. (Wriston, 1992: 67-68)

But the ‘voting’ by traders suggests that it is not just a common set of information that underlies this voting, but rather a common interpretation of the meaning of this information. For Wriston, the traders are simply following the rationality of a market that “will not be fooled.” However, individual actors, be they leaders or followers of aspects of the market, share a common rationality that helps to *create* the social ‘reality’ of the market.

Market actors seem to follow a form of bandwagon rationality that to an outside observer appears, ironically, irrational. The now familiar quotation from Keynes is suggestive of this apparently contradictory *ir*/rationality:

...professional investment may be likened to those newspaper competitions in which the competitors have to pick out the six prettiest faces from a hundred photographs, the prize being awarded to the competitor whose choice most nearly corresponds to the average preferences of the competitor as a whole; so that each competitor has to pick, not those faces which he himself finds prettiest, but those which he thinks likeliest to catch the fancy of the other competitors, all of whom are looking at the problem from the same point of view. It is not a case of choosing those which, to the best of one’s judgment, are really the prettiest, not even those which average opinion genuinely thinks the prettiest. (Keynes, 1973 [1936]: 155)

In this unpredictable ‘beauty contest,’ billion dollar decisions are made based on moods, temperament, and irrational ‘hunches.’ The environment of the market, as well as the behaviour of gendered individuals, interact in discursive and non-discursive ways to reproduce the dominant, gendered identities of global finance.

McDowell and Court (1994a and 1994b) discuss the ways both discourse and gendered identities have a direct impact on the sociology of global finance and the operation of the global financial market. In their research on the London Stock Exchange, they found the most well defined and rigid gender roles in the entry level positions and the least in the senior positions where individual characters are more recognisable.<sup>17</sup> Secretaries are primarily women and are hired to be feminine. Floor traders are chiefly young men hired to be the stereotypical

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<sup>17</sup>An analysis of these influential elites in other settings (e.g., the Toronto Stock Exchange or the New York Stock Exchange) would be valuable for comparison. Is this environment reproduced in other settings of the same global market system?

aggressive male. These young men usually last only a short period of time in this high-stress position before they burn out. Their socialisation is not only by learning dominant behaviour of the establishment, but also through the common use of gendered language:

In the City the Eighties were one long hard on, everybody had the horn — every thrusting merchant banker; every double-dealing broker; every hard-nosed limp-dicked lawyer (yes, even they could get it up) — and they weren't too fussy who they screwed. Clients came. Clients went. Here today and screwed tomorrow... And was all this frenzy about reshaping British business? Forget it. Size! Who could pull off the biggest deals? Who could command the biggest fees? Who had the biggest cock in town? That's what it was all about. (McDowell and Court, 1994a: 238, quoting Moore, 1992: 34)

In the Canadian and U.S. contexts, the picture is much the same. There is *hard* and *soft* currency,<sup>18</sup> a demand system of the *macho market economy* (Dobson, 1993: 153), the “masters of the universe riding in on their horses — quick draw, quick fire and ride off into the sunset” (Sharpe, 1994) on the floor, and *FATS (Female Arbitrageurs Traders and Short Sellers)*. (Faludi, 1991: 68-9)<sup>19</sup> The gendered nature of this discourse contributes to the creation and maintenance of a dichotomised form of masculinity and femininity that affects the constitution and operation of global finance.<sup>20</sup> The dominant gender hierarchy that privileges this form of masculinity and femininity is embedded and reproduced by the environment of perpetual socialisation that is provided by trading houses, the exchange. The effect of this socialisation, coupled with the general influence of the globalisation discourse makes it difficult to challenge the gender hierarchy of global finance. However, recognition of the importance of discourse and the political and social role of gender in this discourse, creates the potential for the application of this knowledge to develop a better understanding of otherwise hidden dynamics of global finance.

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<sup>18</sup>Ostensibly a question of metallic or paper convertibility. See, for example, Strange, 1988: 91.

<sup>19</sup>J. Ewener (1996) suggests that the solution to “stimulating” corporate interest is “testosterone treatments.”

<sup>20</sup>The concept of gender hierarchy is important because it is associated with the structural power that lies at the heart of this relationship. V.S. Peterson identifies the relationship succinctly: “Gender hierarchy describes systems of structural power that privilege men and that which is associated with (hegemonic) masculinity over women and that which is associated with femininity... By masculine ‘privileging’ I refer to men’s appropriation of women’s re/productive labour, their disciplining of women’s bodies/sexuality, and their dominance in society’s important institutions and in the production of ideologies, especially those pertaining to gender.” (Peterson, forthcoming: Fn. 1, p. 1-2)

Is it necessary for feminist authors to learn the language of global finance in order to challenge some of its operating dynamics? This is unclear because it is also possible that the action of learning the language of global finance may be so co-optive that critical perspectives are neutralised. In order to avoid this co-optation as much as possible, the next section begins with feminist interpretations of globalisation and incorporates global finance into these interpretations.

### **Incorporating Global Finance into Feminist Perspectives on Restructuring**

...feminist critical economics has begun to show us how we can demonstrate that not only is the personal political, *the impersonal is political too!* (Elson, 1994: 38, emphases mine)

Globalisation is, at minimum, a contested term within IPE and International Relations (IR). In part, some of the debate as to whether globalisation is a new phenomenon or a continuation of historical process relates to our understanding of change, stability, order, and disorder at various levels of society. At a very basic level, globalisation is a process of restructuring that involves not only capitalist or liberal institutions, but a broader cultural, social, political, as well as economic global change. Robert Cox promotes a historically grounded (if economic) understanding of globalisation.

According to Cox, globalisation or *global perestroika* is “the result of structural changes in capitalism, in the actions of many people, corporate bodies, and states, that cumulatively produce new relationships and patterns of behaviour.” (Cox, 1992: 26) He argues that the structures of globalisation include a weak territorial division of global finance, governance without government, and an internationalised state. State independence is being eroded as new sovereignties are taking shape that both reinforce and challenge the existing order. (Cox, 1992: 30) The dialectical relationship between the “principle of interdependence” or the idea of unconstrained global finance, and the “territorial principle” — a more traditional state bound form of political power (Cox, 1992: 36-37) — orders and reorders the current structures and relationships. Crucial to his interpretation of globalisation is Cox’s vision of the coexistence of both the means of maintaining and the means of destroying the current structures in this dialectical relationship. Crisis, military or financial, of the existing order therefore creates the opportunity to fundamentally change social, economic, and political relations.

...a financial crisis is the most likely way in which the existing world order could begin to collapse. A new financial mechanism would be needed to seize the

initiative for transcending the liberal separation of economy from polity and for reembedding the economy in a society imbued with the principles of equity and solidarity. (Cox, 1992: 31)

This solidarity, perhaps arising from the organisation of existing social forces,<sup>21</sup> could be associated with a counter-hegemonic bloc which has challenged the hegemonic bloc of existing global capitalist order, and reestablished the linkage between the economy and society.

While Cox's view of globalisation is useful, Gill explores the complex tapestry of the current stages of neo-liberal restructuring with more attention to the state, societal, and cultural aspects of globalisation. Beginning with the questions, "globalisation of what, where, and for whom?" Gill suggests that:

...globalisation is part of a broad process of restructuring of the state and civil society, and of the political economy and culture. It is also an ideology largely consistent with the world view and political priorities of large-scale, internationally-mobile forms of capital. Politically, it is consistent with the outlook of affluent minorities in the OECD and in the urban elites and new middle classes in the Third World. The current phase of economic globalisation has come to be characterised...by *oligopolistic neo-liberalism*: oligopoly and protection for the strong and a socialisation of their risks, market discipline for the weak...it is many-faceted and multidimensional and involves ideas, images, symbols, music, fashions, and a variety of tastes and representations of identity and community. (Gill, 1995: 405, emphasis in the original)

This broad emphasis on the state, civil society, political economy, *and* culture assists in the development of connective multidisciplinary research.

Feminist IPE literature highlights elements otherwise not identified as relevant within macro-economic (especially monetary) aspects of the processes of globalisation. As Elson suggests:

...(m)ost critical economics, however, shares with neo-classical economics a lack of gender analysis at the meso- and macro-levels. Although individuals are conceptualised as gendered in the critical economics of the family, markets and firms are not generally conceptualised as gendered in a comparable way, although they may operate in ways that are particularly constraining and disadvantageous to women. At the macro-level, gender is absent altogether: the discourse is all about monetary aggregates. (Elson, 1994: 38)

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<sup>21</sup>Cox (1987) identifies the role of social forces as essential to the challenge of one hegemonic bloc and to the formation of alternative blocs.

There is a need to investigate the absent gendered dimensions of macro-economic policy, as we seek to establish cross-leveled linkages. Specifically, discursive and non-discursive analyses focusing on state and non-state market control, management of the restructuring processes, and existing state and global regulatory mechanisms can be usefully enriched by feminist perspectives that link practises and policies made at the macro level to meso and micro level phenomena.

Although degrees of sophistication vary across this broad sub-section of literature, there is certainly a deep understanding of the human and ecological implications of the current processes of globalisation. These implications are linked directly to the ways in which the state, as a failing actor in this time, is being forced to deal with the transnationalisation of capital and that of labour. Questions of state autonomy and dynamics of power and control involved in mobile capital, interest rate policies, *and* exchange rate policies offer points of linkage for critical discussion.

In global, national and sub-national forms, IPE/IR feminist authors broadly theorise relations and locations of power and control, often focusing on the effects of the construction of ‘options’ and categories (state, market, household, workers, etc.) in the mainstream discourse, and the discursive and non-discursive ‘ordering’ associated with restructuring. These authors critique, both at the level of discourse and policy implication, the phallogentrism of conventional approaches. Considerable feminist research exists that critically examines the gender bias of mainstream approaches to development and restructuring in developed and developing contexts.

“Women/gender in development”<sup>22</sup> research highlights the transnational power relations of management and control that underlie the creation of current development policies, and problematizes the rationale behind both the neo-classical and macro structuralist approaches. (Elson, 1993: 240) Structuralist approaches, she suggests, look primarily at fiscal and monetary policy and their linkage to a “social matrix” which emphasize class. Conventional micro approaches are equally problematic, according to these feminist perspectives because they presume the rational economic man, and only include women as consumers along “choice theoretic” lines. (Elson, 1993: 240) In discursive terms, assumptions and presumptions of efficiency and ‘economic’ growth oriented strategies figure prominently in this conventional literature. Feminist authors question this narrowness and seek to value *both* production *and*

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<sup>22</sup>Rathgeber (1990) details the trends in research as well as practise and the evolution of development approaches from “Women in Development” (WID) to “Women and Development” (WAD) to “Gender and Development” (GAD). See also Elson, 1993; Kabeer and Humphries, 1991; and Harcourt (mimeo).

reproduction in development. This *relationship* is key in a number of feminist IPE approaches because it is believed that discussions of restructuring/globalisation that fail to grasp the role of reproduction in relation with production will be shortsighted and incomplete at best. Some of this literature draws attention to the ways this mainstream development discourse locates women as symbols or misses their existence altogether by creating gender neutral, abstract constructions of the state, the market, the worker, and even “the household.”<sup>23</sup>

One stream of this literature which has particular relevance to this discussion deals specifically with the problems of populations of countries that suffer from tremendous debt.<sup>24</sup> Internationally debt reduction policies encourage the implementation of structural adjustment policies (SAPs) that result in the removal of social safety nets and the disruption of social structures. Both the debt and the deficit are often used by governments as tools to defend and ‘legitimise’ the latest round of restructuring.<sup>25</sup> Social programmes are targeted. In Canada, for example, deep cuts are being made to education, social, health, and welfare programmes. Restructuring language renders the loss of social democracy a *fait accompli*, a necessity for the sake of national economic survival.

While there has been a loss of policy autonomy, it is the *discourse* on this loss of autonomy that provides the vehicle for ‘rational’ restructuring. Yet debt reduction is deployed as another discursive tool to promote a particular form of global order that relieves nation-states of social responsibility while it maintains political legitimacy. Pauly asserts that “corporate financiers, as well as representatives of national governments, among the largest borrowers of international capital, use the language of inevitability to obscure the notion that other normative choices are conceivable...it is an anti-political language.” (Pauly, 1995: 384) Policy autonomy

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<sup>23</sup>It is important to note that there is critical non-feminist literature that also draws attention to the role of the household (e.g., Cox, 1987). However, by failing to explore the gender dimensions of household economics, this literature falls short of providing a clearer image of the politics of micro/macro distinctions.

<sup>24</sup>A second body of literature tied to international development approaches questions the gendered implementation and effects of austerity programmes, and the arguably systematic ways that women have been left out of the ‘equation’ (see, for example, Afshar and Dennis, 1991; Bakker, 1994; Beneria, 1989; Beneria and Feldman, 1992; Moser, 1989 and 1993; and International Women’s Seminar, 1990). One excellent area of a growing body of feminist literature specifically on the subject of the debt as it relates to developed/industrialised countries, is the extensive work of M. Cohen on the Canadian context.

<sup>25</sup>For an interesting discussion of interpretation, representation, and subjectivity in relation to IMF discourse and Peruvian debt see Weber (1990). She utilises Samuel Weber’s “alternative understanding of debt as the constitution of an interpretive foundation which enables participants to claim legitimate speaking positions” to contextualize a Reading/writing debate between Peruvian presidents Belaunde and Garcia. (Weber, 1990: 353)



may not be gone in all circumstances when crisis situations force decision makers to act regardless of the outside pressures to conform to market community preferences. The action or inaction of government policy makers, therefore, is necessarily shaped by issues of political accountability and legitimacy in ways that the action of corporate elites is not.

The most pertinent body of feminist IPE research links welfare restructuring in state contexts to transnational globalisation processes. Recent feminist critiques of welfare restructuring begin to identify the gender dimension of certain practises of global finance and economic policy making.<sup>26</sup> These authors draw attention to the changing relationship between the economic and the political:

The current era of globalisation prioritises the economic over the political, and reduces the policy enforcement ability of elected governments in discursive and non-discursive ways. Paradoxically (or not), this is an era which extols the democratic citizen and, at the same time, reduces the terrain of his sovereignty. Second, the erosion of the sovereignty of national-states has been accompanied by discursive representations which assign primacy to the market and render political mediation impossible. This *discourse posits the process of restructuring as an inescapable necessity which demands that previous definitions of the common good, such as social welfare, be replaced with market liberal definitions such as 'efficiency' and 'competition.'* The effect is to depoliticise the economic by representing it as self-regulating and directive. Third, and more tangibly, the reduction of the state through deregulation, privatisation and programme cuts restricts and reassigns the spaces for politics and political agency. (Brodie, 1994: 56, emphases mine)

This new order implies the potential destruction of certain patriarchal aspects of the Keynesian welfare state,<sup>27</sup> and it does not appear that there is an alternative plan for social reproduction.

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<sup>26</sup>These contributions include Bakker (1994 a, b and c), Cohen (1994), Brodie (1994), and Peterson (1996). Bakker (1994a) includes selections from Cohen and Brodie, that highlight a number of the aspects discussed in this paper in relation to national economic policy making and welfare restructuring. Bakker graphically explores the "Gender Implications of Economic Policy" (Bakker, 1994a: 27-29) including specific reference to "Monetary and exchange-rate policies" and "Market Regulations." While her discussion is suggestive rather than exhaustive (see also Bakker 1994b and 1994c), this schema may be helpful for future research.

<sup>27</sup>This might include the creation and perpetuation of gendered protector/protectee relationships by the state (see especially V.S. Peterson, 1992: 46-50). Legislatures are often willing to pass laws to protect battered women, but are unable to come to terms with the ways in which society and its laws help to perpetuate this behaviour by continuing to perpetuate hierarchical relationships: "feminists have explored the dynamics of marriage as a protection racket: systemic male violence against women and our position in the labour market 'force' us into marriage as protection from these systemic threats to our security." (Peterson,

That is, the contradiction inherent in placing women in both the workforce and the home creates “a formula for a crisis in social reproduction.” (Brodie, 1994: 58)

National and global processes affect the international gender division of labour in ways that challenge existing relationships of social reproduction.<sup>28</sup> Participation by women in the labour force has shifted toward non-unionized service sector industry. Cohen (1994) suggests that the changing division of labour has gendered consequences. She reminds us that although the effects of global restructuring will differ according to context, a feminisation of labour may be expected internationally.<sup>29</sup> Non-standard labour, part-time, contract, temporary, and ‘home-work’ are prevalent forms of insecure labour which are filled disproportionately by women. The high levels of insecurity and instability characteristic of these forms of employment illustrate some of the ways in which the changing labour force requirements of transnational corporations and the risks involved in the removal of the social safety net might affect women and men in unique ways.

Peterson (1996) and Brodie (1994) note that the current period is punctuated by a number of structural shifts in the locations and forms of power. In addition to the new international division of labour described by Cohen, Brodie asserts that these shifts involve *centralisation*, capital *concentration*, market expansion, increased inter and intra state *mobility*, and the globalisation of productive and financial capital. (Brodie, 1994: 34) As a result of these structural shifts, nation-states are forced to alter their approaches and operations in both development and politics. (Brodie, 1994: 46, cites Soja, 1989: 159) Brodie and others suggest similar patterns of state behaviour that roughly correspond to IMF policy requiring more exports at the expense of domestic social security, a move away from state regulation, and a considerable withdrawal of services.

The mobile influence and power of money affect both policy makers and self-interested investors as well as the disempowered who are outside of these circles. It is not merely the presence or absence of money that is tied to empowerment, it is also the extent one is able to

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1992: 51)

<sup>28</sup>Cohen (1994) ties the monetary and fiscal policy implications of the *global* level competitive processes, to the national politics of inflation and interest rate fluctuations, tight monetary policy (more generally), as well as the increasing relevance of mobile capital.

<sup>29</sup>Cohen suggests that “This has not occurred in Canada because widespread unemployment, as a result of the structural adjustment initiatives, has brought about general downward pressures on wages. The gendered rigidities in the labour market have been maintained, and in typically feminised industries have increased. The major changes in women’s employment appear to be in the acceleration of non-standard forms of work and a reduction in their labour-force participation rate.” (Cohen, 1994: 115)

control its location and movement.<sup>30</sup> The influence of those who exercise control is equally felt by those removed from decision making.<sup>31</sup> The nature of the market, and the movement of money within that market, is that it can be the foundation for both security for some and profound insecurity for others outside the financial circles who lack the flexibility afforded to mobile capital.

The distinctive difference between the ways in which financial capital moves relative to other types of capital creates a narrowing of policy making options for those in decision making positions. Where markets are integrated, capital is mobile, and monetary policy options are limited to exchange rate manipulation, not through interest rates. Often, interest rates are manipulated to deal with inflation and an overheated market.<sup>32</sup> But this manipulation is not useful or effective in any particular nation-state and is limited by prevailing contexts of restructuring where interest rates are “constrained to be the same in all countries.” (Frieden, 1991: 431).

...financial capital moves across the borders of developed countries with great ease, while other asset markets are less integrated and some capital remains quite fixed. In this context, while global financial integration may reduce the efficacy of some sector-specific policies, it does not impede most of them. And while international financial integration does not make national macroeconomic policy obsolete, it does shift the effect of macroeconomic policy from the interest rate to the exchange rate. (Frieden, 1991: 433)

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<sup>30</sup>This control is both *tangible* in the form of individuals moving numbers and exchanging goods and cash, and *intangible* — especially when that control is often reflected in blips on a computer screen. According to Korten: “Computerisation and globalisation melded the world’s financial markets into a single global system in which an individual at a computer terminal can maintain constant contact with price movements in all major markets and execute trades almost instantaneously in any or all of them. A computer can be programmed to do the same without human intervention, automatically executing transactions involving billions of dollars in fractions of a second.” (Korten, 1995: 187-188) For further discussion of the discursive and non-discursive aspects of money, see Rotman (1989).

<sup>31</sup>“Money supply is also a device by which economic activity is regulated — read controlled — in our system, and that by decisions we do not make in our communities, and which are not necessarily made for our benefit.” (W.R. Dobson, 1993: 154)

<sup>32</sup>Quoting Cencini on the use of interests rates as a control mechanism, “During periods of inflation, for example, the Central Bank can support a rise in interest rates in the hope of reducing the growth of money by increasing its cost, whereas during periods of recession it can promote a fall in interest rates with the aim of encouraging economic recovery by increasing the quantity of money.” (Cencini, 1995: 108)

Flexible exchange permits 'the market' to govern currency values, restricts the options for national policy makers, and increases pressure on the central bank reserves and national currency.<sup>33</sup> A willingness to 'sacrifice' national policy autonomy and economic security is likely to be present among the *non*-governmental financial community. While independent financial investors<sup>34</sup> are able to shift their sectoral orientation as the stresses of monetary policy affect the profitability of any particular sector, it is believed that the flexibility of state monetary authorities are limited by their need to cope with a myriad of internal and external factors. (Frieden, 1991: 443-444)

Policy changes made to deal with the stresses of mobile capital and currency fluctuations create sector-specific instability domestically and globally (such as in the textile or service sectors) that carries with it gendered effects.<sup>35</sup> Yet the majority of available current feminist and conventional economic research on this relationship does not consider the impact this instability and these policies might have on the lives of gendered individuals in decaying social democracies. A radical devaluation of currency has gender and non-gender specific repercussions for those people who might lack transnational access in the form of a more stable 'inter-nationalised' currency, such as the U.S. dollar.<sup>36</sup> These individuals find it difficult to experience the advantages enjoyed by more mobile transnational corporations and investors. Flexibility and mobility are affected by gender when it is frequently women who are physically

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<sup>33</sup>Frieden compares the policy preferences of different socioeconomic actors in the global context of mobile capital. He concludes that different groups are served by high and low degrees of exchange rate flexibility and national monetary policy autonomy coordinated with high or low preferred levels of the exchange rate. Each cell of Frieden's Figure I identifies the preferences of a unique combination of groups. What is especially interesting about this figure is the contradictory interests of actors who can all have negative and positive impact on a particular nation-states economy. For example, international traders and investors prefer a high level of the exchange rate and a low level of flexibility and national monetary policy autonomy, while producers of non tradable goods and services want high exchange *and* high flexibility. At the same time, export-oriented tradable goods producers, like international traders and investors, are forced to deal with exchange market volatility, but can shift business to other countries rather than concerning themselves with domestic conditions. (Frieden, 1991: 444-445)

<sup>34</sup>Kurzer (1993) includes banks, institutional investors, and non bank financial corporations.

<sup>35</sup>See in feminist literature especially Bakker, 1994a, b and c; Cohen, 1994; Elson 1991 and 1994, on questions of the gendering of service sector/manufacturing.

<sup>36</sup>For example, Russians are officially required to accept only Rubles, a currency that is not transnationally acceptable and is dramatically unstable. There is a definite inequality between workers whose salaries are calculated in rubles versus those whose salaries are calculated in US dollars. In fact, lacking sufficient rubles to pay their workers, crystal and silverware factories are once again paying their employees in product.

and financially bound by care-giving circumstances to a particular state and even local setting. Bakker recommends examining the causal connections between both exchange rate and interest rate policies in order to determine the gender dimensions of these policies.

Uncovering the gender dimensions of interest rate targets involves an examination of the immediate effects of interest rates on different types of economic activities plus a careful consideration of the secondary consequences due to changes in the cost of living; it is with this latter impact that non-production activity needs to be surveyed, as cost-cutting is often absorbed by women's increased labour in the household and in the care-giving sector...(a)symmetrical ability in mobility and switching from non-tradables to tradeables in the case of SAP...(h)igh-interest rate policies may have asymmetrical outcomes in terms of unemployment rates and pressures to reduce government deficits. (Bakker, 1994b: 28)

Frieden sees the potential for capital mobility to “remake political coalitions by way of its impact on the effects of national policies.” (Frieden, 1991: 426). He concludes that capital is favoured over labour in the short term, but in the long run it depends on specific sector connections where manufacturing or farming related assets are disfavoured, and capitalists “with mobile or diversified assets” are favoured. (Frieden, 1991: 426)

This idealised construction of class compromise no longer works once the concept of capital mobility and financial integration is introduced. Because political tradeoffs depend on the expectations of workers that current sacrifices yield higher earnings and more jobs later, the high mobility of capital heightens the sense of insecurity among workers... Competition among national labour movements and governments ensure that international capital can play off one against the other to obtain the concessions it wants. If labour were united on a global level, it could prevent transnational capital from looking for the best deal. However, the international reach of labour lags far behind that of business and finance. (Kurzer, 1993: 11)

While political coalitions may be remade, as Frieden suggests, mobile capital inevitably pits *government* against its *own* labour. One of the reasons why international labour has been unable to mount an effective defence against capital has been its limited territoriality, whereas financial capital has “created a nonterritorial ‘region’ in the world economy — a decentered yet integrated space-of-flows, operating in real time, which exists alongside the spaces-of-places that we call national economies.” (Ruggie, 1993: 172) This makes statist concepts of economic policy making *and* social coalition building problematic.

The mobility of capital has the potential to negatively affect the social and political lives of the wider citizenry of nation-states. At the level of daily life, state-bound residents of democratic countries are under attack. Kurzer links capital mobility with the death of social democracy.

In the past, governments could spend lavishly on public programs to reconcile the conflicting demands of labour and business. However, such expansionary programs produce expectations among financial asset holders that future inflation rates will drift above the rates of the country's main trading partners. This perception triggers capital outflows and foreign currency speculation. If the outflow continues unabated, governments must reverse their policies to arrest further outflows. (Kurzer, 1993: 12)

The relationship of citizens to states continues to change as restructuring reveals the increasing insecurity of individuals in state settings. Peterson (1996: 14, en. 5) asserts that the separation of some forms of power from territory creates a potential crisis of accountability. This loss of accountability and the creation of a "legitimacy deficit" (Underhill, 1996: 6) results as nation-states project themselves as incapable of meeting the needs of its vulnerable population.

The vulnerability of citizens in the current period of restructuring is increased particularly for those already marginalized. Feminist authors have debated the role of the state in the protection of its citizens in military and economic terms.

From a feminist perspective, state-making historically institutionalised and continues to naturalise masculine dominance. However, protections afforded by the liberal welfare state have not only ensured the survival of countless women (and others) but also enabled political reforms of varying — but not insignificant — potency. Insofar as the choice is between welfare state accountability and the normative indifference of capitalist market relations (Harrington, 1992), state forms and their accountability mechanisms must be supported, even as we resist their masculinist (and elitist, racist) power relations. (Peterson, 1996: 14)

Women have continued to depend upon the state through the 1980s (Mari May and Stepenson, 1994: 543) into the current stage of restructuring. Dahlerup (1994), for example, claims that not only do women in both Western and post-communist societies with market economies "require" state intervention in familial and societal activities, but they are in fact *less* able to acquire power through the market than they are through the state. Peterson claims that if "global restructuring erodes even the moderate protection afforded by state, all state-centric strategies are compromised in regard to emancipatory politics." She draws attention to the need to critique and

distinguish between “democratisation, socialism, liberalism, and capitalism” in order to “situate accumulation and the pursuit of profit in context and reveal *relationships* that we need desperately to understand.” (Peterson, 1996: 14)

Emancipatory movements such as women’s non-governmental organisations may help to reveal these relationships. Sen (1996) concludes that it is necessary to examine non market activity of women in the form of the influence of women’s non-governmental organisations in the government-private sector relationships currently developing. While there is space for transnational emancipatory politics, nation-states retain the power to affect citizens lives as protector and provider. The complex and dual nature of the relationship of a gendered citizen to the state seems more appealing than alternative forms of governance that further mystify locations of power and influence, shifting them in part to market related forms of governance.

Yet in the context of globalisation, governance is shifting out of the control of government thereby moving accountability further from citizen control.<sup>37</sup> A “very closely-knit network” of parties (finance ministers, central banks, securities regulators, exchange regulators, “self-regulatory organisations” (SROs), firms, and associations) is created that shift governance away from government and assures inaccessibility by the general public. (Underhill, 1996: 4) Sinclair argues that among the most important regulatory actors are bond-rating agencies. He concludes that “the creation of knowledge and the passing judgment, based on a strategic position in the production of financial, economic and policy information, will increasingly fall to debt security rating agencies.” (Sinclair, 1994: 152) Decisions are made in secret, by agencies separate from any democratically elected process.

The composition of the rating committees and the internal deliberations within the rating agencies on any particular issue are kept strictly confidential. The judgment that is made by the committee weighs the quantitative and qualitative factors in each case because ‘there is no formula for combining these scores to arrive at a rating conclusion.’ Accordingly, ‘such judgments are highly subjective. Yet that is at the heart of every rating.’ (Sinclair, 1994: 140)

In this context, authority is a social construction which has shifted from “traditional intermediating institutions, notably banks, to the empowerment of others, such as debt security rating agencies.” (Sinclair, 1994: 136) The information that goes into this rating process includes “publicly available... information disclosed by the issuer themselves” and “information [that is] provided by competitors of disgruntled former employees of the issuer.” (Sinclair, 1994:

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<sup>37</sup>Peterson (1996) discusses the issue of accountability and the issue of the autonomy of states.

139) What makes the bond rating process so interesting yet mystified is the nature of the politics of power and knowledge underlying the rating process. The degree to which these processes are governed by discursive and non-discursive 'hegemonic masculinist' dynamics that might affect the 'subjectivity' of the resulting decisions is an important, yet hidden, aspect of this process.

While existing feminist restructuring literature highlights the ways in which 'the market,' 'money,' and monetary and fiscal policy are discussed disembodied and disembedded from social life, the gender politics of global finance remains largely unexplored as it relates to current globalising trends. The global financial market is both the location for politics to occur, and a variable in the global processes of political/restructuring. National fiscal and monetary policies are structured around the dynamics of global capital in ways that often empower capital and dis-empower others, including workers and other social forces who are supposed to be served and protected by these same authorities.

## **Conclusions**

The current form of neo-liberalism with its re-privatisation discourse emphasising anti-politics, anti-justice, anti-agency, Darwinist, "efficiency" based non-regulation, mystifies the locations of power and control. (Brodie, 1994: 48) This mystification (by governments, firms and individuals) affects the appearance of options for response to neo-liberalism. Demystification of these locations of power requires movement away from focusing primarily on familiar forms of high politics vested primarily in government and political think tank circles. While national governments remain important in the current period, governance occurs in many other places somewhat removed from government.

By integrating discursive and non-discursive elements into our discussion we are better able to understand the intricacies of the current period and to demystify its operations for those not in the inner circles. Language, rationality, socialisation, and knowledge production all contribute to the creation and reproduction of communities of actors in global finance. In order to unpack the politics of global finance, it is useful to view gendered individuals, corporate firms and associations, and the global market relationally. Feminist and other critical researchers are well positioned to understand the ways in which the high politics of global finance are best revealed through interdisciplinary research.

Feminist perspectives help to identify the important role of identity politics in a quantified and narrow discourse that features 'neutral' consumers and emphasizes creating wealth from nothing. As Elson suggests, "(a)t the macro-level, gender is absent altogether: the discourse is all about monetary aggregates." (Elson, 1994: 38) This is accomplished through the



creation of a discourse and language where certain concepts, like gender or race, are excluded. The co-optation and the 'power' of discourse is most apparent when counter movements are compelled to use the same language in their efforts (e.g., the quantification of the environment by activists).

But new perspectives can have an impact. Just by their existence they challenge and change the discourse and influence political decisions. 'Bottom-up' perspectives on global finance problematize the role of neutralised 'monetary aggregates.' The complexity of social relations which underlie these aggregates is masked by this appearance of neutrality. The challenge is in systematically problematizing the state and/or market centred understanding of global finance, where individuals enter the picture only as workers or investors. Global finance is more than the flow of capital as currency, materials, or people. It is not simply the regulation or lack of regulation by state or non-state agencies. Global finance, as it is structured, itself contributes to the operation of globalisation processes transnationally. It remains captured in an economic framework that hinders the creation of alternatives outside of the current constrained framework.

Future research would benefit from more work on discourse, the sociology of knowledge, methodology critique, and a critique of the specific abstractions of global finance around money, space, and time. A second area of potentially critical research focuses on the changing relationship between citizens and nation-states in the current neo-liberal context. Research on taxation in national policy making (as Bakker, 1994b also mentions) requires us to consider the connection between legitimacy and the perception of evenhandedness in policy making. It has long been the case that those in the higher tax brackets, in the United States especially, are able to manipulate the system better than those at middle and lower levels of the economy. This relates to the issue of capital mobility. The wealthy are able to move their capital around in ways that lower income citizens cannot. This inequitable situation undoubtedly has racial, gender, and age dimensions, in addition to the more evident class elements.

A third broad category of research that would be useful will examine not only the production/reproduction (and public/private) linkages, but seek to go beyond the limits implied by such a division. The concept of production alone requires more discussion in the current context where productive investment has been replaced by extractive investment for many who are seeking to create wealth from speculation. Additionally "exclusive emphasis on questions of production, work, exchange and distribution" limits our understanding of the current period and there is a need to explore elements of "ideas and ideology." (Whitworth, 1994: 125) Our beliefs and values, as much as our ideas and ideologies help to determine the ways in which we interact with one another and establishes a common view of social 'reality.'

Social life and the nature of relationships between individuals, governments, and firms has become transnationalised. The operations of global finance evidence and perpetuate this de-territorialized global environment. The nature of the movement of money transgresses spatial and temporal (public/private-production/reproduction) boundaries. Nevertheless, social reproduction across levels is central to the re-creation of global order. Discovering the 'household' as the centre of 'economics' and shifting our focus away from the systemic broad stroke pictures that result from narrowly focusing on the 'system' level permits an alternative view of the transnationalised environment. This coupled with research on the motivations of competition and the assumption of 'inevitability' which stem from the dominance of the economics discourse, helps to alter perceptions of globalisation processes as being out of our control. There are alternatives to the existing system. These alternatives can only be discussed if the dominant discourse is challenged and changed to make that discussion necessary.

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