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**TOWARDS 'POST-GLOBALIZATION'? NEOLIBERALISM AND
GLOBAL GOVERNANCE AFTER THE GLOBAL FINANCIAL CRISIS**

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Abstract

At the global level, the neoliberal paradigm and transnational democracy are alternative ideological political projects: has the global financial crisis produced a shift in the dominant political-economic ideology towards a new era of 'post-globalization'? Conducted mid-2010, this experiment uses the content analysis software Alceste to systematically uncover the themes emanating from the G-8 and G-20 environmental and financial ministerial meetings and refute the much discussed return to 'business as usual' of the year 2010 in the financial realm: from the unique location of this variable on our data-grid, the communiqués for 2010 break with the 'boom and bust' logic and yet presents a contradictory passive reliance on market forces to palliate a lingering market failure that can only indicate a temporary position.

Introduction: Hegelian History, buried or alive?

“There is no such thing as society. There are individual men and women, and there are families.” Margaret Thatcher

“There is no salvation for civilization, or even the human race, other than the creation of a world government.” Albert Einstein

Traditionally, economic crises have marked key junctures for the reorientation of the role of the state in the economy and its underlying political project. In the XXth century, the ideological pendulum swung from the pre-1929 faith in the Smithsonian ‘invisible hand’ to the post-WWII Keynesian consensus and its ‘embedded liberalism compromise’¹, to revive liberal tenants with the Chicago School-led Reagan-Thatcher revolution of the 1980’s. 1989, however, marked a qualitative turning point or ‘regime change’² in the realm of political ideologies as commentators were quick to pronounce an ‘end of History’ that meant more than the mere victory of capitalism over its socialist rival. Indeed, the ‘coupling’ of neoliberalism and democracy brought partisans of a Lockean, atomizing and individualizing political philosophy towards the interpretation of the 1989 revolutions as the ‘end of Utopia’³: the pendulum was said to have come to a halt.

Throughout the 1990s, Polanyian commentators deliberately attempted to counter the prevailing ‘organicist’ understanding of society as a “self-organizing process which no single agency – individual or collective – designs or controls”⁴. In recent years, these ‘mechanistic’⁵ accounts have morphed from minor voices into popular lenses in understanding a world whose “tectonic

¹ See Ruggie’s seminal article ‘International regimes, transactions, and change: embedded liberalism in the postwar economic order’, 1982

² Wade, R, “Financial Regime Change”, *New Left Review*, vol. 53, 2008

³ Kumar, K, “The Revolutions of 1989: Socialism, Capitalism and Democracy” *Theory and Society*, vol. 21, no. 3, 1992

⁴ Desai, M, “Globalization, neither ideology nor utopia”, *Cambridge Review of International Affairs*, vol.1, 2001, p.16

⁵ Ibid, p.2

plates are moving”⁶. The financial crisis that burst in 2008 indeed raised questions at the juncture of historicism, sociology of knowledge and economics. Adam Smith’s ‘invisible hand’ – meant to create “harmony between the individual and the aggregate”⁷ and within the broad organic tradition – had proved insufficient: beyond the realm of finance, environmental and security crises put the existing paradigm into question. Has the financial crisis been understood as highlighting a fundamental flaw in a world order that “is now dysfunctional so far as serving fundamental human needs are concerned”⁸? In other words, has the ideological pendulum started moving again, towards an era of ‘post-globalization’⁹?

First, we review two alternative visions on how to manage globalization: the neoliberal paradigm and transnational democracy. While the former holds that optimal resource allocation and overall systemic stability is best realized through unregulated market forces, the latter has warned this one-sided understanding on both pragmatic and normative grounds. Then, we hypothesize the cataclysmic nature of the 2007-2008 financial crisis on the ideological status quo in global policy-making: we propose to use the Alceste content analysis software to quantify the evolution of political-economic ideologies in what we argue is the most adequate site to capture the current *zeitgeist*, i.e. the G-8 and G-20 financial and environmental communiqués. If our analysis of G-8 environmental communiqués is inconclusive, our G-8/G-20 financial communiqués suggest that the neoliberal paradigm has so far been dismissed and that a move towards transnational democratic ideals is emerging. The position of the year 2010 ruptures with the ‘boom and bust’ logic yet presents contradictory features that can only indicate a temporary position.

⁶ Held D. & Young, K, “Parallel worlds: the governance of global risk, finance, security and the environment, *LSE Global Governance*, Working Paper, 2009

⁷ Desai, p.3

⁸ Falk, R, “A Radical World Order Challenge: Addressing Global Climate Change and the Threat of Nuclear Weapons”, *Globalizations*, vol. 7, no. 1, 2010, 137 – 155

⁹ Cox, R. in Gill, S, *Gramsci, Historical Materialism*, Cambridge: Cambridge University Press, 1993

Managing globalization: conceptual approaches

In terms of managing globalization, the prevailing neoliberal paradigm may be contrasted with a transnational democratic political project. The former, advocated by the likes of Friedman, Wolf and the Bretton Woods institutions, rests among others on Hayekian theories of “market deregulation, state decentralization, and reduced state intervention in economic affairs”¹⁰. This ‘liberal internationalist’¹¹ approach holds that human wellbeing can be maximized by giving free reign to individual entrepreneurial freedoms within a ‘market-enhancing’¹² framework built upon strong private property rights and unregulated markets. On the other hand, transnational democrats support the view that ‘market-correcting’¹³ policies are indispensable for a sustainable public order, given that markets are assumed not to be characterized by perfect information, perfect competition and the absence of transaction costs¹⁴.

1. Pragmatic grounds

Neoliberals and transnational democrats hold different views on the consequences of an integrated networked structure of globalization left to its own devices: whereas the former believes this may lead to greater robustness of the system through risk dispersion and its self-regulatory mechanism, transnational democrats warn against an increase in systemic risk. They share the conclusions derived by Haldane¹⁵ who warns against the dangerous process of

¹⁰ Campbell, J & Pedersen, O, *Neoliberalism and Institutional Analysis*, Princeton, NJ: Princeton University Press, 2001, p.1

¹¹ McGrew, A. In G Stokes and A Carter (eds), *Democratic Theory Today: Challenges for the 21st Century*, Cambridge: Polity Press, 2002

¹² Keohane, R.O. in Held, D. and McGrew, A (eds), *The Global Transformation Reader*, Second Edition, Cambridge, Polity Press, 2003

¹³ Ibid.

¹⁴ Greenwald, B. & Stiglitz, J, “New and Old Keynesians”, *The Journal of Economic Perspectives*, vol. 7, no. 1, 1993, 23-44

¹⁵ Haldane, A. ‘Rethinking the Financial Network’, speech delivered at the Financial Student Association, Amsterdam, 2009

simplification and reductionism – underlined before him by Simon¹⁶ in 1962 – disguising the complexity of systems under an apparent homogeneity.

For transnational democrats, the coupling of an exponential ‘time-space’ compression (the result of technological advances in communications and transport) with population growth moves global interdependence beyond the economic realm to permeate all aspects of modern life. Global interdependence is conceptualized in three ways: first, in terms of ‘impact propensity’ – conceived of as the impact of an event in one location on the rest of the world – second, in terms of ‘global public goods’, i.e. goods that are non-excludable and non-rival in consumption, and finally in terms of ‘global commons’, the both old and new borderless issues that span security, e.g. the terrorist and nuclear threat, economic issues, as well as environmental deterioration¹⁷. Carruthers and Stinchcombe¹⁸ have isolated the pivotal importance of trust in holding this highly integrated system together: combined with the threats of ‘global commons’, contemporary globalization is similarly understood by transnational democrats as materializing Beck¹⁹ and Giddens²⁰ ‘risk society’, i.e. modernity’s reflexive component.

2. Normative Grounds

Likewise, the transformative effects of contemporary globalization are perceived by transnational democrats to favor the balance of international relations ethics, stemming out of the Kantian society of people versus the Hegelian state system, in favor of cosmopolitanism in the XXth century. Beyond the weight that seminal accounts from Rawls²¹ and Habermas²²

¹⁶ Simon, H.A. “The Architecture of Complexity”, *Proceeding of the American Philosophical Society*, vol. 106, no. 5, 1962, 467:482

¹⁷ Held D, & Young, K, 2009

¹⁸ Carruthers, B. and Stinchcombe, A, “The structure of liquidity: flexibility, markets and states” *Theory and Society*, vol. 28, 1999, 353-382

¹⁹ Beck, U, *Risk Society: Towards a New Modernity*, New Delhi: Sage, 1992

²⁰ Giddens, A, *The Runaway World*, New York: Routledge, 2003

²¹ Rawls, J, *A Theory of Justice*, New York: Basic Books, 1974

added to the literature, the ‘third wave of democratization’²³ was paralleled by the growing legitimacy crisis of the prevalent liberal democratic conception of *demos* as only applicable to the nation-state. Firstly, within nations, the civil society claim that the neoliberal paradigm of globalization had undermined the democratic legitimacy of national governments to provide for its people – the result of outsourcing and the reduction of welfare state – grew louder during the 1990s²⁴. Second, global interdependence is understood by transnational democrats as having transformative effects on the notion of *demos*: Anderson’s ‘imagined community’²⁵, previously confined to the national level, now matches borderless ‘communities of fate’²⁶ marked by a new type of human solidarity in face of the man-made dangers of modernity. Therefore, the ‘liberal reformist’ position – contemporarily translated in neoliberal thinking – is rejected by proponents of a cosmopolitan democracy, radical democratic pluralism, and deliberative democracy alike on the grounds that its effects are undemocratic²⁷.

3. Reforming The Existing Multilateral Order

Furthermore, transnational democrats emphasize the translation of the contradictory dynamics emerging from the current paradigm of globalization, i.e. the self-reinforcing process of unregulated global interdependence and the tension between the economic and political side of liberal democracy, into the existing global multilateral order.

²² Habermas, J, *Moralbewußtsein und Kommunikatives Handeln*. Frankfurt am Main: Suhrkamp, 1983

²³ Huntington, S, *The Third wave: Democratization in the Late Twentieth Century*, University of Oklahoma Press, 1991

²⁴ Lupel, A, 2009. Global Crises and the Future of Transnational Democracy. In: *2nd Annual Global Forum on Modern Direct Democracy*, Republic of Korea, 10-12 September 2009

²⁵ Anderson, B, *Imagined Communities: Reflections on the Origin and Spread of Nationalism*, London: Verso, 1989

²⁶ Held, D & McGrew, A. (eds), *Governing Globalization: Power, Authority and Global Governance*, Cambridge: Polity Press, 2002

²⁷ Ibid.

Created in the aftermath of the Second World War, the existing multilateral order has been conceptualized as both reflecting an obsolete balance of power and unfit for managing growing interdependence²⁸. It suffers from a crisis of legitimacy that declines itself first in competing forms of global governance in a ‘mixed-actor system’²⁹ or ‘multilayered system of governance’³⁰ – including civil society but also increasingly privatized informal regulatory bodies, i.e. the Bank for International Settlements (BIS) – and second in specific instances such as the IMF financial crisis that was largely caused by the growing tendency by non-G7 fee-paying members to turn to other sources for funding after the IMF’s perceived mismanagement of the Asian financial crisis³¹. Until now, attempts at reforming the existing balance of power between public and private actors, such as the New International Financial Architecture (NIFA) in the aftermath of the 1990s regional crises, left the status quo largely unchanged³². In the social area, disenchantment is the result of the uneven way the benefits of globalization have spread in developing and developed countries alike: poverty and inequality trends under the ‘Washington Consensus’ are debatable and have led some such as Milner or Wade to reject the Kuznets hypothesis³³ all-together.

²⁸ Held, D, “Reframing global governance: Apocalypse soon or Reform!” *New Political Economy*, vol. 11, no. 2, 2006, 157 - 176

²⁹ Mansbach, R.W., Y. Ferguson and D. Lampert. *The Web of World Politics: Non-State Actors in the Global System*. New Jersey: Prentice Hall, 1976

³⁰ Rosenau, J, *Along the Domestic-Foreign Frontier*, Cambridge: Cambridge University Press, 1997

³¹ Wade, R, “The Asian debt-and-development crisis of 1997-?: Causes and consequences”, *World Development*, vol. 26, no. 8, 1998, 1535 - 1553

³² For an overview, see Helleiner, E, Pagliari, S & Zimmerman, H, *Global Finance in Crisis: The Politics of International Regulatory Change*, London: Routledge, 2010

³³ Kuznets, S, “Economic growth and income inequality”, *American Economic Review*, vol. 45, 1995, 1- 2

However, the prevailing state of stateness is of worry to those pressing for a stronger multilateral order. Indeed, Nettl's³⁴ classic case for the centrality of stateness was clearly vindicated, though "the form and the content of this vindication are full of ironies"³⁵. However, "hyperglobalist" accounts have been increasingly contested as national variation gained visibility in the authoritarian capitalist statehoods emerging in the Asia, but also in the Gulf and, to some extent, in Russia. In contrast, the erosion of state sovereignty in areas of 'high politics' is far less controversial than in the economic matters developed above. Enjoying a newly found popularity after Keohane and Nye's seminal study 'Power and Interdependence'³⁶, the study of state cooperation was partially resolved by the liberal institutionalist school of International Relations that allowed for the pursuit of relative gains. However, 'global governance' is differentiated from a 'global government' in that it has evolved from 1945 multilateralism, yet the consensus agrees it is nowhere near "a unified global system underpinned by global law enforcement"³⁷. This evolution of political cooperation has to this day been mapped by locating existing rule systems that confirm the continuing commitment to the intergovernmental principle in areas of high politics³⁸.

³⁴ Nettl, J.P, "The state as a conceptual variable', *World Politics*, vol. 20, no. 4, 1968, 559 - 592

³⁵ Evans, P, 'The Eclipse of the State? Reflections on Stateness in an Era of Globalization' *World Politics*, vol. 50, no.1, 1997, 62 - 87

³⁶ Keohane, R & Nye, J, *Power and Interdependence*, Boston: Little, 1977

³⁷ Cable, V, *Globalization and Global Governance*. Royal Institute of International Affairs, 1997, p.54.

³⁸ Koenig-Archibugi, M. in Held, D. & Koenig-Archibugi, M. (eds), *Taming Globalization: Frontiers of Governance*, Oxford: Polity, 2003

Towards 'post-globalization'?

1. 'Fault lines' and global governance

In the last decade, two events have popularized transnational democrats' claims and set in motion a transition towards a world order where the balance between state and market forces have once again been renegotiated. However, each 'fault line'³⁹ in the 'End of History' argument has had very different implications for global governance.

The consequences of the 9/11 events for proponents of a global polity were ambiguous: on the one hand, they were widely interpreted as highlighting an important issue the *weltanschauung* was not acknowledging, i.e. the postmodern global cultural divide⁴⁰ pitting those embracing the inclusive vision of globalization against the particularistic refuges of those wary of the same phenomena (communitarians), namely mainly nationalism and religious fundamentalism. On the other hand, its response further strengthened "post-Cold War triumphalism"⁴¹: the 'Washington Doctrine'⁴² that ensued "symbolized the end of the Clintonite period and heralded an era in which new walls were emerging everywhere"⁴³: in the wake of the Iraq war, discord had spread within Western countries and among the global community. Coordinated state intervention in global market failures was at its lowest in the early 2000's (Fig.1), further eroded in the economic realm by a credit boom (2002-2007) based on the idea of infinite market liquidity.

³⁹ Zizek, S, *First as Tragedy, Then as Farce*, London: Verso, 2009, p.8

⁴⁰ As outlined in Barber's bestseller '*Jihad vs. McWorld*', 1992

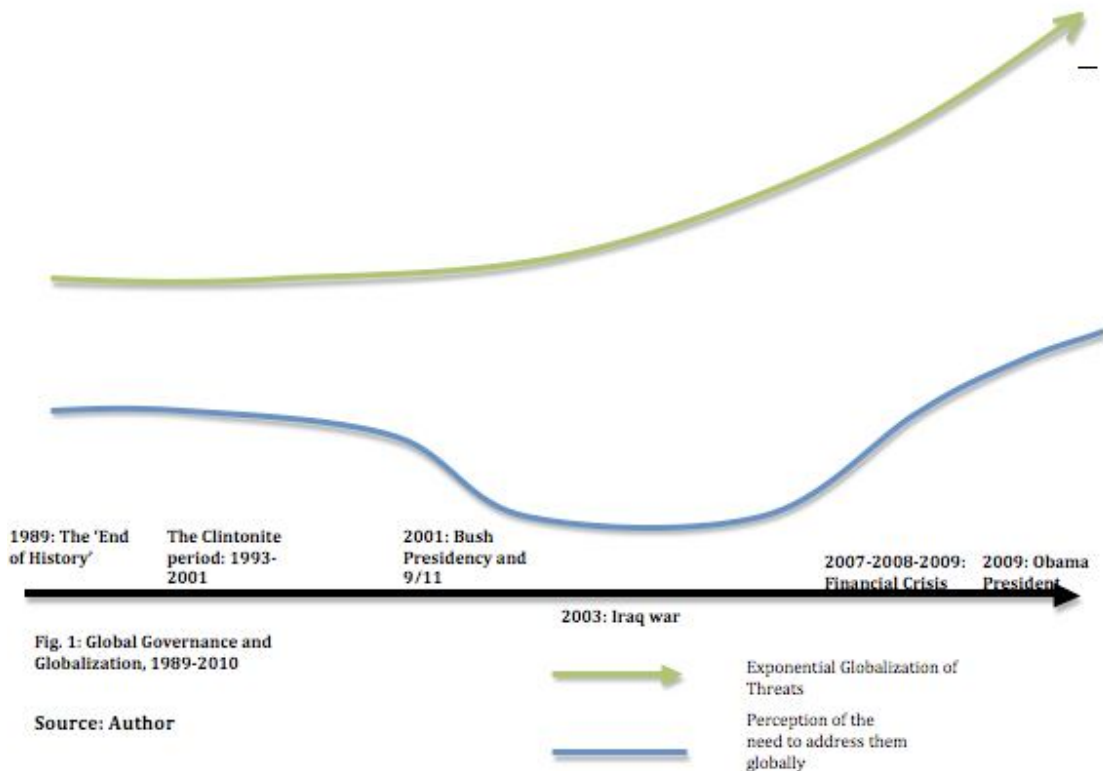
⁴¹ Wade, R, "**The rising inequality of world income distribution**", *Finance & development*, vol. 38, no. 4, 2001

⁴² Held, D, "Reframing global governance: Apocalypse soon or Reform!", *New Political Economy*, vol. 11, no. 2, 2006, 157 - 176

⁴³ Zizek, 2009, p.8

2. 2007-2009: The 'Implosion of Globalization'

The second 'fault line' presented different dynamics, presaging a similarly different response: departing – here too – from the epicenter of the Western world, it however spread globally through the 'private face'⁴⁴ of neoliberalism, i.e. the fast evolving complex financial instruments, to morph into a global common. The difficulty of answering 'Who is to Blame'⁴⁵ question exposed both deregulation and systemic risk at once.



Trust in the existing legitimizers of neoliberal globalization was eroded: first, the giant financial Ponzi pyramid touched the core of market-fundamentalism, i.e. the self-regulating potential of

⁴⁴ Nesvetailova, A. & Palan, R, "The End of Liberal Finance? The Changing Paradigm of Global Financial Governance", *Millenium Journal of International Studies*, vol. 38, 2010, 797

⁴⁵ Davies, H, *The Financial Crisis*, London: John Wiley & Sons, 2010

markets. Second, statistical modeling techniques based on probabilistic theory and meant to route risk out of the system had failed, creating a crisis of confidence that spread first through the financial trading system, highlighting the ‘reflexivity’⁴⁶ of market actors and its central feature in Beck’s ‘risk society’. Drawing on network theory, Golding & Vogel argue that the crisis illustrates the failure of sophisticated global institutions to manage the underlying forces of systemic risk and “highlights the scale and urgency of the global governance challenge”⁴⁷. In OECD Secretary-General Angel Gurría’s words, the financial crisis weakened “trust in governments and regulations, in banks and corporations, in open markets and globalization as a whole”⁴⁸.

In consequence, Polanyian thinking spread among a plethora of commentators that distinguished economic globalization from its political project, to then turn towards examining the limits of the ideas, i.e. the ideology of market liberalism, that justified the both increasingly complex financial structures that produced the securitization of mortgages, collateralized debt obligations or credit-default swaps, and the global deregulated state of affairs⁴⁹. It was argued at times that Hegelian History is back in movement and possibly returning to the Keynesian logic, while others more modestly hypothesized a re-politicizing of the global public sphere in the shape of a ‘deliberative transnational democracy’ at the global level⁵⁰. This was accompanied by a

⁴⁶ Soros, G, *The New Paradigm for Financial Markets: The Credit Crisis of 2008 and What it Means*, New York: Public Affairs, 2008

⁴⁷ Goldin, I. & Vogel, T, “Global Governance and Systemic Risk in the 21st Century: Lessons from the Financial Crisis”, *Global Policy*, vol. 1, no. 1, 2010

⁴⁸ A. Gurría. 2009. Responding to the global economic crisis – OECD’s role in promoting open markets and job creation, 21 May 2009, <http://www.oecd.org>.

⁴⁹ Solomon, M, “Critical Ideas in Times of Crisis: Reconsidering Smith, Marx, Keynes, and Hayek”, *Globalizations*, vol. 7, no. 1, 2010, 127 - 135

⁵⁰ Germain,R, “Financial governance and transnational deliberative democracy”, *Review of International Studies*, vol. 36, 2010, 493 - 509

‘discourse of crisis’⁵¹ that sociologist Richard Sennett metaphorically captured as the gradual opening of a ‘pandora box’ confronting men – as a specie – with its ‘craft’, i.e. global manufactured threats⁵². For some, the systemic understanding of the crisis went further and highlighted a wider systemic ‘hydra-headed’⁵³ crisis.

3. (Re) Designing Globalization

All layers of public authority renegotiated their participation in the private realm as they engaged in the resolution of the crisis: in the global arena, the call for an immediate global coordinated response that took place mainly at the G-20 meetings in Washington on the 14th-15th of November 2008 and in London on the 1st-2nd of April 2009⁵⁴ was coupled with the arrival of a US president determined to break with the legacy of his predecessor by promoting proactive global reforms. Everywhere, national governments reappeared as market players, returning to their traditional role as ‘public leviathans’⁵⁵: the ‘how to’ of managing globalization went well beyond a timid move towards the political center stage.

As financial and environmental challenges have in common that they are felt to have been either triggered off or worsened by neoliberal policies, and to require an urgent response as borderless as their nature, we derive the following first set of hypotheses:

⁵¹ Shin, K, “The discourse of crisis and the crisis of discourse”, *Inter-Asia Cultural Studies*, vol. 1, no. 3, 2000, 427 - 442

⁵² Sennett, R, *The Craftsman*, New Haven: Yale University Press, 2008

⁵³ Held, D. Mary, M. & Quah, D, “The Hydra-Headed Crisis”, *LSE Global Governance*, Working Paper, 2010

⁵⁴ Woods, N, “Global Governance after the Financial Crisis: A New Multilateralism or The Last Gasp of the Great Powers?”, *Global Policy*, vol.1, no.1, 2010, 51 - 63

⁵⁵ Datz, G, “State of Change: Global Turnmoil and Government Reinvention”, *Public Administration Review*, vol. 69, 2009, 660 - 667

In the financial realm:

Null hypothesis F₀

(HF0): The 2007–2009 financial crisis has not produced a significant change away from the dominant political ideology governing globalization.

Hypothesis F₁

(HF1): The 2007–2009 financial crisis has produced a significant change away from dominant political ideology governing globalization.

In the environmental realm:

Null hypothesis E₀

(HE0): The 2007–2009 financial crisis has not produced a significant away from the dominant political ideology governing globalization.

Hypothesis E₁

(HE1): The 2007–2009 financial crisis has produced a significant change away from the dominant political ideology governing globalization.

However, an apparent discrepancy between structural reform and public discourse soon became apparent: the failure to produce a substantial multilateral agreement at the UN Climate Change Talks of Copenhagen in December 2009, the protectionist policies put into place combined with what is felt like a slow return to the status quo in the economic realm put what could have been interpreted as an apparent momentum for transnational democrats into question. This will be tested in our second set of hypotheses:

In the financial realm:

Null hypothesis F-2.0 ($H^F_{2_0}$): The improvement of the economy in 2010 has not been translated into a return to ‘business as usual’.

Hypothesis F-2.1 ($H^F_{2_1}$): The improvement of the economy in 2010 has been translated into a return to ‘business as usual’.

In the environmental realm:

Null hypothesis E-2.0 ($H^E_{2_0}$): The improvement of the economy in 2010 has not been translated into a return to ‘business as usual’.

Hypothesis E-2.1 ($H^E_{2_1}$): The improvement of the economy in 2010 has been translated into a return to ‘business as usual’.

To our knowledge, no research has to this day attempted to systematically *map* the recent evolution of the dominant political-economic ideology, largely remaining in the realm of suppositions that may allow for ‘dominant discourses concerning crisis (to) obfuscate the dynamics in play’⁵⁶. A noted exception is Nesvetailova & Palan’s⁵⁷ use of hand-made content analysis of a number of political texts such as G-20 leaders communiqués, concluding a return to Keynesian policies in post-crisis political thinking. We suggest studying the causal effect of the 2007-2009 financial crisis on prevailing ideologies found in political texts quantitatively, using the content analysis software Alceste.

⁵⁶ Mittelman, J, “Crisis and Global Governance: Money, Discourses, and Institutions”, *Globalizations*, vol. 7, no.1, 2010, p.157

⁵⁷ Nesvetailova, A. & Palan, R, 2010

4. *The G-s*

Investigating the zeitgeist of dominant political ideologies requires the identification of sites that are representative of wider trends. In this respect, the G-7/8 and the G-20 summits (both leaders gatherings and ministerial meetings) are particularly interesting in that their intergovernmental and informal shape allows state interests to emerge more forcefully than in more formal institutions. Furthermore, the reliance on the G-20 in the aftermath of the financial crisis for immediate political coordination has been interpreted as translating a shift in geopolitical power away from the West. This raises the question of whether the “G-s” have been unfolding into yet another of what has been conceptualized as “summit periods”, “summit cycles” or “summit series”⁵⁸.

The G8 and G20 communiqués are the ‘legitimizing discourse’⁵⁹ of these otherwise very private meetings: rarely compiled in a systematic way, they are made available to the public in the University of Toronto G8 and G20 information centers (<http://www.g20.utoronto.ca/> and <http://www.g8.utoronto.ca/>).

Methodology

1. *Alceste*

Ever since Harold D. Lasswell’s⁶⁰ groundbreaking analysis of political propaganda, content analysis has been subjected to a number of criticisms that have been, at least partially, resolved by the increasing reliance on computerized softwares of textual analysis. However, CAQDA (computer-assisted qualitative data analysis) still requires a heavy human input.

⁵⁸ Hajnal, I, *The G8 System and the G20: evolution, role and documentation*, Padstow:

TJ International LDT, 2007

⁵⁹ Bourdieu, P, *The Logic of Practice*, trans. R. Nice, Stanford: Stanford University Press, 1990

⁶⁰ Lasswell, D.H, *Propaganda Technique in the World War*, New York: A.Knopf, 1927

The Alceste software – initially used in the humanities, it has more recently spread to political science – partially resolves this issue in deriving textual categories that are not based on suppositions of meaning but on objective word counts and relationships within the text⁶¹. Drawing on hierarchical descendant classification, Alceste derives categories of words of similar semantic nature in a ‘corpus’ (a ‘compilation’ in ‘Alcestian’ terms) of texts, and provides the researcher with a graphic or spatial representation of common words used in a data matrix.

Two conditions must be met in order for Alceste to produce good results. First, that the corpus is thematically homogenous: unlike leaders’ communiqués, ministerial communiqués are more consistent as issues are approached from a specific angle. Since we are interested in the financial and environmental realm, we use G-8 and G-20 communiqués prepared together by finance ministers and central bankers, as well as environmental ministerial communiqués. The second condition is more difficult to address in this experiment: indeed, Alceste works best with a high number of words and texts and G-8 and G-20 communiqués are relatively short (on average, between 800 and 1300 words). This can be thought of as a weakness of the issue-area researched, as most political communiqués are similarly concise, and can be dealt with by aggregating a high number of communiqués together. However, the issue remains unevenly problematic across each theme: while financial ministerial communiqués are published relatively frequently (about four times a year), environmental ministerial communiqués are only issued about twice a year, and solely within the confines of the G-8. However, while our analysis is limited in its robustness across corpuses, in particular in the ‘environmental’ corpus, all corpuses used in this study are above the 10,000 words threshold that must be respected for valid results.

We must also raise an issue inherent to all analyses of political communiqués: how should we determine whether discursive turns are really about “managing globalization” and not about “managing expectations”? We argue that the G-s’ communiqués capture the global ideological *zeitgeist* either way for two reasons. First, whether communiqués mirror the ministers’ sincere intentions or the global civil society’s concerns and pressure is a question that can only be

⁶¹ Schonhardt-Bailey, C, “Measuring Ideas More Effectively: An Analysis of Bush and Kerry’s National Security Speeches”, *Political Science and Politics*, vol. 17, no. 4, 2005, 701 - 711

answered retrospectively by examining the evolution of policies over time: therefore, when working with phenomena as recent as the global financial crisis, political communiqués offer an imperfect, but fertile ground to quantify and qualify policy changes. Second, in the case of finance ministerial communiqués, it is arguably difficult to clearly differentiate between the two above categories as every form of intervention in the ‘market’ involves to a great extent dealing with ‘expectations’.

2. Research design

We begin our timeframe in 2002, in the aftermath of the first ‘fault line’ in the ‘End of History’ argument. Coincidentally, this is an optimal start for analysis with Alceste, as financial and environmental meetings (and communiqués) become more frequent after 2002. It will last until mid-2010, when this experiment was conducted.

We are interested in gauging the linear evolution of both G-8 and G-20 priorities on financial and environmental issues and anticipate that our analysis will capture both the overlap and divergence on the political philosophy and policy positions emanating from the Summits’ communiqués preceding the crisis and from those that have followed. We develop a research design allowing us to:

- a) Evaluate whether there has been a change around the financial crisis in terms of priorities and worries: are we moving towards ‘post-globalization’?
- b) Obtain a glimpse into what direction that change is going in terms of dominant political-economic ideology: what does ‘post-globalization’ look like?
- c) Infer hypotheses on the nature of globalization and global governance, if change is apparent both in the financial and environmental corpuses.

The model is based on the possibilities offered by Alceste, involves the use of corpora of texts spanning three different timeframes⁶² (2002 until mid-2010; 2002 until mid-2008; mid-2008 until mid-2010) and consists of three steps.

Results and Analysis

1. Step One: Identifying a temporal pattern

To make inferences about a rupture in the main preoccupations and ideas emanating from the communiqués, we must first run an analysis with a 2002-2010 timeframe in order to locate potential patterns in the spatial representation of Alceste's Initial Context Units (I.C.U.s), i.e. the sampling units (here, the communiqués), where distance represents the degree of (Chi-Square) association. Our two 'passive variables'⁶³ – or tagged indicators – are, first, the type of summit (G-8 or G-20) and, second, the year each communiqué was published. It is the task of the researcher to uncover what the axes represent, which can be done by interpreting the association of word classes with the indicators. For now, however, we will limit ourselves to the 'time dimension' of our analysis, i.e. the spatial disposition of our 'year' variable, in order to draw causal inferences between the financial crisis and the themes. We do so with:

- 1) The G-8/G-20 finance ministers and central bank communiqués from 2002 until mid-2010
- 2) The G-8 environmental ministers communiqués from 2002 until mid-2010

Fig. 3 and **Fig. 4** present us with the data grid (or "correspondence analysis") for each corpus spanning the entire timeframe: we can observe our tagged indicators and the numbered word classes. In **Fig. 3** (G-8/G-20 financial communiqués) we notice a pattern that may be best rendered visually by linking the years together chronologically: the movement ascends the data grid until 2003, then sharply descends in 2004 and 2005, to remain in the lower-right side until

⁶² Steps and terminology specific to Alceste will be explained throughout the presentation and analysis of results.

⁶³ They are said to be 'passive' as they do not contribute to the calculation of the word classes.

2007. The years 2008 and 2009 break with this descending, right-leaning pattern and are located in the upper-left side of the data grid. Finally, we see how 2010 moves on the horizontal axis, yet remains firmly grounded in the upper half of the grid.

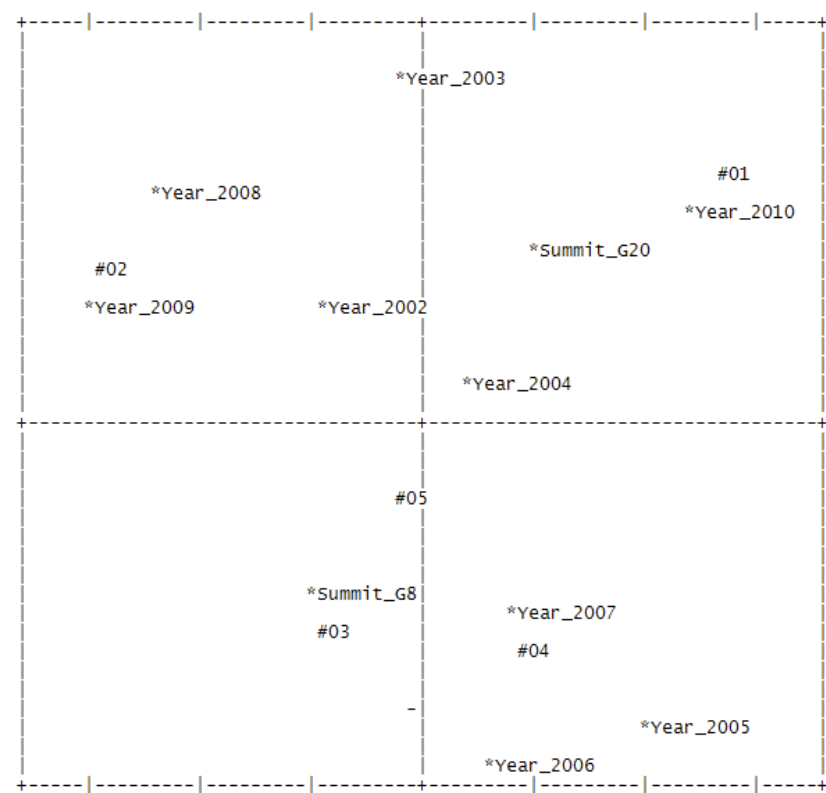


Fig 3: Correspondence analysis of classes in G8/G20 financial communiqués, 2002-2010

On the other hand, the passive variables visible on the G8 environmental communiqués data grid present a very different pattern (**Fig. 4.**). 2007 does seem to mark a rupture of some sort: for the first time since 2002, the passive variable ‘year’ breaks away from the horizontal axis in an upwards movement. Similarly, 2008 and 2009 are at the polar extremes of that dimension. Yet, the pattern emerging does not allow us to make inferences establish causality with the credit crunch: the 2007 rupture is followed by similar drastic moves. While we do notice a pattern in the thematic evolution of communiqués per year, it seems to be obeying a stimulus that does not show a logical relation with the financial crisis. Other causes internal to the global fight against climate change might be at work: we therefore accept the null hypothesis (H^E_0) and

abandon our analysis of G-8 environmental communiqués. From this ambiguous spillover from the realm of finance into the process of international climate politics, it is therefore difficult to answer “whether we should view business primarily as blocking political progress or as providing necessary solutions”⁶⁴.

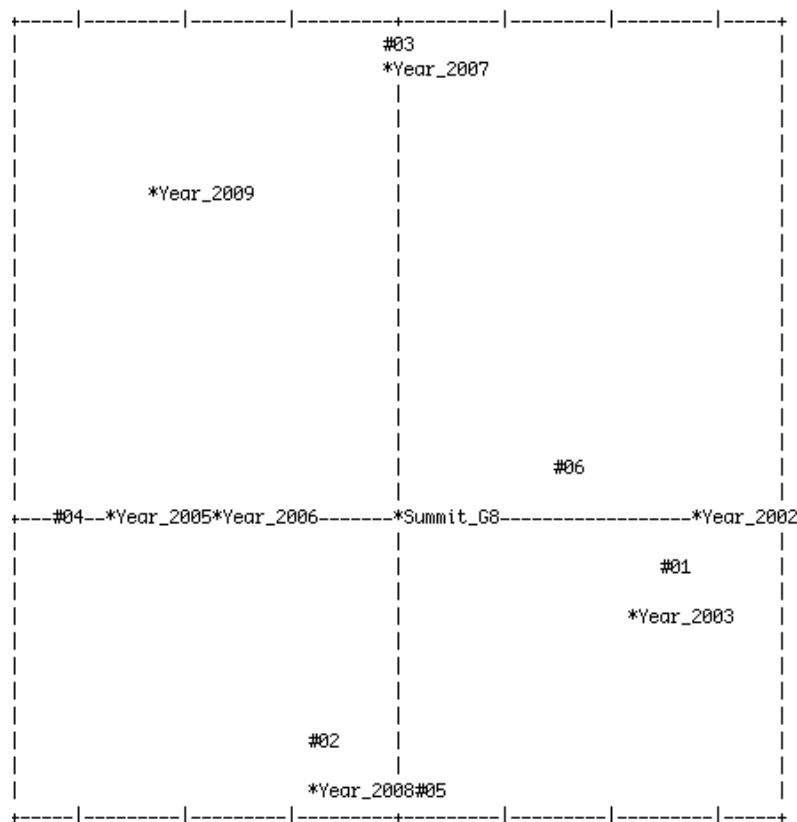


Fig 4: Correspondence analysis of classes for G8 environmental communiqués, 2002-2010

⁶⁴ Falkner, R, in Ougaard, M and Leander, A, *Business and Global Climate Governance: A Neo-Pluralist Perspective*, London: Routledge, 2009, p.1

2. Step Two - A comparative determination of themes

a) G8-G20 Financial Communiqués, Pre-crisis

We now proceed to the second step of our research design that will allow us to possibly accept Hypothesis 1. For comparative purposes, we start with an analysis of the main themes or classes in the 'Pre-Crisis' corpus that we will refer to as "Pre-1, Pre-2, Pre-3 etc".

In total, four classes are identified by Alceste, whose conceptualization is eased by a number of tools available to the researcher. First, the list of most characteristic words for each class is compiled and ordered by chi-square value. The '+' sign indicates a reduced form, i.e. code + might refer to the noun 'Code', to the verb 'Coding', the adjective 'Coded' etc. The researcher may then proceed to interpret the word classes in conjunction with the second tool provided by Alceste, the examples of most typical E.C.U.s (Exemplary Context Units) per class: these are exemplary sentences, which allow for extra contextualization of tagged words.

The themes emerging from this first analysis refer to the recurrent preoccupation of G-8 and G-20 ministers throughout 2002 until mid-2008. Starting with **Pre-1**, highly representative words include 'Debt', 'Creditor', 'Practice', 'Lend', 'Code+' and 'Clause'. These indicate financial regulatory practices yet are difficult to contextualize without looking at most representative E.C.U.s:

“we **welcome** the increasingly **widespread use of collective action clauses**, CAcs, and we support their **inclusion in future sovereign bonds issued under foreign** jurisdiction.”

We are now able to link the word 'clause' to 'collective action clauses', these “provisions in debt contracts specifying that the terms of the contract regarding principal, interest, and maturity can change if there is consent of a predetermined supermajority of bondholders” that “introduce flexibility in situations of financial distress by facilitating renegotiation”⁶⁵. Generally opposed

⁶⁵ Weinschelbaum F. & Wynne, J, "Renegotiation, Collective Action Clauses and Sovereign Debt Markets", Working Papers 75, Universidad de San Andrés, 2004, p.48

throughout the 1980s and 1990s, they have become much more common after the 2001 Argentinean economic crisis: we are therefore in the realm of the New International Financial Architecture (NIFA). Our interpretation is further confirmed by looking at the most associated tag, namely the year 2002. Should this timeframe be commonly understood as ‘post-Washington Consensus’, the NIFA are still *ad hoc* and market-oriented in principle⁶⁶. We name this fairly expected prescriptive class *‘light touch’ regulatory mechanisms’*.

Pre-2 emerges as the realm of economic and financial diagnosis, referring to *‘the state of the economy’*: highly representative words such as *‘Growth’*, *‘Econom+’*, *‘Remain’*, *‘Inflation’*, *‘Global+’* and *‘Expect+’* are traditional economic indicators. This vocabulary can be found in the introductory section of the communiqués, as an exemplary E.C.U. demonstrates:

“(…) the **outlook remains positive. Global economic growth is expected to slow** slightly from the rapid **pace** of the **past few years’**”

Most associated tags for **Pre-3** are the years 2002 and 2003 well as the ‘G8 summit’; in this Western, post 9/11 perspective we encounter most tagged words such as *‘Terror’*, *‘Laundering’*, *‘Illicit’*, *‘Abuse+’*, *‘Finance+’* and *‘Freeze’*. Exemplary E.C.U.s link this theme to tasks undertaken by the Financial Action Task Force (FATF): created in 1989 by the G7 Summit in Paris, the FATF added the **‘fight against terrorist financing’** to its mandate after 2001. This is therefore a theme of prescriptive policy-making paralleling the ‘war on terror’ led by the United States throughout 2002-2008:

“we remain **committed to fighting money laundering, terrorist financing and other illicit financing involving similar risks to financial** markets, and we **commend the financial action task force, FATF (…)**”

⁶⁶ Helleiner, E. & Pagliari, S. in Underhill, G., Blom, J. and Mügge, D. (eds.), *Global Financial Integration Thirty years on. From Reform to Crisis*, Cambridge: Cambridge University Press, 2010

Pre-4's most representative words include *'Trade'*, *'Investment'*, *'Poverty'*, *'Development'*, *'Goal'* and *'Millennium'* and is concerned with the long-term, palliative effort of industrialized countries to add a **developmental** character to their coordinated action. This initiative reached its height at the Gleneagles G-8 summit: as host, the UK – stemming from Gordon Brown's initiative – stated its intent to focus this G-8 meeting on the issues of global climate change and the lack of economic development in Africa. The finance ministers meeting took place a few weeks before the Gleneagles summit: hence, highly associated tags are 2005 and 2006. To an extent, Pre-4 is not unrelated to Pre-3 in that reflects a preoccupation partly stemming from the 9/11 events: industrialized countries have indeed dedicated time and resources to mending the first 'fault line' of neoliberal globalization, interpreted at the time as resulting from the communitarian response to exclusion from globalization in developing countries.

b) G-8/G-20 Financial Communiqués, Post-crisis:

To critically assess similarities and differences in the themes and ideas emerging from both corpora, we cluster them in four larger categories (**fig 5**). Beyond their content, we also pay attention to their relative weight in the corpus in order to gauge the importance given to a specific theme in each timeframe.

Cluster	'Pre-crisis' Corpus			'Post-crisis' Corpus		
	Number of classes	Content	Combined weight of classes in analyzed E.C.U.s	Number of classes	Content	Combined weight of classes in analyzed E.C.U.s
Global public governance	1	Pre-1: NIFA light touch' regulation	23, 25 %	2	Post-1: moving closer to a democratic agency at the global level Post-5: democratizing existing international regulatory bodies	31, 63 %
The economy	1	Pre-2: generally positive outlook	22, 61 %	2	Post-2: regaining growth and stability Post-6: incorporating long term sustainable and balanced vision in policy-making	35, 81 %
Development	1	Pre-3: Third World Debt and least Advanced Countries	41, 61 %	1	Post-3: Palliating the effects of the crisis for developing countries	10, 23 %
Combating terrorism and fraud	1	Pre-4: FATF measures against the financing of terrorism	9,54 %	0	N/A	

Fig.5. Number of classes, content and weight of each cluster for both corpora.

It is in terms of global public governance – our first cluster – that the themes qualitatively differ most in both clusters. In fact, **Post-1** goes beyond the regulatory vocabulary exposed in **Pre-1** in many respects: while the most representative word (*standard*) does evoke the simple regulatory concepts of rule making, others such as '*oversight*' or '*supervis+*' hint towards coordination at a global level. Most representative verbs are loaded with both an imperative and ethical connotation: "*should*" and "*must*" denotes an obligation and a sense of gravity. Combined with the second most representative word ("*transparency*") we infer this class is about the effort of going beyond 'light touch' regulation towards stronger and more accountable systems of global financial and economic governance. E.C.U.s confirm this interpretation:

“this will **require promoting** appropriate **levels of transparency, strengthening regulatory and supervisory systems, better protecting** investors, and **strengthening business ethics**. Today, we, the G8 finance ministers, discussed the need for a **set of common principles** and

standards for propriety, integrity and transparency regarding the conduct of international business and finance”

Furthermore, we note that the highly representative word “*risk*” is used in conjunction with “*management*” and “*common principles*”, in other words referring to the erosion of trust hypothesized by Tonkiss⁶⁷: this theme acknowledges systemic risk and proposes to complement market principles with public management. We can proceed to different exercises to uncover the underlying dynamics of this reactive theme, i.e. identifying the antonyms of the most representative words, i.e. opaque or corrupt, evoke the element of surprise and indignation that emerged when the credit crunch ‘exposed’ a largely misunderstood and discrete financial system that ‘fed upon society as a whole to sustain itself’⁶⁸. Aside from the economists Roubini, Borio and Rajan, few observers had warned against a coming financial crisis, and Howard Davies’ ‘who is to blame’ interrogation seems to have been resolved here in the weaknesses of the existing regulatory body.

Both **Post-1** and **Post-5** indicate global thinking, respectively on pragmatic and normative grounds: while the former acknowledges the worth of a subsidiarity principle applied at the global level, the latter – most associated with the ‘G-20’ tag – extends the demos of globalization beyond Western countries: from words such as *voice*, *quota+*, *world*, *reform+*, *agreement+*, *reflect+* and E.C.U.s referring to the positive discrimination of under-represented countries, we interpret this theme as the ‘*legitimization of existing global financial institutions*’. Woods⁶⁹ interprets this ‘new multilateralism’ – the IMF reforms and the move towards the G20 as the primary locus for crisis management – as the ‘last gasp of the great powers’, or the growing recognition by WWII allies that the tectonic plates of the world are moving towards other geopolitical poles. Furthermore, the total weight of the global governance theme is 10% higher in the ‘Post-Crisis’ corpus. These 10% echo the weight of a theme no longer represented in this corpus, i.e. FATF measures against terrorist financing: finance ministers are fighting a new global common.

⁶⁷ Tonkiss, F, ‘Trust, confidence and economic crisis’, *Intereconomics*, vol. 44, no. 4, 2009, 196-204

⁶⁸ Nesvetalova, A. & Palan, R, 2010

⁶⁹ Woods, N, ‘Global Governance after the Financial Crisis: A New Multilateralism or The Last Gasp of the Great Powers?’, *Global Policy*, vol.1, no.1, 2010, 51:63

More pragmatically, **Post-2 and Post-6** detail economic and financial policy-making. **Post-2** speaks of *coordinated economic and financial measures to regain growth*: most representative words include growth and economic health indicators such as “*job+*”, “*stable*”, “*poverty*”, “*employment*”, “*price+*” and its specific “tool words” (*mots outils*), e.g. “*will*”, “*beyond*”, “*until*”, are clearly future oriented. We are here reading the desire to overcome the state of crisis, a state of mind most present in 2008 -the most associated tag- when the sense of urgency to restore growth was at its highest. **Post-6** incorporates a medium to long term vision of *balanced and sustainable growth* –visible in representative words such as *balance, scenarios, goal, polic+, objective, medium-* contrasting with the short-term vision in **Pre-1** of national governments as increased market competitiveness between nation states created a scenario where financial standards were increasingly lowered by playing regulators off one another and ‘light touch’ regulation was in place.

From the sole interpretation of most representative words i.e. *billion, income, infrastructure+, trade, private and IMF*, **Post-4** may be interpreted as another neutral macroeconomic theme. E.C.Us guide us towards another direction:

“the G7 also stresses the need **to support emerging and developing countries access to credit and trade financing and resume private capital flows**, and is committed **#to explore urgently ways**, including through **multilateral development bank**”

The preoccupation is (as in **Pre-4**) on developing countries, albeit with a protective twist not present in the previous corpus: “*protectionist*” measures are discouraged in favor of more “*multilateralism*”, in order to palliate the diminishment of export demand from developing countries as a result of the crisis. However, this “*continuing attention to development in times of crisis*” weights far less than Pre-4: from 41.61% of selected E.C.Us dedicated to this theme, we have fallen to 10.36 %. Could this attention have shifted to **Post- 3**, a fairly administrative and

descriptive class referring to role of the **G-8** and **G-20** Summits themselves, and most associated with the year 2010?

To conclude this second step in our research design, we have seen how three out of six themes suggest a move away from the neoliberal reliance on market-forces in favor of a more proactive role for the public realm in financial and economic affairs. More specifically, two important classes suggested both an effort to move towards a global public realm capable of addressing market failures and the acknowledgement that the existing status quo in international economic institutions was no longer sustainable. Furthermore, all six classes echo a sense of crisis and a long-term vision of policy-making, except from Post-2 which is concerned with immediate growth indicators. Finally, two important preoccupations of the ‘Pre-crisis’ corpus, i.e. development and terrorist financing, have been neglected in the second output. From both Step 1 and Step 2, we accept Hypothesis 1.

3. Step Three - Uncovering the pattern

Now that we have gained an understanding of themes belonging to each timeframe, we may enter the heart of our analysis and turn to the larger, all encompassing, 2002-2010 corpus to interpret the movement or pattern we have distinguished in **fig 3**. What we observed in **fig 3** is how the year 2010 moves along one of the two dimensions in the data grid: we must now interpret these dimensions in order to conclude whether we retain, dismiss or discuss Hypothesis 2. To do so, we must start by linking classes using the descending classificatory tree (in the upper left side of **fig.6**).

In this 2002-2010 corpus, a mixture of the themes that have emerged from both corpora we have already analyzed are identifiable⁷⁰: for this reason, we included a ‘pre’ or ‘post financial crisis’ passive variable in this last analysis. This may be found at the bottom of each column or class on **fig 6** and will both provide further robustness as well a simplify the interpretation.

⁷⁰ For extra clarity, we will name these classes ‘Tot-’ (**Total**)

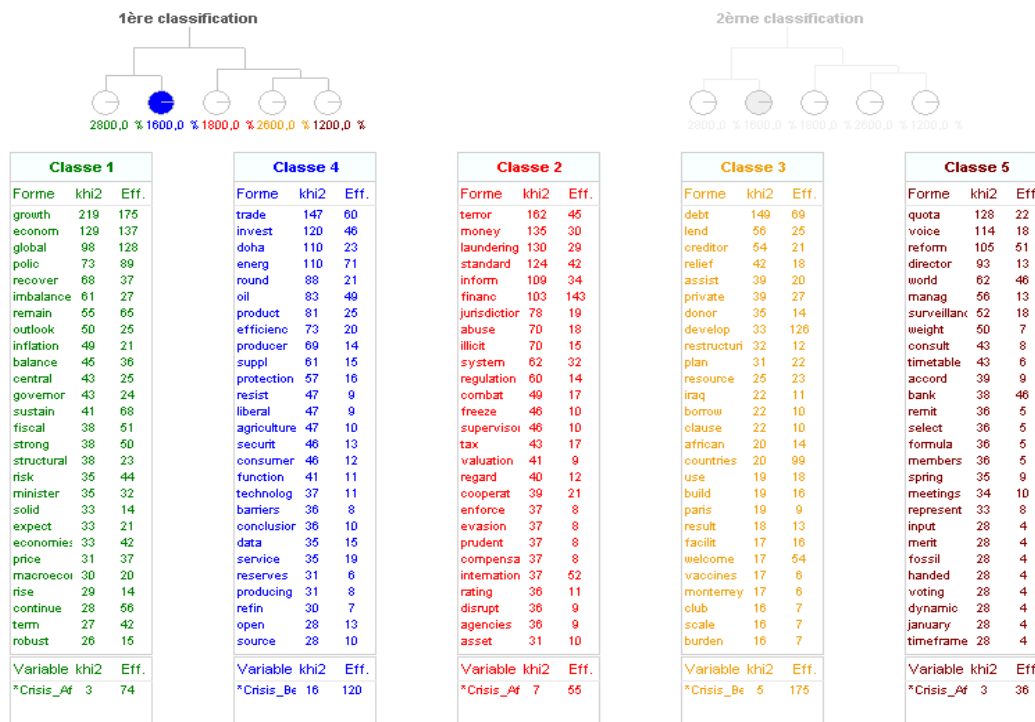


Fig 6: ‘Classification Descendante’ for G-8/G-20 2002-2010 communiqués

The tree first clusters the classes in two groups that we interpret as dividing descriptive from prescriptive (or active versus passive) themes.

The left branch of the tree leads to the two analytical themes: **Tot-1**, or ‘*Global Growth*’, may be paralleled to both the **Post-2** and **Pre-3** and is here most associated with the ‘post-crisis’ tag. However, we have not yet encountered **Tot-4** or ‘*Global Trade*’ before. This class, most highly tagged in the ‘pre-crisis’ communiqués, translates fairly evidently the Washington Consensus ideology present in the conception of development put forward by the WTO-led Doha development rounds that started in 2001: its most representative words include *invest+*, *trade+* and *doha*. Trade is conceptualized in E.C.U.s in terms of ‘barriers’ (to be removed):

“upholding **open trade** and **investment regimes** is **critical** to realising global **prosperity** and fighting **protectionism**”

Contrarily, the right hand side of the tree brings together the highly prescriptive themes **Tot-2**, which we had already encountered before in **Pre-3** (combating terrorist financing and fraud, i.e. **law and order**), but also branches out a further separation associating **Tot-3** and **Tot-5**, two classes related to palliating market-failures and reforming the status quo of global governance. Respectively, **Tot-3** represents **Pre-4** (the overwhelming association of the word '*debt*' whose chi-square value is of 149, almost three times as much as the next highly representative word, relates evidently to the Third World Debt relief) **Tot-5** evokes the legitimization of existing institutions present in **Post-5**. This division goes along the lines of the horizontal axis in the data grid.

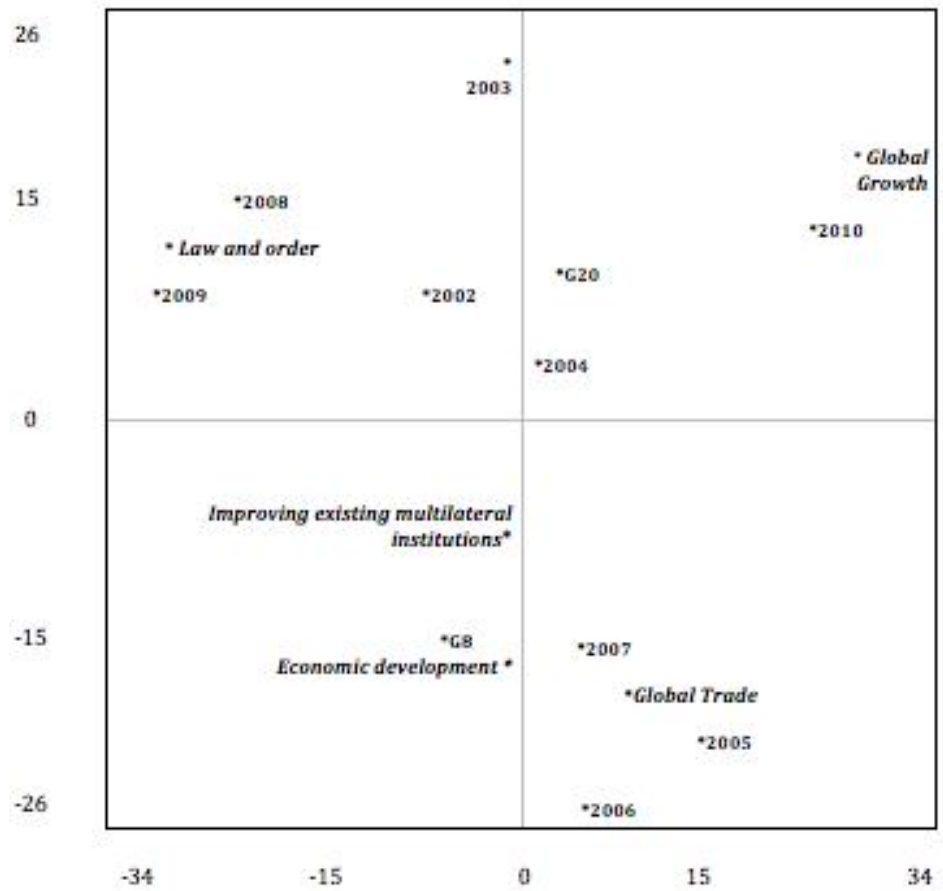
In general terms, the vertical axis relates to a notion of temporality: classes in the upper quadrant (combating financial terrorism and restoring global growth) denote a short-termism that contrasts with the long-term vision global developmental issues and global governance reform have in common. Short-termism is a feature of the state of crisis, when immediate action is needed to palliate an imminent threat or danger.

Drawing from the spatial representation of the passive variables on the data-grid, and from the classes we have isolated in step 2, we can isolate three “summit periods” or “summit cycles”:

- 1) Throughout the years 2002 and 2003, finance ministers were concerned with mending the repercussions of the two crises, the regional financial crises and the 9/11 attacks. Respectively, short-term ‘light touch’ regulatory measures and the attribution to the FATF to combat terrorist financing were implemented. The latter was overwhelmingly discussed in 2003 (X^2 of 19.23) and therefore paralleled the war on terror led by the Bush Administration and materialized in 2003 by the Iraq invasion.

Short-term perspective

Long-term perspective



Prescriptive

Descriptive

Fig 7: Spatial representation of thematic association

2) After 2003, the tension gradually dropped to very low levels and longer-term measures were put forward: two market-failures were prioritized on the agenda of the Gleneagles Summit in 2005: global poverty (in particular, African development) and climate change. Arguably, the qualitatively new ‘global common’ of global inequality pitting globalizers against anti-globalizers had been put in perspective and understood as a global public good. In economic

matters, the outlook was generally positive (**Pre-2**). The credit boom –based on the impression of infinite market liquidity- took place throughout 2005-2007. No need for corrective measures were needed: systemic robustness was relied on and risk is controlled and quantified by bankers through complex models.

3) In 2007, the financial crisis shows its first signs and the communiqués start gradually showing more short-term thinking. 2008 and 2009 are at the polar opposites of the previous cluster: from reliance on market forces and a sense of calm, we enter the state of crisis and of immediate action-taking: we return to the parameters present in 2002 and 2003, in that a powerful global common must be addressed and systemic risk is acknowledged. From most associated tags, we know that in 2008 coordinated financial and economic measures prevailed, leaving more space in 2009 for the reform of existing global governance to be further debated and implemented. 2009 marks an extreme of the horizontal axis: this is when state intervention in the economy was at its highest.

4. Back to Business as Usual? The Specificities of '2010'

We now have all the elements in hand to discuss our second hypothesis: should we share the “worry is that the lessons of the crisis will be forgotten too quickly”, i.e. that in the “first test of globalisation (...) the world did come together [but] everyone has gone back to business as usual”⁷¹?

Our results indicate this must be answered with caution: the 2010 tag is located on its own, in the upper-right quadrant of the data grid and has therefore only moved along the horizontal axis, while staying firmly attached to the 2008-2009 position on the vertical dimension. On the horizontal axis, 2010 is the polar opposite of 2009: we have gone from unprecedented (within our timeframe) state intervention in the economy to unprecedented inertia i.e. a withdrawal of proactive discourse indicating a reliance on systemic forces to **‘regain growth’** (c.f. Tot-1, the most associated class).

⁷¹ Davies, H, *The Financial Crisis*, London: John Wiley & Sons, 2010, p.15

However, this ‘move to the right’ contrasts with the downwards movement that followed the regional crises and the 9.11 events and did indeed indicate a return to low levels of multilateralism and confidence in the neoliberal paradigm. The cognitive ‘state of crisis’ – visible in the short-termism of the associated classes- lasted from 2002 until 2003: 2004 initiates the downwards movement, and is situated the same quadrant as 2010, yet further down the ‘temporal’ axis. The upper-right quadrant is therefore a *temporary position*: its *inherent contradiction* (i.e. passive reliance on market forces to palliate an evident market failure) renders the situation unsustainable. It is a situation of ‘wait and see’: in 2010, the economy has arguably improved yet has not regained a stable healthy pace.

However, contrary to 2004, fear of a turn for the worst remains: trust in market forces has not returned to its ‘normal’ level (2005-2006-2007) and the sense of a systemic global common remains. This indicates the *qualitatively different* aspect of the 2007-2009 crisis: similarly to the 9.11 events, the epicentre of the Western world was affected, yet this time with global homogenous consequences that have – in view of these results – considerably shaken the trust in the status quo: both the globalized state of affairs, the reliance on market forces for systemic stability and the public authority that has not been able to palliate the market-failure are still distrusted by mid-2010.

Further robustness in this interpretation can be gained by interpreting the *diagonal dimensions* (**fig.8**) that represent the two distinct ideologies we have conceptualized as competing political projects at the global level throughout this paper. The first (marked in green) holds a view of global governance as ‘market-enhancing’ (neoliberalism) or ‘market-correcting’ (cosmopolitanism)⁷². The first paradigm is represented in green in fig.8 and echoes the capitalist logic of the ‘boom’ and the ‘bust’: passive variables from 2002-2009 have evolved along the lines of this dimension.

⁷² Keohane, R.O. in Held, D. and McGrew, A (eds), *The Global Transformation Reader*,

Second Edition, Cambridge, Polity Press, 2003

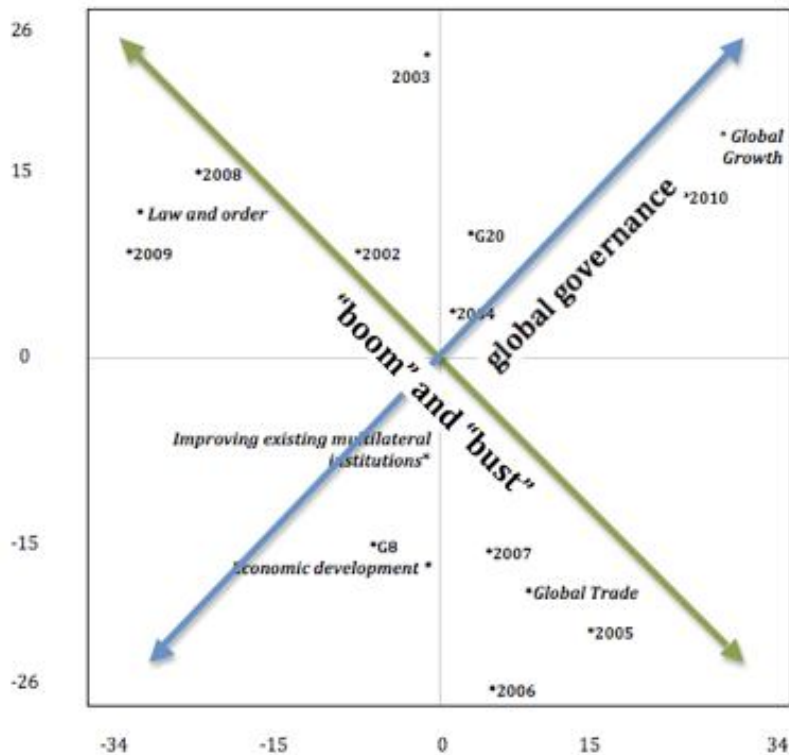


Fig.8: Ideological dimensions in the 2002-2010 corpus

As for the second dimension (marked in red), it may be conceptualized as ‘*strength of global governance*’ or ‘*post-globalization*’. In the lower-left quadrant, we find long-term coordinated attempts to palliate market failures: from the institutionalization (i.e. Tot-5: ‘improving existing multilateral institutions’) of political action to the tackling of global poverty and inequality in Tot-3 (‘economic development’). In this sense, the first half of 2010 ruptures with the prevailing paradigm: we *may*, therefore, accept the premise that “the failure (...) of markets to regulate the supply and distribution of goods and services, or to resolve pressing transnational problems, may provide incentives for states and political actors to establish distinct regimes”⁷³. Yet global governance is at its lowest in early 2010: a global political sphere resembling the cosmopolitan subsidiarity principle would indeed require a move along this second dimension towards sustainable long-term political interventionism in economic affairs.

⁷³ Held, D & McGrew, A. (eds), 2003, p.35

It is therefore impossible to accept Hypothesis 2: we accept the null hypothesis ($H^F_{2_0}$) that 2010 does *not* signify a return to ‘business as usual’.

Concluding remarks

Has the financial crisis led to a move away from the dominant ideological paradigm at the global level towards ‘post-globalization’? We first reviewed two alternative visions on how to manage globalization – neoliberalism and transnational democracy – as well as identified the challenges the contemporary conception of statehood presents for the reform of the existing multilateral order. Then, we used the Alceste content analysis software to analyze the pattern and themes emerging from the communiqués of both the G-8 environmental ministerial meetings and G-8 and G-20 financial and central bank ministerial meetings.

We first observed that the pattern emerging from G-8 environmental communiqués did not allow us to infer causality of the financial crisis in global environmental governance: we hypothesized that a different logic moved the G-s global climate politics. Prins hypothesizes the weaker role of ‘political will’ in environmental issues that not only draw on interactions between the public and private realm, but also ‘between free will and social obligation, the individual’s choice and the chemistry of the atmosphere’⁷⁴. However, it is also possible that – since Alceste works best with a high number of words and texts – a clearer pattern will emerge in a few years, when more communiqués will be available.

Our findings suggest that, from 2002 until mid-2008, finance and central-bank ministers of the G-8 and G-20 are working within the realms of a ‘Post-Washington Consensus’ still deeply rooted in the neoliberal paradigm and concerned with responding to both the 9.11 events and the regional financial crises of the turn of the millennium. From mid-2008 onwards, the ministers’ preoccupations moved towards the democratization of global governance, translated in the

⁷⁴ Prins, G, *Threats Without Enemies: Facing Environmental Insecurity*, London: Earthscan Publications, 1993, p.176

incorporation of long-term notions of balance and sustainability in the quest for growth, in the reform of existing multilateral institutions (i.e. the IMF, the FSB), as well as in the emergence of a qualitatively different abstract theme conceptualizing the need for a democratic agency at the global level.

A final comprehensive interpretation of the results obtained through our research design indicates that, by mid-2010, a rupture from the prevailing 'boom and bust' dimension that dominates from 2002-2009 is noticeable. Here, the *zeitgeist* remains a 'state of crisis', yet the political interventionism of the 'proactive' left side of the grid has relaxed in favor of a certain 'wait-and-see' attitude, i.e. reliance on market-forces.

1. Theoretical implications

This has implications for proponents of any alternative political project at the global level. Our results point towards a crucial stage for the re-politization of the global public sphere: the current paradigm does seem to have been discredited and 'post-globalization' initiated, yet the inactivity of governments to replace it suggests a blockage that may be interpreted differently depending on ontological and epistemological orientations. Wendtian constructivists may search for structural factors that can provide a complementary explanation for 2010's paradoxical situation: for example, Nesvetailova and Palan point at the resistance from Anglo-Saxon governments to change the international architecture of finance in an attempt to control the shift of power towards other geopolitical nodes (Europe and Asia) the financial crisis has possibly accelerated and probably evidenced. Within the realm of ideas, this could point towards a vacuum in the dominant political ideology of the global political sphere: neoliberalism seems, so far, to have been discredited and no clear alternative paradigm has taken over. However, 2010's novel and, we argue, necessarily temporary characteristics only allows for suppositions as to what may happen to this peculiar form of 'post-globalization' in the next few years.

Our findings are, to an extent, good news for proponents of a transnational deliberative democracy: by the time of our experiment, 2010 broke away from the prevailing dominant pattern, suggesting a move away from an organicist understanding of globalization towards a reflective, mechanistic approach of the shape of contemporary globalization. Is the ideological

pendulum back in motion? In fact, the back and forth pendulum metaphor no longer holds in this situation: its bi-dimensional character does not translate well this qualitatively new realm. Should the situation last, however, this momentum may result in a paradoxical ‘de-politization’ of the global political sphere.

The implications for cosmopolitan democrats are, similarly, ambiguous: the institutionalization of a principle of subsidiarity capable of addressing market-failures requires a political-economic stability and interventionism at the opposite of 2010’s ‘wait-and-see’ feature in the midst of a lingering ‘sense of crisis’. Indeed, in contrast with the short-sighted trimestrial or yearly figures of the business world and the mandates of the national democratic world, the realm of multilateral institutions works within the framework of permanence and low political turnover. The rapid, reactive fluctuations of political concerns we have observed does not favour the farsightedness required by the ontological preoccupations of transnational democrats. However, 2010 is the first year since 2002 to join a particular dimension we have named ‘global governance’ or ‘post-globalization’: a downwards gliding on this axis in the years to come cannot be excluded.

2. A replicable design

Using Alceste to map the evolution of ideas in political texts allows the researcher to uncover a subject matter of interest while minimizing the downloading of personal pre-conceptions into the analysis, given that the researcher is able to put together thematically homogenous corpora composed of a high enough number of texts and words. It will therefore be possible to systematically update the evolution of G-8 and G-20 ministerial communiqués in the years to come.

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