

IIPPE IN BRIEF

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WHAT IS IIPPE?

iippe

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

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IIPPE's International Research Workshop

Ankara, September 14th and 15th, 2009

IIPPE is delighted to announce that its third annual International Research Workshop will take place in Ankara from September 14th to 15th, at the Middle East Technical University, with the support of the TSSA (Turkish Social Sciences Association). As with the pre-

vious two, highly successful workshops in Crete and Procida (near Naples), the workshop is intended to give research students the opportunity to share their research with one another and to benefit from selective inputs from more senior academics. Important networks have been created for IIPPE as well as its

working groups both newly formed or consolidated. Participants will in general be expected to present a paper, for circulation in advance, and we hope to be able to provide avenues for them to be published on a selective basis. As

workshop. Subject to demand, there will be an organised two day (one night) tour of Cappadocia (a unique experience) after the workshop for which there will be a charge of approximately \$100 for those who wish to take it. We hope to be able to cover workshop expenses (food, accommodation and facilities) for most participants but travel expenses will, in general, not be covered. We do ask those who have institutional sources of funding to cover as much of the workshop expenses (food, accommodation, workshop fee, etc) as they can as well as their travel in order to allow for others less fortunate to be covered by IIPPE funds.

There will be a general call for participants at some time soon. But this is an initial chance for existing members of IIPPE to indicate their desire to attend, ideally with an abstract, and to help us get some idea of the demand from different constituencies by discipline, subject matter, country of origin and study, etc. So please let us know at 132590@soas.ac.uk.



in Procida, it is anticipated that there will be 60 or so participants, organised into two streams, with the occasional plenaries for all to meet together. The theme of the workshop will be along the lines of "The Crisis, Interdisciplinarity and Alternatives". Participants will be expected to attend for the whole of the



IIPPE was founded in 2006 with the following aims:

Promote Marxist political economy

Command and criticise mainstream economics

Critically and constructively engage with heterodox alternatives

Assess and advance political economy across other social sciences

Engage activism from policy debate through to dialogue with progressive movements

Engage with activism through formulation of progressive policy and support for progressive movements.

Visit our website at:
<http://www.iippe.org>

Contact us at:
iippe@soas.ac.uk

Editorial

“Celebrating the Renewal of Political Economy”. This was the motto of the flyer announcing the official launch of IIPPE at the recent HM conference. It proved a big success with some eighty people in attendance despite eight parallel streams. And what a timely launch this was, just a couple of months after the worst financial crisis since 1929 hit the globe. This crisis brought to the fore another crisis, that of (neo-classical) economic theory, putting political economy back on the agenda in the most dramatic fashion. It is our responsibility to keep the momentum going by putting forward sound proposals both for explaining the crisis and overcoming it in a way that will empower the majority of people and serve their interests instead of being at their cost.

IIPPE then has finally taken off from the ground after two years of painstaking and careful preparation. Counting over five hundred members already, what we have managed to establish so far includes a firm core at SOAS where

most of our volunteers are based, a website which is now fully functioning, representatives in 10 countries with strong membership in a few of these (including Greece, Italy and Turkey). We have organised two research workshops aimed at research students and other young researchers in political economy in Crete and Procida-Naples, with the third coming up in September in Ankara, and we already have 17 functioning working groups some of which (including neo-liberalism, financialisation, commodity studies and political economy of work) have already shown considerable activity, while others have organised sessions in the HM conferences (political economy of institutions, socialism) and others are still in the making. A new Book Series on Political Economy and Development is about to be launched by Pluto Press with Ben Fine and Dimitris Milonakis as managing editors, and a special issue of the academic

journal *Forum for Social Economics* has been commissioned with papers drawn mostly (but not exclusively) from the Procida workshop. So, much has already been achieved but there is even more that still needs to be done if we want to keep up with the demands of the times. Our future plans include a more official organisational structure, an annual conference preferably held each year in a different country with the first one planned for June 2010, mini conferences and workshops on specific themes organised by the working groups, more special issues in journals and possibly a journal of our own in the near future. We also need to spread and strengthen our presence across our key goals, especially where they remain weak as with engaging in activism and dissemination. Details of most of our activities can be found in the pages that follow; the rest is up to you, that is, us.

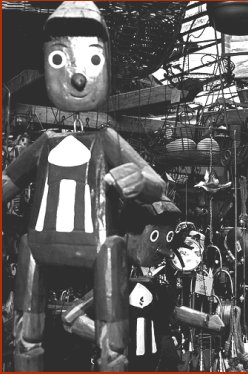
Dimitris Milonakis

Contribute to the Newsletter!



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

The political economy approach to crisis impact in the developing countries



“Looking at changes in economic variables often fails to uncover the structures by which the economies of developing countries are integrated into the capitalist production and financial systems”

The spread of economic crisis around the world has given rise to a flurry of debate and research around the impact of that crisis on developing countries, emerging markets, and transition economies. Much of this is linked with discussions at policy level as to the most appropriate policy response to the crisis in the light of commitments such as the Millennium Development Goals agreed at the United Nations in New York in September 2000, and due to be achieved by 2015 – now only six years away. The fear is that the crisis will undo all the progress that has been achieved since the Goals were agreed.

Much of the research on crisis impact has therefore been purely empirical, in some cases even surveying villagers in assorted developing countries to ask them if they thought things were getting worse for them or not. A problem with much of this research is that it merely reports incidents which may or may not be related to the crisis. For example, high food prices, which are a major factor in falling real incomes and increasing poverty in poorer countries, are not caused by the crisis, but are due to recent price increases in commodity markets. Some countries have been affected by droughts, and this clearly is a climatic phenomenon, rather than a consequence of the financial crisis.

More serious studies have examined the working of markets and changes in economic

growth and trade. This has resulted in the identification of particular ‘channels’ by which the crisis is affecting the developing countries, e.g., the aid channel (changes in aid flows, caused by exchange rate changes, e.g., the depreciation of the pound sterling), the credit channel (changes in portfolio and bank capital flows to developing countries), the trade channel (changes in exports due to recession in Europe and North America) and so on.

The difficulty with much of this research is that by looking at changes in economic variables it fails to uncover the structures by which the economies of developing countries are integrated into the capitalist production and financial systems of the leading capitalist countries. A good example of this is the so-called ‘trade’ channel of crisis transmission to the developing countries. For many of the commodity exporting countries, the main factor in recent changes in trade have been changes in commodity prices. While many commodity prices have fallen from record highs in the summer of 2008, most notably oil prices, it is not clear that these price falls have anything to do with the banking crisis in the U.S., U.K., Iceland and so on. The banks in trouble were not notably active in the commodities markets. Moreover, the vulnerability of commodity exporting countries arises from the way in which they are

incorporated in the capitalist world economy rather than the location of those countries at the end of a channel.

The correct understanding of how the economic situation in the developing countries is evolving starts with an understanding of those key connections by which developing countries are linked to the centres of capitalist production and finance. This of course is a well known approach in structuralist development economics. The distinctive political economy approach that was pioneered by classical political economy, culminating in the work of Marx, was the introduction into these structures of the distribution of income, in particular between classes, but also between capitalist firms and individual households, which results in a structure of demand for output, and hence employment. Here the fruitful avenue for research is on the impact of the financial crisis on the accumulation of capital by capitalist firms. It is this impact, rather than the repair of the banking system, that will determine the way in which the crisis evolves and how it will affect the developing countries.

Jan Toporowski

Moments of the Greek reality



For more information on the Greek section of IIPPE visit our web site

<http://www.iippe.org>

The events of December made the round of the world, through the bourgeoisie media. As it is expected, the way the events were presented resembled hardly to what happened.

At the time that the bullet of the policeman found its way straight to the heart of the pupil, Greece was in the eve of a dual crisis: a political one that initiated from the elections of September 2007, and an economic one, which was made apparent in the beginning of this year. It seems that the two identical parties that are ruling the last 35 years find difficulties in switching the government between them.

The 15 year old was neither the first, nor the last, that fell under the state's violence. But, it was a great opportunity to militarize society. For this to be socially accepted, one death wasn't enough. Athens had to go on fire, policemen had to fire again, another boy to be shot and a unionist to be defaced by acid; in other words, fear had to rise in anyone's heart and mind. This plan was not orchestrated solely by the government – a net of mechanisms including the inner security and fascist organizations were involved. The army was in yellow alarm

and the media were poisoning every healthy social fiber. One, primary, target was the failure of the general strike on the 12th, which was declared one month before.

The situation was overbalanced by the working class, under the leadership of the Communist Party. Instead of a failure, the strike was one the most successful in the last decade. There was at least one demo every day by workers. The firm policy of the CP to safeguard the blocks of the participants and to keep the demo away of the provocative action of the “full-facers” was decisive. The government had to draw back; fear did not prevail, at least for the moment.

The situation now is somehow different. In the political level, the euroelections is the next weighing up of forces and its results will, hopefully, deepen the political crisis and the problem of the bourgeoisie to rule. Nevertheless, the working class is not yet ready to overthrow its fetters. The main reason lies in the very low level of organization of the workers – in unions, local assemblies etc. Of course, all the counter factors, like the obscurity of the socialist perspective, the sold out union

leaderships, the retreat of the working movement worldwide, apply in Greece as well. In the economic sphere, there is a day-to-day contest of whether the crisis will be put on the shoulders of the people, and mostly the workers. In sectors where the latter were already well organized, the balance is on their side. In small cities and in sectors with low organization, the capitalists manage to impose their will.

It might seem peculiar how comes that the working movement is strong, with such a low level of organization. The answer rests mostly with the CP and its historical roots in Greek society which allow for the mobilization of forces that normally would come last in any social movement.

The field is wide open and definitely the world will hear news soon again. The perspectives are quite clear and solely two. Yet, for any progressive thought to move a step, there must be significant weakening of the position of the two major parties and rise of the level of organization of the workers. All the rest will come, almost naturally.

George Lambrinidis

Greek section of IIPPE

The Greek section of IIPPE has been one of the most active from its inception, with Dimitris Milonakis being one of the founding members of IIPPE. IIPPE now numbers about 35 Greek members, and has a presence in many departments of Greek Universi-

ties including the Kapodistriako University of Athens, the University of Crete, Athens University of Economics and Business, Aristotelio University of Thessaloniki, University of Macedonia and University of Thrace. Its other activities include the organisation of the

First IIPPE International workshop in Crete, and the participation of many of its members in the Procida workshop, the IIPPE panels at the HM conferences, and in many working groups.

WORKING GROUPS PAGE

Working Groups form the backbone of IIPPE. The purpose of the working groups is to facilitate discussion and collaboration in order to strengthen and further the development of political economy. We currently have working groups organised around 18 topics (see box below for a full list of the WGs as well as contact details for each). IIPPE working groups are at various stages of development and each

running itself subject to conforming to broader IIPPE aims. So far, activities that have been organised by IIPPE working groups include workshops, panels at conferences, online debates and exchange of literature and other resources. The IIPPE working groups have brought together researchers from across disciplines, institutions and countries. A number of working groups are planning working paper series and other col-

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



Current Working Groups

Agrarian Change
Commodity Studies
Developmental State
Transition as Development
Financialisation

Heterodoxy
International Financial Institutions
International Political Economy
Marx
Minerals-Energy Complex
Neo-liberalism
Political Economy of Conflict and Violence
Political Economy of Institutions
Political Economy of Work
Privatisation
Social Capital

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Featured working group: Political Economy of Work



The Political Economy of Work WG, one of IIPPE's seventeen currently active Working Groups, has as its chief aim to foster the collective development of a political economy of work across traditional disciplinary divides (such as economics, sociology, psychology, employment relations, human geography and philosophy), as a superior alternative to the encroachment of mainstream economics into the terrain of work

studies. The focus of the activity of this WG is on issues that include, without being limited to: workplace changes; job quality; the labour process; and the possibilities of different social organisations of work. Some of these and other issues were the object of presentations and lively discussions as of the Inaugural Day Conference of this WG, which was held at the University of Leeds on May 5th, 2009. To join this Working

Group, please contact iippe@soas.ac.uk.

Please contact individual working group coordinators for more information on specific working group activities and events.

EVENTS AND PUBLICATIONS

CALL FOR ABSTRACTS

INTERNATIONAL INITIATIVE FOR PROMOTING POLITICAL ECONOMY

3rd International Research Workshop in Political Economy

**Ankara,
September 14th and 15th, 2009**

IIPPE invites applications to its 3rd Annual Research Workshop in Ankara, Turkey on the 14-15th September 2009. The event is organised with the support of TSSA (Turkish Social Sciences Association) under the theme of "The Crisis, Interdisciplinarity and Alternatives".

As with the previous two, highly successful workshops in Crete and Procida (near Naples), the workshop is intended to give research students the opportunity to share their research with one another and to benefit from selective inputs from more senior academics. Important networks have been created for IIPPE as well as its working groups both newly formed or consolidated.

Those interested in participating are invited to send a one-page abstract to 132590@soas.ac.uk before the *extended* deadline of 30th May 2009 (with the subject: IIPPE 3rd Research Workshop). We aim to inform successful participants and attendees by 8th June. Participants are required to provide a written paper in advance, the deadline for delivery of which is the 14th August 2009.

IIPPE Working Groups are encouraged to put forward a collective proposal for a session (usually 3-4 papers) within the Workshop. Please submit such session proposals, indicating the names and titles of the session papers to 132590@soas.ac.uk before the 30th May. Abstracts for these papers, and the papers themselves, should then be sent separately as above.

IIPPE is only able at most to cover basic accommodation and food costs for most workshop participants. We therefore strongly urge you to seek alterna-

tive sources of funding to cover the cost of travel and other expenses, including a workshop fee, if available. Please indicate whether you have such funding in place when sending your abstract to us.

For further information regarding the event please contact 132590@soas.ac.uk.

BOOK SERIES ON POLITICAL ECONOMY AND DEVELOPMENT

PLUTO PRESS and IIPPE

Edited by

Ben Fine

(SOAS, University of London) and

Dimitris Milonakis

(University of Crete)

Political economy and the theory of economic and social development have always been fellow travelers, sharing an interdisciplinary character and multi-dimensional analytical approaches. With the world financial crisis in full swing, and neo-liberalism and post-modernism in retreat across the social sciences, the prospects for political economy have not looked brighter than in recent years, at least in potential. Over the last fifty years, mainstream economics has become more and more formalistic, attaching itself to an increasingly narrow method and set of techniques at the expense of other schools of thought and approaches. And it has also increasingly expanded its domain of application to other social sciences, currently to an unprecedented degree. But, precisely because of its narrowness in method, concepts and techniques, mainstream economics has shown itself incapable of explaining social phenomena to the satisfaction of more rounded social scientists, let alone of coming to terms even in the most rudimentary way with current events in the world economy.

By contrast, because of its interdiscipli-

nary nature, political economy is better suited to serve as the means of addressing the economic in the context both of more general considerations and contemporary developments. Further, in contrast to an increasingly narrowly defined development economics, political economy offers a particularly rich set of approaches to the complex set of factors, and outcomes, associated with combined and uneven development.

In this light, the objective of this Series is to support the revival and renewal of political economy in and of itself, but also in dialogue with other social sciences by acknowledging disciplinary boundaries only by breaching them. Drawing on the rich traditions of the past, we encourage contributions critically but constructively engaging with heterodox economics, critically assessing mainstream economics, engaging with contemporary development issues and offering alternative policy prescriptions in support of progressive movements.

Those interested in contributing to the Series or wishing to offer comment upon it should contact Ben Fine (bf@soas.ac.uk) or Dimitris Milonakis (milonakis@econ.soc.uoc.gr).

COMMODITY STUDIES WORKING GROUP AT THE DSA CONFERENCE

The Commodity Studies Working Group will be present at this year's Annual Conference of the Development Studies Association, held at the University of Ulster, 2-4 September 2009.

For more information on the CSWG, go to http://www.iippe.org/wiki/Working_Groups.