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Unmasking Globalisation
From Rhetoric to Political Economy – The Case of Brazil

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Unmasking Globalisation: From Rhetoric to Political Economy – The Case of Brazil¹

Abstract:

Globalisation as a process of increasing internationalisation based on the dominance of finance capital is a material process. This article, however, focuses on globalisation as a discourse, distinguishing between discursive strategies as deliberate efforts of social actors and discursive structures as stabilized social orders unaffected by simplistic voluntarist attempts at change. Taking Brazil and a presidential speech as a case study, three discursive strategies can be identified: globalisation is portrayed as radically new, as unjust, but unavoidable and as a power field only accessible by the elite. Globalisation as a discursive structure in the Foucauldian tradition is shown to be structured similarly to the dispositive of sexuality as a flexible arrangement of actor-less and borderless markets, hereby, abandoning the old discursive structure of development which was focused on sovereignty and territory. Using marxist political economy we will unmask this rhetoric as a sophisticated power game that serves for hiding the deep-rooted dominant structure of capital and state. Only then can we fully understand the decisive role that social struggles play in the making of history and geography.

This article aims at unmasking the discourse on globalisation. In general, instead of helping to understand current restructuring, talking about globalisation serves ideological and political purposes. However, the concrete functioning of this ideological attack is not very clear. On the one hand, globalisation seems to induce the total dissolution of the old order, resulting in a widespread feeling of powerlessness. On the other, hand, globalisation seems to offer unknown potentialities and perspectives for individual self-realisation. These seemingly contradictory interpretations have to be understood as moments of a specific dialectics between agency and structure. In this article, globalisation will be analysed as a discourse which has a strategic and a structural side. Therefore, a hermeneutical as well as a structural method will be used.¹ Hermeneutics, on the one hand, is about the understanding of texts embedded in a concrete context. The reader and his/her capabilities to understand a concrete historical-geographical situation structure reality. Sensitive reading

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allows a text to speak to us, as the reader is open to the 'newness' of a message.² Structuralism, on the other hand and apparently in opposition to hermeneutics, analyses structures as a virtual order that is not directly accessible to experience and human agency.³ Structures have to be laid open in an archaeological process⁴ unfolding historical-geographical layers. In this article these two dimensions of the discourse on globalisation will be analysed separately and with different methods. An analysis of discourses as strategies of different social groups aiming at achieving certain objectives, on the one hand, has to be differentiated from an analysis of discourse as a structure that obtained a certain autonomy from deliberate strategic intervention of actors. Hermeneutics implies the analysis of a text, in our case of a presidential speech given by the Brazilian president Cardoso. This part of the article focuses on Cardoso's intention in using the discourse on globalisation. What was his discursive strategy given the concrete political and economic context of Brazil?

Beyond these strategic deliberations the article also poses the question whether the concept of globalisation is part of a new order of discourse. Why, for example, do even Labour Parties all over the world affirm globalisation which undermines its own capacity to shape a just and sustainable future? What is the force that leads to the broad acceptance of globalisation as a new geopolitical order? For these types of questions a structural analysis is in demand. Such a discursive structure is a virtual order whose power lies in being delinked from subjective interests and concrete individual action. It can be understood as a stable set of argumentations, speeches and practices. And it refers to a field of power of stabilised relations that are in large part unconscious. However, globalisation consists not only in a discursive dialectics, , but it is also a material process, intervoven with discourse. As a political-economical process it describes a change in production and technology, and in the flows of trade and finance. As a discourse it is a certain form of speech on the restructuring process which is taking place right now. The article proceeds by presenting globalisation in Brazil as representing three concrete discursive strategies, as „radically new“, „unjust, but unavoidable“ and „imposed from above“. Understanding globalisation as a discursive structure, based on Foucault, offers interesting insights, although it often ends in vulgar-Foucauldian views of a total dissolution of agency in all-powerful capital markets. Applying Foucault's bold attitude towards theory to today's hegemonic discursive structure of apparently actor-less disciplinising forces, I will rediscover Marx, from whom Foucault constantly distanced himself, as the most appropriate interpret of current ideological

Christine Mattl (Novy, Mattl 1999). In the process of interpretation the help of Eva Klawatsch-Treitl,

confusion. I will argue that globalisation as an imposed discursive structure represents more a defeat of subaltern groups in social struggles than the dissolution of social struggles in general.

1 Globalisation as a discursive strategy

Fernando Henrique Cardoso is a key figure in recent Brazilian politics and a famous social scientist.⁵ He was a founding father of dependency theory which focused on the interplay of external and internal factors in explaining the dependency of peripheral societies.⁶ Since the 1970s he has become involved in politics, arguing in favour of a multi-class alliance. In February 1996, already Brazilian president, he gave a widely commented on speech about globalisation at the Universidad Autonoma de Mexico, which was printed in the Brazilian newspaper, *Folha de São Paulo*.⁷ He explains globalisation as a phenomenon that affects everybody but nevertheless cannot be grasped exhaustively. Cardoso, although arguing as a politician, perceives the lack of an overarching theory explaining globalisation. In the first part of his presentation he describes globalisation as a threatening, but unavoidable phenomenon whose advantages and disadvantages he intends to expose. In the second part he rejects 'traditional' theories such as Marxism, dependency theory and neoliberalism as being outdated and obsolete. Instead of presenting facts to defend his argument he limits himself to the statement that the world has changed. Facing the power of the markets and finance capital even the state and the rulers are increasingly powerless. In the third part he describes the social consequences of globalisation for Brazil focusing on social inequality and structural unemployment. Concluding, he considers globalisation as an opportunity since it announces a new, until recently unknown, era of prosperity in the history of mankind. He calls for a 'new renaissance' and appeals to an ethics of solidarity and a return to the essential values of humanism. In this context he specifies the potential actors in the era of globalisation, the 'cultural and economic elite'.⁸

Analysing the speech of a politician is a difficult task as the art of *Realpolitik* consists in speaking ambivalently and allowing multiple interpretations. In the case of Cardoso this characteristic could have been observed already in his scientific work, as the well-known brasilianist Thomas Skidmore commented in the *Folha de São Paulo* on 17.5.1998. Therefore, we have to look behind the words to uncover three powerful discursive strategies.

Peter Mesch, Elisabeth de Castro Silva Novy and Laura Garcia Sobreira was very useful.

1: Globalisation is radically new and makes existing theories and practices obsolete

By emphasising the until recently unknown and spectacular velocity of change⁹ and the uniqueness of recent development¹⁰, Cardoso wants to suggest that our acquired knowledge and our experience from the (recent) past are no longer applicable. This strategy consists in stressing the scope and depth of the ongoing restructuring: 'The world has changed, the essence of capital and labour changed. And the means, necessary for achieving social integration, have changed too.'¹¹ The new world can neither be explained by traditional theories nor is it possible to take them as a starting point for political praxis. One date is regularly cited to fix these changes: 1989. The evoked theoretical crisis is mainly seen as a crisis of Marxism, although Cardoso also includes liberalism and social democracy. The proclaimed general obsolescence of theory has one important political implication: It suggests a crisis of effective transformative praxis which explicitly or implicitly has to refer to some theoretical basis.

2: Globalisation is unjust but unavoidable and without alternatives

The second strategy consists in describing globalisation as inevitable and without alternatives. Cardoso does not take the given social order as 'natural', as the typical conservative argumentation would run. On the contrary, he explicitly criticises this naturalising perspective.¹² Against a one-sided glorification of the ongoing development as a period of unknown opportunities his argument remains dialectic: he perceives the positive aspects without losing sight of the negative dimensions. This ambivalent argumentation leads to a reinterpretation of the problem of justice and realism. The given social order is admittedly unjust, but there is no alternative. As it is unavoidable just and ethical behaviour has to limit itself to act correctly within the given framework. Visions of a better world are relegated to utopia – the nowhere land of the impossible – , as there is no way, no praxis, no organisation that could achieve objectives that go beyond the existing order of globalisation. Based on the fact of '1989' this discourse obtains its power by the demolition of the possibility of alternatives. To define globalisation as without alternatives justifies the absence of political measures that go beyond austerity policies of stabilizing the economy – reducing inflation and deficits. As more far reaching interventions might threaten stability, governing is reduced to defending the existing order. Beyond this, the hands of the rulers are bound. Even the highest ranked politician of a nation state has not sufficient power to foster counter-strategies and alternatives. A commentator in the *Folha de São Paulo* (21.2.1996) described the president as a 'naked king'. In Cardoso's own words: 'Capital markets act as real vigilantes over national affairs. Although being just from an internal point of view, a measure that runs contrary to the interests of external investors leads to the withdrawal of volatile capital with serious consequences for the health of the national

financial system'.¹³ Cardoso denounces the conservative complexion of this immaterial tribunal, as he calls the financial markets. As globalisation is unjust but unfortunately unavoidable and without alternatives, his speech does not threaten potential investors. It can even be considered as a promise that Brazil insists on participating in the locational competition. It is ready to secure economic stability and to solve the problems of poverty and structural unemployment itself without burdening the international economic system. The scope of agency is reduced to the adaptation to the existing order, the place of agency remains national.

On the whole, Cardoso, although Brazil's leader, retreats to an ethical position of – powerless – protest. Differing from an inclusive hegemonic strategy that offers some concessions to a large part of the population and aims at its integration in society, globalisation is a strategy that explicitly limits the number of winners. Cardoso talks about '4/5' of mankind who 'suffer from misery and illness'.¹⁴ The '4/5' are cited in the speech, but as mere objects. The speaker has nothing to offer besides pittance. Contrary to the appearance, his ethical appellations encourage the immobilisation of this mass. Therefore, this type of ethics is an essential part of an overall strategy of social polarisation and can be compared with the ethics of a slave-overseer at the sugar plantations, where ethical conduct was reduced to good behaviour within a slave-owner society. In the order of globalisation, ethical behaviour, so insistently called for by Cardoso, is based on an ethics of those who remain subjects. It is up to them to care for the '4/5', the weak and disadvantaged. The latter enter in Cardoso's discourse only as objects, as those who have to endure globalisation or those who receive benefactions. This leads to the next strategy.

3: Social integration has to be pursued from above – by the cultural and economic elites

Extending his argument on the uniqueness of globalisation Cardoso names all those former dominant actors who no longer occupy a central position: 'Neither the entrepreneurial bourgeoisie – due to the depersonalisation of capital -, nor the middle class as the privileged bearer of democratic values or – after the defeat of real socialism – the proletariat, the orphan of revolutionary utopia'.¹⁵ The question of social actors in the age of globalisation, a decisive one for Cardoso, is answered in the final sentence of his speech, where the groups capable for agency are listed: 'the rulers, the intellectuals and the leaders of civil society who play a crucial role for the flourishing of the new renaissance helping to change history'.¹⁶

These three strategies can be better understood if two terms, often cited in the speech, are looked at in detail: 'elite' and the 'new renaissance'. Vilfredo Pareto, the famous elite theoretician from the end of the 19th century, was at the same time one of the founders of neo-classical economics, a theory which defined distributional issues as exogenous problems. For him, the position on top of the society was limited and stable over different epochs, following the individual capabilities which are unequally distributed among the members of a society.¹⁷ The rich are the powerful and, in general, better equipped. This assumption lies at the heart of Pareto's economic and elite theory. Structures of need and power are naturally given and hardly changeable, resulting inevitably in an elitist social order. Michels, in line with Pareto, invented, referring to organisations, the concept of the 'iron law of oligarchy'.¹⁸ Cardoso insists on stressing the uniqueness of globalisation and the irrelevance of the old. But forced to describe the new, he falls even deeper into history than marxism, liberalism and social democracy, considered obsolete by him. He calls for the ghosts of an even more remote past.¹⁹ In the European renaissance, the individual was born out of the darkness of the Middle Age. The arising individuality limited itself, however, to developing a personality in privacy within a social order set by the tyrant. Obviously, these educated individuals were a small elite, intimately linked to the social and political interests of the dominant class.²⁰ The cultural boom went hand in hand with economic decline and a deep political crisis. Craftsmanship, on the one hand, was under threat. The living conditions in the cities were precarious and the people were intimidated by tyranny. The lucrative financial operations, on the other hand, were linked to politics and led to the formation of a relatively large and wealthy ruling class.²¹ Although, he did not intend to refer to these phenomena, Cardoso's historical reference is useful. Today, the tyrant is no longer the formal political power-holder. It has been replaced by global capital.²² For some, it is a benevolent ruler, who puts its protective hands over the increasing individualisation of the elite. The rulers, intellectuals and leaders of civil society are unified today by a common globalized life style which is characterised by www and world-wide travelling, e-mail and uniformized mass culture. Under the tutelage of globalisation the elite forms a global civil society where it can upgrade its elitist status as long as it does not question the tyrant and its social order. For the other parts of the population, Cardoso's '4/5' there is no possibility to act, they are irrelevant actors in this global game. Common people, the de- or non-qualified, are systemically unimportant. One can only call for the solidaritarian ethic of the winner to act on behalf of the systemically irrelevant. The elites are asked to act, but they are not forced to, as global politics is consensus-oriented. Cardoso appeals to their 'social responsibility' to generalize a 'world of values' based on humanism, wisdom and tolerance.²³

2 Globalisation as a discursive structure

The description of Cardoso's discursive strategies will now be complemented by a structural analysis. Structures as the other side of the coin elude from agency and there is no simple recursive agency that reproduces or transforms structures. Structures are much more rigid, cement consolidated in a long historical process. Structures are virtual orders of society and ordering principles of society. The above analysed discursive strategies are recursively related to agency, as speakers use certain strategies to pursue specific interests. This implies that the durability of these strategies is more limited than a fixed discursive structure which must be based on a much larger space-time extension and on deep-rooted and stable relationships. What has been demonstrated so far is the 'rationality of tactics'. What will be shown is based on the insights in Michel Foucault, the *mestre* in the analysis of discursive structures. Foucault uses the concept of a deployment as an embracing and flexible ordering device to explain structural orders of discourses. A deployment is a framework or a structured discursive field whose origins can hardly be identified, but which is organized by a clear logic and rationale.²⁴ It is no theoretical edifice, ready for use and structured according to clear functions. A deployment is much more flexible and open to a wide range of different uses. To be sure, it is a collective effort to create such a structured frame of reference, a social project. But at the same time it is not linked to these very actors. When globalisation is analysed as a strategic element in the discourse of a certain person, one can only understand these discursive practices and strategies within a wider context and within a broader structure of a discursive order which has been constructed around the term globalisation. It can be analysed as a deployment that impressively gained in power during the last decade, obtaining an independence from ideologies and political strategies.

Originally, Foucault uses the term deployment to describe a fundamental change in the discourse on desire, lust and love.²⁵ He distinguishes between a deployment of alliance and one of sexuality and therefore a negative and a positive form of power. The deployment of alliance is based on a mechanical and agency-based world view. Its key concepts were marriage and kinship; desire and lust are regulated by law, prohibiting and allowing certain activities. The deployment of sexuality represents a rupture in relation to the deployment of alliance. It is much more flexible, sexuality is no deep reality, difficult to grasp, but a broad superficial network which motivates discourses, forms perception, fosters control and resistance in certain strategies of knowledge and power.²⁶ Instead of defining what sexuality is, Foucault limits himself to describing how sexuality functions. This new deployment is based on broad, polymorph and conjunctural techniques of power that must not be fixed, defined and delimited, but whose power rests on the ever-changing amorphous field that allows ever more sophisticated and global forms of control of the population.²⁷ Foucault

reflected on these historical processes focusing on the field of desire and lust, making it, however, clear that the positive, creative power is a much wider social phenomenon of the way power is organised in modern societies. Therefore, it seems worthwhile testing whether the discursive rupture from development to globalisation can be grasped by the concept of the deployment.

'Development' reduced to a linear evolutionary concept was easily integrated into the discursive field of modernisation theory and in the organisational field of US-hegemony based on a fordist world order. Development understood as modernisation, progress, westernisation, democracy, industrialisation and urbanisation was seen as the emulation of the USA, the standard and exemplar developed country and the uncontested number one. In this sense development was used as a deliberate discursive strategy, resulting, as a reaction, in severe resistance to this discourse. Since the 1960s capitalist development was criticised as 'development of underdevelopment'.²⁸ While Frank argued in favour of a socialist development, others demanded, referring to the 'limits to growth'²⁹, a more general halt of development. When discourses become standard references in broader social struggles, when the definition of the key terms comes to the centre of political conflict, then one observes a qualitative change in the discursive field. Mere strategies turn into discursive structures themselves which, indifferent from one's personal attitudes, preferences and insights have to be used in a certain society to make oneself understood. Without affirmative or critical reference towards modernisation and development no social scientist and no social movement would have had opportunities to make themselves understood. It is this situation of hegemony that allowed development to become a deployment, an obdurate discourse with stabilized networks that reproduce the same form of power at all levels.³⁰ Following the deployment of development, power is always executed by someone, the power-holder, aiming at something – development. Development is therefore a right, a key category of the deployment of alliance. Thereby, a deployment – or a paradigm³¹, as the more common term in these discussions – gains a certain autonomy from social actors, they are not the property of a certain class, group or nation. The world of the discourse is not bi-divided between the excluded and included, the dominant and the oppressed discourse. It has to be reconstructed as a plurality of discursive elements that play its role in different strategies.³² Therefore, the discourse on development has been used by generals, reformers, multinationals, presidents and guerilleiros. It was used to defend the existing order as well as for revolutions. To sum it up, instead of defining once and for all contents, by clarifying what development 'is', it was a flexible arrangement, a framework for action and speech to take place, in other words a deployment of development. It can be identified by the following characteristics (see table 1): there are rules that the power-holder can execute.

It is based on linking power to space in the concepts of territory and sovereignty. Power is executed in a certain territory by a certain sovereign: the nation, the key level for the execution of power, and the state, the key actor, are melt in the nation-state as the nodal point of power.³³

The deployment of globalisation on the other hand can not be grasped so easily. Foucault sees the power of the analog deployment of sexuality rooted in its capacity to hide its mechanisms.³⁴ In the deployment of globalisation the key institution, the positive and stimulating power, that seems to make others act turns out to be the market as a reflexive institution without a dominant actor. Following the concept of an atomistic market, everyone participates, but agency is reduced to a process of adaptation to price fluctuations. The exercise of power by sovereign subjects is dissolved in this new deployment, as is the power-space of the nation. Flows and networks dominate the deployment of globalisation, creating a relational space of linkages and substituting the territory as a bounded space, a container of power.³⁵ Its power-holder loses much of its prerogatives, competences and force to exercise power. The new power-space, on the other hand, is constituted by global cities as nodal points, homogenizes activities at the global level, while fragmenting local and regional spaces. Parts of a territory are integrated in the global logic of international production, mobile finance capital and brand-new high technology. The power-holder as a sovereign subject is substituted by a *Sachzwang*³⁶, an apparent systemic necessity, that reduces agency to the governance of oneself according to the options offered by the framework of a liberal capitalist society. Every citizen should transform her- or himself into an entrepreneur being in charge of one's own well-being in an all-embracing process of social entrepreneurship. Therefore, the entrepreneurial spirit turns out to be an efficient disciplining technique.³⁷ Instead of opposed and negated, power is ardently embraced: An NGO, acting in the field of social policy, organises fund-raising, an unemployed academic founds a firm and a state enterprise transforms itself into a joint-stock company. Power is no longer negative and prohibitive, but productive agency setting incentives. One no longer needs a power-holder to reproduce a certain power structure. Globalisation as a deployment describes the self-organisation of a structure, a post-modern optic makes believe that power is dissolved in the economic system. 'Perhaps the "forgetting" of power may yet be the "fate of our times"'.³⁸ As in the deployment of sexuality where an apparent liberty seems to substitute repressive power, power once more plays a game of making itself invisible and untraceable, being at the same time pervasive. This power invades the porosities of society in a profounder way than any apparently all-powerful sovereign. The deployment of globalisation does not have a power-holder comparable to the one in the deployment of development and is based on an apparently self-unfolding field of force with no identifiable

causation. The impulsive forces are processes, especially technological development and internationalising markets, which results in the *Sachzwang* competitiveness.³⁹

In a first step these deployments seem to be opposed as dichotomies or dualities. This distinction permits us to identify important, often internalised and unconscious discursive structures which influence the effectiveness of discursive strategies. It helps to understand that even oppositional discourses, given the dominance of a certain deployment, cannot escape the gravitational power of the prevailing arrangement of terms, concepts and relations. Even resistance forms part of power.⁴⁰ Although being an important conclusion, a critical and radical analysis must dig deeper, taking Foucault’s archaeological metaphor as an historical-geographical challenge seriously.

Table 1: The deployments of development and globalisation

	Development	Globalisation	Synthesis
Analogy to Foucault Space	alliance territory (nation)	sexuality Space of flows and linkages	integral deployment production of space
Power	national Political state as power- holder (nation)state exercise of power	global – local economic market as a power structure Governance <i>gouvernementalité</i> (Selbstführung)	Political-economy capitalist state/ capitalist market

3 From destruction to reconstruction

While the preceding chapters were limited to an analysis of discourses, the following will broaden the analysis, by giving a short introduction into Brazil’s political economy.⁴¹ 1930 was a cornerstone in Brazil’s development, as a peaceful revolution implemented a very specific kind of bourgeois revolution⁴² and a successful period of nation building, based on a state-centred development oriented towards the internal market. The ‘nation’ should overcome fragmented and backward-oriented localism; the ‘state’ took charge of social cohesion and in accommodating conflicting interests. ‘Development’ offered the direction and the instruments for this process which was executed by the nation-state. Development, in its version of industrialisation and growth was coupled to the attempt to change and conserve at the same time. It was a ‘conservative modernisation’⁴³, implemented from above. Productive infrastructure, streets, factories and barrages were constructed and social services in health, education and housing expanded. Growth helped to accommodate

distributional conflicts. The conservatives thought that the cake has to be baked to be distributed afterwards, the progressives identified injustices as structural causes for low growth. However, the simplistic perspective of reducing development to growth was shared from the right to the left. Conservative modernisation as a 'flight forward' was implemented via a demand-side growth policy. The state invested and made cheap loans available⁴⁴.

From 1964 until the 1980s, the military ruled in Brazil. It centralized power at the national level and in the state apparatus. Holding power consisted in and aimed at impeding social unrest, yet the military intensified efforts towards development and growth. The dominance of national developmentalism came to an apogee which turned out to be the beginning of its dissolution.⁴⁵ 'Development' in the sense of the military, was centred on physical investment in industry and valorisation of the vast territory. The negative side-effects of this type of modernisation resulted in a broad alliance against dictatorship, using the discursive strategy of anti-developmentalism and anti-statism. Doubts about technocratic solutions and the 'great nation' philosophy of the dictatorship led in the 1980s to a discursive rupture. Grassroots movements asked for radical reforms, a true 'modernisation from below'.⁴⁶ At the beginning, discursive strategies aimed at cleaning the field of nation-state-led development from its authoritarian contamination via democratisation and decentralisation. Brazil's new constitution of 1988 granted social rights of health, education and pensions. Development was institutionalized as a constitutionally fixed discursive nodal point, at a time when its structural power eroded. Social and economic democracy formed part of the dominant discursive field, while recession and mass unemployment weakened trade unions and social movements. Therefore, it is no surprise that the counter-discourse was already clearly articulated. The critique focused on a worldview of development which was argued of being inspired by unacceptable and unrealistic technocratism. Those who intimately linked 'development' to 'authoritarianism' also linked sovereignty to arbitrariness, welfare regime to bureaucratisation. Knowing the discursive and organisational field of the 1980s in Brazil, it is astonishing that they were able to implement their ideas so rapidly in the 1990s.⁴⁷ Political economy can help dismantling this paradox.

One has to understand the importance of the state in Brazil's power structure. The patrimonial state which was considered as the private property of the dominant groups dates back to the Portuguese colony.⁴⁸ Capital and state were intimately linked, independently from the concrete regulation of Brazil's capitalism, which allows to speak of a deep-rooted sustainability of the Brazilian power structure⁴⁹. The decentralised and outward oriented regime before 1930 organised power around the export sector, defending social hierarchies by the exclusion of the masses from access to land and to the state. The revolution of 1930

modified this power strategy, by adding new options for the dominant power bloc. The inward oriented strategy of intensive accumulation allowed industrialisation and high growth rates which produced wealth that could be politically distributed. Even parts of the dominated groups, especially the urban working class and the middle class, were able to participate in the distribution of the growing cake. However, the internal contradictions, mainly income distribution and access to land, were not solved which explains the ongoing political instability and the two military coups in 1937 and 1964. Growth, the 'flight forward', was a social innovation born out of the necessity to accommodate conflicts that were not solvable in the given hierarchical social order, which saw social inequality as natural and eternal.⁵⁰ Each recession turned out to be dangerous for the ruling groups, each boom alleviated social pressures. This explains the rationale behind the desperate search for growth. As long as there was a certain internalisation of the accumulation process and the regulation of the economy, the national power holders had a space for manoeuvre to encourage growth in the moment of crisis. In the 1980s, the new room for politics was used by social movements and civil society, in the 1990s, however, depolitisation rapidly made the recently won political liberty obsolete. In an interesting argument, Tavares and Fiori⁵¹ and Pereira⁵² claim that the regulation of money played a crucial role in this radical shift. In conventional argumentation, depolitisation is linked to an excess of participation and economic populism. Following official rhetoric, excessive responsibilities overburdened the state and led to its legitimisation crisis. As a consequence, all kinds of state intervention were considered as authoritarian, independent of executed by a military or a democratic regime. A new discursive field, grouped around globalisation and the procedural character of change, established itself as an increasingly powerful alternative. Discrediting the state was facilitated by inflation which undermined the real effects of nominal wage increases or budgetary increases. Oligopolic markets allowed the firms to pass wage increases on to the consumers, resulting in a deteriorating income distribution during the 1980s, the decade of democratisation. The richest 10% of the population earned 46,6% of the total income in 1981 and 53,2% in 1989; the poorer half of the population suffered a decrease from 13,4% to 10,3% and the poorest 10% had to renounce 0,3% of its initial 0,9% of total income!⁵³ Even the upper middle class suffered in the crisis. The social unrest and the strikes which apparently brought no results led to disillusion. Inflation taught the people that the devaluation of money undermined democratic decision making. The consequence they drew was that social and political pressure for social justice was in vain. 'Development' can not be 'made'. The discourse of welfare lost its appeal. It was a paradox that the end of the military regime did rapidly transform itself in a crisis of democracy.

The new political field is determined by massive technological changes that can be observed in certain 'islands of wealth' which have access to the facilities of the globalized world. These islands of wealth can be found in the mainly multinational enterprises and in producer services as well as in the high bureaucracy, the universities and parts of the NGOs. Organisationally, the nation-state lost its decisive position. A new form of state is in the making in which the global gains in importance.⁵⁴ The integration in the world economy increases the flows of money and goods, crucial decisions are related to the value of the currency and the interest rates. The public and external deficits undermine the stability of an economy. Rising interest rates result in increasing budgetary deficits, declining interest rates lead to capital flight.⁵⁵

4 From structure back to social struggle

The structure of the deployment of globalisation can not be judged according to its validity. It is simply a stabilized arrangement of elements that exclude certain aspects, like the distribution of wealth and income, from public attention and avoid that they can be made effective in concrete discourses. Therefore, the deployment of globalisation is able to grasp new phenomena like virtual space based on new relations made possible by information technology or the increasing amount of interrelationships in economic and political affairs that a discursive field of sovereign national actors is unable to comprehend. However, fluidity and permeability imply that the fixed and the border still exist. The dialectical method allows us to understand that territorialisation is the other side of the coin of a process of de-territorialisation. The hollowing out of the nation state goes in Europe hand in hand with a new European governance regime;⁵⁶ free-floating capital has to concretize at least sometimes in physical investment; the internet presupposes the physical installation of a computer. The political-economic analysis showed that the state, apparently sovereign in the deployment of development, was always much more interwoven with capital interests than the discursive field might have suggested. Both discursive fields, the one of development and the one on globalisation, neglect the economic power of capital, that is to say the productive power of a structure that fosters accumulation. Furthermore, it denies the political power of the state and social movements. As a consequence, decisive phenomena cannot be grasped, as the structure of the field 'forgot' about them.

Table 1 gives the impression that we are facing a radical discursive rupture. But the term development is so fuzzy that it is not totally substituted even in a speech on globalisation. The term development is still being used frequently by Cardoso, yet it is transformed in the new discursive arrangement of globalisation. Globalisation does not denominate anything

different from a process of radical transformation of space, hinting at a new understanding of space and time.⁵⁷ It has been widely commented that this was already documented by Karl Marx and Friedrich Engels⁵⁸ 150 years ago in their 'Communist Manifesto' which is nowadays celebrating a revival, by far transgressing leftist circles. Rubens Ricupero, today general secretary of UNCTAD and in 1994 Brazilian finance minister quoted it in an affirmative way.⁵⁹ Indeed, history is more than the emanation of structures, the teleological evolvement of social processes. It is made by human beings, although not under the conditions of their own making.⁶⁰ Holding power, contesting power and changing power positions is an important and worthwhile undertaking. Globalisation did not happen to Brazil, it did not fall from heaven, but was implemented by social and political forces. In the 1980s the civilian president, still elected under military-rule, José Sarney, began the disastrous management of the then very low public debt via a politics of high interest rates and short-term indebtedness which resulted in an exploding debt service. Finance capital was empowered and rentier interests satisfied while the state's capacity to invest was undermined. Therefore the state continued to be inapt and unwilling to react to social demands. While Sarney has to be blamed for undermining the state, his successor, Collor de Mello, deliberately aimed at the destruction of the state, public bureaucracy as well as public enterprises. He implemented a radical programme of dismantling the anyhow weakly developed Brazilian welfare state. Public schools and hospitals as well as access to public subsidies in housing were victims of furious anti-statism that based itself of a curious argumentation of 'economic populism' as if too much social concern and a lack of market rationality would be at the root of the economic disaster. In the concrete conjuncture of the 1980s and 1990s, money, and especially the apparent illusion of money and the inadequate understanding of monetary politics, played a crucial role in the discursive shift. Money is an institution that facilitates flows, it seems to be neutral, in what concerns the social implications of its regime. In fact, money is power.⁶¹ The apparent neutrality of power permits hiding the culprits of inflation,⁶² those agents that imposed the increasing mobility and volatility of capital. Political decisions, like the radical and unilateral reduction of tariffs or renouncing from foreign exchange control were crucial political decisions. It is an irony of history, that a so-called social democratic president was in charge when the recently acquired constitutional rights in health, education and old-age pension were forsaken. Resistance became increasingly weaker and the 'conservative' left was blamed for defending an obsolete and unjust welfare regime.⁶³ All this helped the imposition of a 'unified thinking' (*pensamento único*) and served as a justification for the private organisation of the society and the economy, centred on a global-local interplay to the detriment of the national. It was the same government that imposed austerity on the population that spent more money in selling state enterprises than it received from the so-

called buyers.⁶⁴ Essential parts of the Brazilian constitution were changed in congress by a governmental activism that resembled a steam-roller. Although an apparent end of politics due to globalisation was proclaimed in daily press-communications, the first term of Cardoso's presidency was characterised by massive political changes.

In Cardoso's speech one can find the contradiction between conservation and change. Embedded in the deployment of globalisation agency seems no longer possible as a sovereign act. But in certain, crucial moments Cardoso leaves the order of the deployment of globalisation and returns to the one of development. This happens, when he starts talking about actors in the age of globalisation.⁶⁵ The majority of the population is indeed denied any importance in the play of power. Especially the once privileged working class who carried an historical mission of change can no longer execute this role of a defender of justice and progress. But there still can be identified a 'father and a mother', power-holder and actors: the elites. It is exactly at this point that our strategic and structural analysis diverge. While power dissolves in the deployment, the strategy enumerates actors. Global forces of technology and financial markets foster the imperative of an a-personal power structure; global governance resurrects actors and politics.⁶⁶ Although the elites have to be judged as egoistic and solely oriented towards their own interests (Cardoso 1996: 6/2), there is hope to expect that they change their behaviour in the 'new renaissance'. Unfortunately, although having a reactionary and dubious connotation, the term 'elite' has been increasingly used in all political milieus, substituting the term 'dominant'. One takes part in the elite, when it refers to the 'best' and the educated. The others are blamed of being part of the elite when one wants to denounce privileges. These privileges can be identified in diverse sectors (Cardoso 1996: 4/2). For example in the well organised and relatively well-off industrial workers. In Brazil, however, it is exactly this professional group that suffered most from global restructuring. In 1995, the oil workers suffered from state repression in a way, similar to the heydays of dictatorship. The male industrial worker in the city of São Paulo had to suffer a reduction in his monthly income between 1898 and 1996 from R\$ 1718 to R\$ 1046.⁶⁷ Public servants and other 'privileged' groups have suffered severe reductions of their real income over the last years, too. The term 'elite' gets a clear content only if it defines those equipped with power in a market society and these are the dominant and the rich. Indeed, there are well-off industrial workers and well paid public servants. These groups form the nodal point of the power structure together with managers and highly qualified employees in producer services and rentiers who gained a fortune due to the booming financial markets. One can reconstruct this in the increasingly unequal distribution of income. The power structure that has its origins in Brazil's slave-holder society and its peripheral integration in the world economy shows an amazing stability and

sustainability. Nevertheless, it was constantly contested and always only pacified. The end of social and class struggles and the imposition of a certain stability is result of a political undertaking and not of a-historical forces. Summing up, the term and the deployment of globalisation successfully contribute to obfuscate conflict and struggle in society.

5 From contradiction to synthesis

Now we are able to dissolve the contradiction between Cardoso's strategy that became apparent when he talked about globalisation and the reflections on the structural power of the discourse of globalisation. This can be achieved by using a dialectical approach that aims at a synthesis of development and globalisation⁶⁸ in an integral deployment (see table 1). It is the exclusion of a joint analysis of the economic and the political that allowed the triumph of a discourse on globalisation linked to liberal market ideology. The erroneous separation of the economy and the state allows a cyclical argumentation of the dominant groups: in some historical situations, when the crisis of market capitalism becomes obvious like in the 1930s, they argue against an excess of the market and the social responsibility of the state. This statist discourse neglects the existing authoritarian political structure of clientelism, patronage and patrimonialism, justifying sovereign, although normally undemocratic power. At other times, as in the 1990s, market liberalism denounces statism denying the fact that the economic power-holders are intimately linked to the political power-holders. Privatisation implies an organisational change which leaves the underlying political-economic structure untouched. From a Marxist point of view these two deployments can be considered as moments of a more general process of valorisation. The contradictory essence of capital consists in its never-ending necessity of amplified reproduction as a systemic necessity; 'changing to preserve' the motto of capitalism as a mode of development based on creative destruction. The moments, described in table 1, have to be reinterpreted as elements of the deep-rooted structure of capitalist society. The nation as a territory, over which the ruler governs, remains an important container of power, although the discourse on globalisation denies its relevance. The nation continues being in charge of an effort to adapt the territory externally (economic stability, reliability for foreign investors) and internally (assistentialism to avoid delegitimisation of the social and economic order).

Clegg observes that the apparently libertarian power of the market and the seductive power of consumption seems to result in a 'forgetting' of power.⁶⁹ However, if, as the discourse on the market claims, the market produces options of agency then these potentials are very unequally distributed. If Brazilians, sitting in front of their TV, 'forget' about power, then this can be considered more as a prove of the efficiency of the deployment of globalisation than as a statement on the real world and material power structures. The strange citation of

Clegg at the end of a very interesting exposition on power can only be understood, if even he 'forgets' about the productive power of capital. Globalisation, understood as an economic, essentially market-led, course of the world abets economism and denies the possibility of resistance. As it produces impotence the deployment of globalisation is more powerful than the one on development: What is left to be done facing all those global *Sachzwänge*? What are the rooms for manoeuvre at the local, national or global level? As power is dissolved, if faded out or forgotten, then politics, history and transformative action is dissolved, too. What consequences have to be taken, facing these dilemmas? As long as the discursive fields of development and globalisation are not abandoned, as long as the question of power does not occupy the centrestage of political economy, we remain victims of the really dominant forces of today, namely the one of capital.

To perceive power as embodied in concrete power-holders and embedded in structures at the same time, to understand development and globalisation as discursive moments of a broader process, to put synthesis in the place of dichotomies could show a way out of endless and useless discussions on globalisation. Globalisation as a discursive structure facilitates the implementation of an antidemocratic elitist social order under the pretext that nobody can understand and influence the world of globalisation. It can only camouflage, but never deny the fact that social struggle, resistance, and collective empowerment are integral parts of the conflictual and contradictory social order of contemporary capitalism. In line with Marx⁷⁰, we can affirm with Giddens⁷¹ that human beings make history and geography – even in the era of globalisation.

¹ Anthony Giddens, *The Constitution of Society*, Cambridge, Polity Press, 1988, pp. 327-334.

² Richard Bernstein, *Beyond Objectivism and Relativism*, Oxford, Basil Blackwell, 1983, p. 138

³ Gille Deleuze, *Woran erkennt man den Strukturalismus*, Berlin, Merve, 1992, p. 31.

⁴ Michel Foucault, *The will to Knowledge, The history of sexuality*, Harmondsworth, Penguin Books, 1998, p. 7.

⁵ Joseph Kahl, *Modernization, Exploitation and Dependency in Latin America. Germani, González Casanova and Cardoso*, New Brunswick, Transaction Books, 1976.

⁶ Fernando Henrique Cardoso, Enzo Faletto, *Abhängigkeit and Entwicklung in Lateinamerika*, Frankfurt, Suhrkamp, 1976.

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- ⁷ Fernando Henrique Cardoso, *Globalização*. Speech given at the Universidad Autonoma de Mexico, cited in *Folha de São Paulo*, 21.2.1996. Reproduced in *Brasilienausschnittdienst 2/96*. Mettingen, Verlag für Brasilienkunde, p. 3 - 6. Citation ordered by page and column, translation by the author.
- ⁸ Cardoso, *Globalização*, p. 3 and 6/2.
- ⁹ Cardoso, *Globalização*, p. 3/2.
- ¹⁰ Cardoso, *Globalização*, p. 6/2.
- ¹¹ Cardoso, *Globalização*, p. 3/2.
- ¹² Cardoso, *Globalização*, p. 5./2.
- ¹³ Cardoso, *Globalização*, p. 5/2.
- ¹⁴ Cardoso, *Globalização*, p. 6/2.
- ¹⁵ Cardoso, *Globalização*, p. 4/2.
- ¹⁶ Cardoso, *Globalização*, p. 6/3.
- ¹⁷ Vilfredo Pareto, *Sociological Writings*, Oxford, Blackwell, 1976.
- ¹⁸ Steward R. Clegg, *Frameworks of Power*, London, SAGE, 1989, pp. 46 – 48.
- ¹⁹ Karl Marx, *Der 18. Brumaire des Louis Bonaparte*, Frankfurt, Insel, 1965, pp. 10-11.
- ²⁰ Frank Deppe, *Niccolò Machiavelli, Zur Kritik der reinen Politik*, Köln, Pahl Rugenstein, 1987, p. 346.
- ²¹ Deppe, *Niccolò Machiavelli*, p. 138-9.
- ²² José Luís Fiori, *Os moedeiros falsos*, 2a Edição, Petropolis, Editora Vozes, 1997, p. 116.
- ²³ Cardoso, *Globalização*, p. 6/2 and 6/3.
- ²⁴ Foucault, *History of Sexuality*, p. 106.
- ²⁵ Michel Foucault, *Dispositive der Macht. Michel Foucault über Sexualität, Wissen and Wahrheit*, Berlin, Merve, 1978, pp. 119 – 120.
- ²⁶ Foucault, *History of Sexuality*, p. 115.
- ²⁷ Foucault, *History of Sexuality*, pp. 115-6.
- ²⁸ Andre Gunder Frank, *Capitalism and Underdevelopment in Latin America. Historical Studies in Chile and Brazil*, London, Monthly review Press, 1967.
- ²⁹ Aurelio Peccei, *Die Zukunft in unserer Hand. Gedanken and Reflexionen des Präsidenten des Club of Rome*, Wien/München/Zürich/New York, Verlag Fritz Molden.
- ³⁰ Foucault 1983: 105
- ³¹ With the same intentions Spehr and Stickler talk about the paradigm of development, that means a central vision, that structures discourse, uniforming speeches. A paradigm is the stable pole in a world of multiple and diverse speeches, discourses and practices. Christoph Spehr, A. Stickler,

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- Morphing Zone – Nachhaltigkeit und postmodernes Ordnungsdenken*, Kritische Geographie 12, Nachhaltig reich – nachhaltig arm?, Frankfurt/ Main, Südwind, pp. 17.
- ³² Foucault, *Dispositive der Macht*, 122
- ³³ Andreas Novy, *Raum, Macht und Entwicklung in Brasilien*, professoral thesis, Wirtschaftsuniversität Wien, 1998.
- ³⁴ Foucault 1983: 118
- ³⁵ Peter Taylor, *The state als container: territoriality in the modern world-system*, Progress in Human Geography, vol. 18, no. 2, 1994, pp. 151-162, and Peter Taylor, *Beyond containers: internationality, interstateness, interterritoriality*, Progress in Human Geography, vol. 19, no 1, 1995, p. 1-15.
- ³⁶ Elmar Altvater, *Sachzwang Weltmarkt*, Hamburg, VSA, 1987.
- ³⁷ Thomas Lemke, *Eine Kritik der politischen Vernunft. Foucaults Analyse der modernen Gouvernementalität*, Argument, Sonderband Nr. 251, Berlin/Hamburg, Argument Verlag, 1997, p. 250.
- ³⁸ Steward R. Clegg, *Frameworks of Power*, London, SAGE, 1989, p. 275.
- ³⁹ Erica Schoenberger, Discourse and practice in human geography, Progress in Human Geography, vol. 22, no. 1, 1998, pp. 1-14.
- ⁴⁰ Foucault 1983: 116)
- ⁴¹ Novy, *Raum, Macht und Entwicklung*
- ⁴² Florestan Fernandes, *A Revolução Burguesa no Brasil*. Ensaio de interpretação sociológica, Rio de Janeiro, Guanabara, 1987.
- ⁴³ Bertha Becker, Claudia Egler, *Brazil: a new regional power in the world-economy. A Regional Geography*, Cambridge, Cambridge University Press, 1992.
- ⁴⁴ José Luis Fiori, *O vôo da coruja. Uma leitura não-liberal da crise do estado desenvolvimentista*, Rio de Janeiro, EdUERJ, 1995.
- ⁴⁵ Fiori, *O vôo da coruja*.
- ⁴⁶ David Lehmann, *Democracy and Development in Latin America. Economics, Politics and Religion in the Post-War Period*, Cambridge, Polity Press, 1990.
- ⁴⁷ see Francisco de Oliveira, *Os direitos do antivalor. A economia política da hegemonia imperfeita*, Rio de Janeiro, Vozes, 1998.
- ⁴⁸ Raymundo Faoro, *Os donos do poder*. Formação do patronato brasileiro, Rio de Janeiro, Globo.
- ⁴⁹ Andreas Novy, *Brasilien: Die Unordnung der Peripherie. Von der Sklavenhaltergesellschaft zur Diktatur des Geldes*. Promedia: Wien, in print.
- ⁵⁰ Fiori, *O vôo da coruja*.

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- ⁵¹ Maria da Conceição Tavares, José Luís Fiori, eds., *Poder e dinheiro. Uma economia política da globalização*, Petrópolis, Vozes, 1998.
- ⁵² Jaime Marques-Pereira, *Geld, politische Legitimität and regionale Integration in Lateinamerika*, Journal für Entwicklungspolitik, no. 2, 1998, pp. 139 –152.
- ⁵³ www.ipea.gov.br; Novy, *Raum, Macht und Entwicklung*.
- ⁵⁴ Bob Jessop, *Globalisierung and Nationalstaat. Imperialismus and Staat bei Nicos Poulantzas – 20 Jahre später*, PROKLA , no. 116, pp. 469-495.
- ⁵⁵ Pereira, *Geld, politische Legitimität and regionale Integration in Lateinamerika*.
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- ⁵⁷ David Harvey, *Justice, Nature and the Geography of Difference*, Oxford/Cambridge, Massachusetts, Blackwell Publishers, 1996.
- ⁵⁸ Karl Marx, Friedrich Engels, *Das Kommunistische Manifest*, Berlin, Dietz, 1986, p. 49.
- ⁵⁹ Rubens Ricupero, *Esolher é preciso*, Folha de São Paulo, 23.5.1998.
- ⁶⁰ Marx, *Der 18. Brumaire*
- ⁶¹ Tavares, Fiori, *Poder e dinheiro*.
- ⁶² Pereira, *Geld, politische Legitimität and regionale Integration in Lateinamerika*, p. 143.
- ⁶³ Cardoso, *Globalização*, p. 4/2.
- ⁶⁴ Aloysio Biondi, *O Brasil privatizado. Um balanço do desmonte do Estado*, São Paulo, Editora Fundação Perseu Abramo, 1999.
- ⁶⁵ Cardoso, *Globalização*, pp. 4/2, 6/1 and 6/3.
- ⁶⁶ Achim Brunnengräber, Christian Stock, *Global Governance: Ein neues Jahrhundertprojekt?*, PROKLA, no. 116, 1999, pp. 445-468.
- ⁶⁷ www.seade.gov.br.
- ⁶⁸ Harvey, *Justice, Nature and the Geography of Difference*, chap.4.
- ⁶⁹ Clegg, *Frameworks of Power*, p. 275.
- ⁷⁰ Marx, *Der 18. Brumaire*
- ⁷¹ Giddens, *Constitution of Society*, p. 369.



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