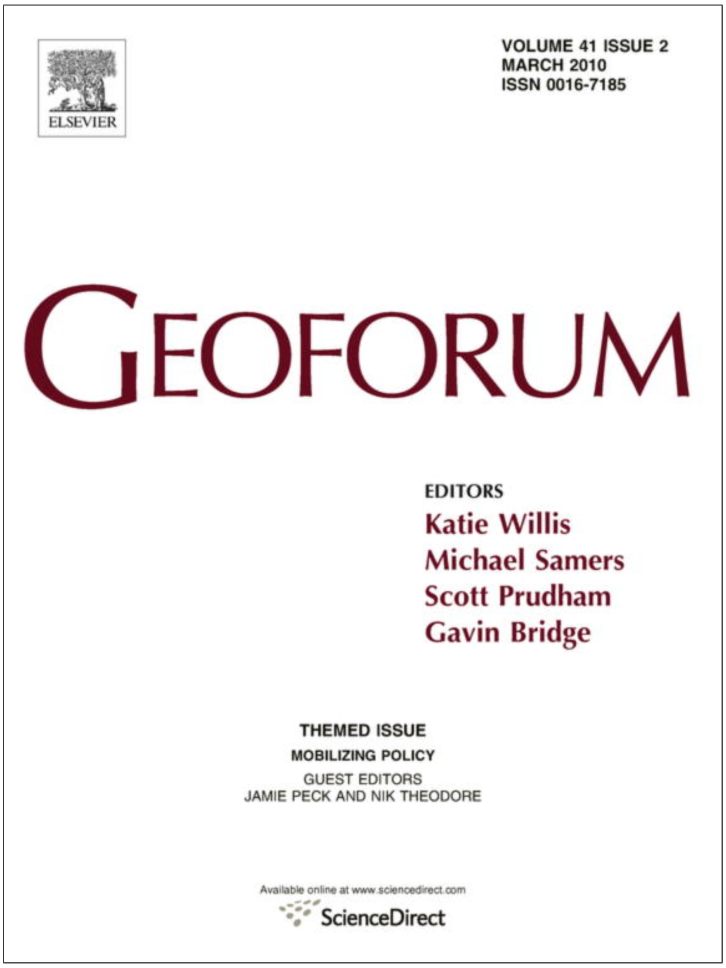

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Quo vadis neoliberalism? The remaking of global capitalist governance after the Washington Consensus

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ABSTRACT

The Washington Consensus, through which neoliberal global capitalist governance gained hegemony over the third world, entered a crisis in the late 1990s. Triggered by the 1997 Asian financial crisis, and by contestations of neoliberal governance from global civil society, two remakings of global capitalist governance can be identified: A 'post-Washington consensus' whose relation to neoliberalism is complex; and a 'new development economics' that advocates Keynesian principles. Irrespective of the trajectory of this emergent phase of re-regulation, particularly after the 2008 global finance crisis, these remakings can be conceptualized as supplements reinforcing an imaginary of capitalism as the solution to, rather than progenitor of, uneven development. Through discourses of capitalist development as a sequential trajectory to be followed by all countries, as flattening the world to enable catch-up by backward countries, and as incorporating socio-spatial difference via its commodification, this socio-spatial imaginary functions to legitimate expertise located in the first world, and global capitalist governance, irrespective of serial policy failures.

Facing what has become the largest economic crisis in at least 80 years, on September 21, 2008, US Treasury Secretary Henry Paulson proposed a US$ 700B Federal 'bailout' of the US banking system, triggering a dramatic remaking of global capitalist governance. With the future of capitalism questioned even by its most ardent supporters, the discursive norms of neoliberalism were seemingly thrown overboard in favor of re-regulation, by those behind the Washington Consensus.[1] In return for Congressional oversight, and stipulations restricting recipients' executives' salaries, the bailout became US law. Paulson met with leading US banks, forcing them to accept Federal funds, and the Federal Reserve Bank drew on the 1932 Federal Reserve Act to make short-term loans to private firms. Representatives of the libertarian CATO Institute welcomed state equity investments in the banking sector. On October 23, called to task by the US Congress, Alan Greenspan, former US Federal Reserve Chairman and free market 'guru', acknowledged having had too much faith in the self-correcting power of free markets. Keynes is back: A number of banks have been nationalized and nation-states have broached policies prioritizing the national economy. At its March 2009 meeting, the G20 group of countries sought to coordinate stronger regulation of finance, and state expenditures to stimulate demand and jobs via infrastructure and related investments. China has even broached Keynes' idea of a global currency, unsuccessfully proposed during the 1942–44 Bretton Woods negotiations (Skidelsky, 2005).

This crisis, the culmination of an increasingly unsustainable period of capital accumulation founded on exploding credit and ever more exotic forms of fictitious capital, would seem to realize the predictions of neoliberalism's critics. Yet the speed with which their object of criticism may be dissipating can only be disorienting to a scholarly community that has worked so hard to critique it, including ourselves. Of course, we cannot know for some years whether this marks a rupture—a return to Keynes, some other remaking of governance or the end of capitalism as we know it—or simply a temporary blip. Yet, as we argue here, this liminal moment in governance discourses is less unexpected than it might seem. For example, Keynesian thinking has experienced a rebirth among development economists since the 1997 Asian financial crisis.

In this paper, we examine global governance discourses directed towards the third world, advanced and promoted by influential global finance and development institutions and US development economists since the Washington Consensus, seeking to identify

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[1] *The Economist*, child of the 19th century English free trade movement and one of the most reliable and influential if wry defenders of neoliberal principles, titled its covers successively as "World on the Edge" (October 3–10, 2008), "Saving the System" (October 10–17), and "Capitalism at Bay" (October 18–24).

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and account for both periodic shifts and continuities.[2] We argue that there have been distinct shifts away from Hayekian neoliberalism, including invocations of global Keynesianism. These can only be understood by attending to both contestations of neoliberalism as well as its concrete failures to deliver prosperity, and periodic crises. Cutting across such shifts, we identify a continuous soci-spatial imaginary; one that presents globalizing capitalism as capable in principle of bringing development and prosperity to all. This imaginary envisions a stageist teleological conception of development, that aligns territories along a path to progress; a flat world, where every place and individual has equal conditions of possibility; and the commodification of socio-spatial difference, in order to enroll it in market processes. It also locates the expertise for achieving this in the global north. This imaginary underlies both Keynesian and Hayekian governance discourses, which have more in common than critical scholars have acknowledged.

We conceptualize these and other global governance norms as capitalism's supplements. According to Derrida (1976), the supplement simultaneously marks the incompleteness of a signifier, in our case globalizing capitalism, and helps reproduce it. Keynesian/Fordist governance discourses emerged in the 1930s, promising a solution to the liberal norms that triggered the Great Depression. In turn, neoliberal governance norms were propagated as the solution to the 1970s crisis of first world Fordism, culminating in a Washington Consensus that has been increasingly under question. In each case, crisis and contestation triggered a shift in global governance discourses. Such supplements have enabled globalizing capitalism to reinvent itself, and its socio-spatial imaginary to persist.

Our focus on governance discourses directed towards the third world takes up a vital aspect of global governance that remains somewhat understudied in economic geography. While acknowledging that neoliberalism travelled to the US and the UK via Chile, the bulk of scholarship has focused on what happened thereafter (cf. Harvey, 2006; Peck and Tickell, 2002). Yet the very notion of what we have come to label neoliberalism, Hayek's definition (rather than that associated with ordoliberalism, e.g., Friedrich, 1955), was crucially shaped by the actions of the Chicago economists invited to Chile by Pinochet. Indeed, the global South has repeatedly been a region of experimentation with Western governance and development norms, reflecting its supposedly backward status. As we show, this also has been the case with the re-regulation that is now so visible in North America and western Europe.

In analyzing global discourses, we do not question the spatio-temporally variegated nature of really existing governance regimes and economic practices (cf. Leitner et al., 2007a,b; Gibson-Graham, 2006); quite the contrary. Global governance discourses matter precisely because they seek to align and contain such variegation and contestation, by constructing a normative consensus that professes expertise about how capitalism should be governed, and by whom. Such attempts at alignment are always incomplete, leaving them vulnerable to contestation. Yet global governance discourses require our attention due to their formative influences—shaping, for example, what we have come to understand as neoliberalism.

The paper is organized as follows. First, we examine the shift to a 'post-Washington consensus' in the aftermath of the 1997 Asian financial crisis and increasingly prominent contestations of Washington Consensus. We compare these developments to what has been called 'roll out' neoliberalism in the first world. Second, we examine the 'new development economics', triggered by concerns about the persistent unpopularity of globalization, arguing that some proponents go beyond post-Washington developments by offering Keynesian proposals to redress the failings of neoliberal globalization. Third, we analyze the continuities that persist across these shifts. We identify the socio-spatial imaginary that validates globalizing capitalism, and show how the shifting global governance discourses, as capitalism's supplements, enable globalizing capitalism to adapt and retain its popularity—notwithstanding its persistent failures. In conclusion, we reflect on the implications of this for neoliberalization, and its contestations.

1. From Washington to post-Washington consensus

In 1990, John Williamson coined the term Washington Consensus (originally directed at Latin America: Williamson, 1990, p. 7), identifying "10 policy measures about whose proper deployment Washington can muster a reasonable degree of consensus".[3] This term has stuck with critical social science because it captures the geography of power driving 1980s structural adjustment across the third world (Peet, 2007). For the first world, Peck and Tickell term this roll back neoliberalism, a phase "when state power was mobilized behind marketization and deregulation projects, aimed particularly at the central institutions of the Keynesian-welfarist settlement" (Peck and Tickell, 2002, p. 388). Elsewhere, neoliberalization took different forms (Leitner et al., 2007a).

The Washington Consensus was contested throughout, in states and civil society. Several East Asian states continued to pursue state-led policies and grew rapidly. In order to align these countries' actions with the governance norms of the Washington Consensus, the World Bank (mis)represented them as paragons of market-led, export-oriented industrialization. As part of this, the World Bank had to contain an internal struggle in which Japan sought to incorporate a developmentalist state alternative into the Bank's development vision (Wade, 1990, 1996; Berger and Beeson, 1998). In countries across the third world that had adopted structural adjustment, unemployment and impoverishment catalyzed widespread localized protests in the late 1980s and early 1990s.

Yet it was the events surrounding the 1997 Asian financial crisis that called the Washington Consensus into question. In the wake of this crisis, Malaysia began to regulate capital flows, wealthier third world countries built up sovereign wealth funds to eliminate dependence on IMF loans, Vietnam and China pursued successful state-oriented policies, and Japan (as a major donor) put pressure on the Bretton Woods institutions to pay attention to such alternatives (Wade, 2002). Grassroots and activist movements gained traction, from the Zapatistas of Chiapas, to the protests in Argentina and the '50 Years is Enough' movement directed at the Bretton Woods institutions. Global attention increasingly focused on the failings of the Washington Consensus after the 1999 'battle in Seattle,' and subsequent protests directed at its protagonists and policies. More tellingly, internal critiques emerged from within elite discourses, notably from that ultimate insider Joseph Stiglitz, who very publicly distanced himself from Bretton Woods institu-

[2] We use the terms 'first world' and 'third world' to refer, respectively, to geographical regions: The colonizing powers and emergent white settler colonies in North America and Oceania, and those areas of the Americas, Africa, Asia and Oceania that have been profoundly shaped by their encounters with colonialism. By contrast, since both the first and the third world contain sub-populations whose livelihoods better approximate those associated with the other world region, we use 'global North' and 'global South' to refers to those, anywhere, who live prosperously and precariously, respectively (Sheppard and Nagar, 2004).

[3] These were: fiscal discipline; the redirection of public expenditure priorities towards fields offering high economic returns and the potential to improve income distribution, such as primary health care, primary education and infrastructure; tax reform (to lower marginal rates and broaden the tax base); interest rate liberalization; a competitive exchange rate; trade liberalization; liberalization of FDI inflows; privatization; deregulation; secure property rights.

tions that he had come to see as arrogant, lacking transparency and misguided in their prosecution of the Consensus.

Responding to this emergent economic and political legitimacy crisis, international financial institutions began to rearticulate their policy norms, constituting what has been dubbed a 'post-Washington consensus'. Shortly before the Asian financial crisis struck, the Organization for Economic Cooperation and Development published *Shaping the 21st Century*, setting out development targets in seven areas, and prioritizing poverty reduction (Organization for Economic Cooperation and Development (OECD), 1996). Adopting these targets, in 1996 the World Bank and IMF started the Heavily Indebted Poor Countries (HIPC) initiative, and in 1999 the World Bank's Poverty Reduction Strategy Program (PSRP) began, replacing structural adjustment. In 2000, the United Nations offered a global endorsement of such initiatives, formulating Millennium Development Goals that, *inter alia*, seek to halve poverty by 2015 (United Nations, 2000).

It is questionable whether these developments constitute a consensus. Unlike the Washington Consensus, there are no definitive 10 commandments. The post-Washington phase was marked by widening disagreements among Washington-based partners, between a Bush Administration insisting on linking neoliberalism with its neoconservative foreign policy, an increasingly heterodox World Bank, and a persistently neoliberal IMF. The United Nations represented a different constellation of interests again, as its decision making is not dominated by the US and western Europe (although the World Bank has been influential throughout; White and Black, 2004, p. 11). Nevertheless, presenting these shifts as a consensus is vital for legitimating them as the new source of expertise for governance in the third world. Without seeking to reify their consensual nature, it is possible, synthesizing across a variety of accounts, to identify five broad shifts (Fine, 2001; Montiel, 2007).

1.1. Appropriate Institutions

First, renewed attention was paid to governance, and more specifically the development of 'appropriate institutions'. This was given intellectual support in the form of a debate among neoliberal development economists, about whether 'geography' or 'institutions' were a better determinant of economic growth, that was resolved in favor of institutions (Rodrik et al., 2004). This turn to governance endorsed a more active and regulatory role for states, acknowledging 'revisionist accounts of East Asian success' (Önis and Senses, 2005, p. 273), and representing states and markets as complements rather than substitutes. "From anti-market, through market conforming, to market-friendly, the state has been seen more positively if cautiously so" (Fine, 2001, p. 2). An important element was advocating market mechanisms to improve state performance, by deploying incentive structures and competition. It also endorsed the importance of local specificity; of moving away from the best practice, one-size-fits-all approach that had characterized the Consensus "to incorporate…country-specific institutions based on a proper understanding of cultural values and social norms" (Hayami, 2003, p. 55). Yet, notwithstanding such nods to contextuality, the turn to governance has been implemented in the form of international indices of good governance designed to reinforce market efficiency, such as the World Bank's governance indicators and Transparency International's corruption index (http://www.transparency.org/), inducing countries to improve their rankings in order to gain international recognition and support.

1.2. Poverty reduction and empowerment

Second, was a renewed discourse of poverty reduction, activating the question of income redistribution, implemented through two multilateral programs. The HIPC initiative was presented as the first comprehensive multilateral third world debt relief program. Participation in this initiative was limited to 41 countries (accounting for just 39% of poor country debt), chosen on economic and geopolitical grounds (Christensen, 2007). Before receiving debt relief, potential grantees had to demonstrate conformance with neoliberal reforms, privatization, tax reform and a balanced budget, and participate in World Bank poverty reduction initiatives (below). After three years of such reforms, a 'decision point' becomes possible, after which a relief package can be assembled. After another three years of good behavior, a 'completion point' can be reached (achieved by 24 countries after 13 years), triggering serious debt reduction—defined as reducing debt service to a sustainable level.

The World Bank's Poverty Reduction Strategy Program (PRSP) stressed three priorities: opportunity, empowerment and (increasingly) security. "Remarkably quickly,…agencies from the UN through all the significant bilaterals and most large NGOs welcomed and engaged the process" (Craig and Porter, 2006, p. 82). Much of the rhetoric surrounding this initiative stressed that it would be participatory rather than imposed from above, attending to the voices of the poor. The World Bank worked with NGOs to undertake poverty assessments and 'participatory rapid/rural appraisals' throughout the third world, using intensive interviews to record and publicize the 'voices of the poor' (Narayan et al., 2000a,b). Yet, notwithstanding this discursive shift, there were many continuities between structural adjustment and poverty reduction. The qualifying conditions for PRSP-related loans were initially almost identical to those used under structural adjustment, and have not changed a great deal since. Indeed, the IMF stated that their Poverty Reduction and Growth Facility (PRGF) seeks to retain "many…key features" of the Enhanced Structural Adjustment Facility (International Monetary Fund, 2008). The PRSP also reproduced the hierarchy of expertise that characterized structural adjustment. In order to participate, countries must have their Poverty Reduction Strategy Paper approved, much as they had to have approval for their structural adjustment policies, before they can qualify for the IMF's short-term PRGF and the World Bank's Poverty Reduction Support Credits. Nevertheless, a central role for the state in development policies is acknowledged and much more stress is laid on tailoring the program to local conditions; with the explicit intention to prioritize immediate improvement for the least well off over other development issues.

1.3. Capitalizing on social capital

Third, has been an emphasis on social capital. Deploying the thinking of Robert Putnam, not Pierre Bourdieu, it is argued that social capital "enables the economy to function by providing trust, credibility and literate consumers and workers" (Jayasuriya and Rosser, 2001, p. 391). Based on studies showing a correlation between associational activity and local economic growth, and acknowledging the importance of social embeddedness for the functioning of markets, the World Bank has sought to identify, foster and promote those aspects of social capital that can enhance economic development. For example, micro-credit schemes, which have proliferated across the global South, rely on close social relations and networks among women to ensure that debts are repaid and participants are enrolled in the market. Yet, it is external consultants, rather then the women themselves, who determine which aspects of sociability count as social capital (Bergeron, 2003; Jayasuriya and Rosser, 2001).

1.4. Development aid and democratic governance

Fourth, has been the recognition that the playing field for global capital flows is highly uneven, as they heavily concentrate in just a few countries. This has engendered proposals that the wealthier capitalist countries tilt aid and market access to the poorest countries. Fifth, there is an increasing stress on the importance of *democratic* governance, moving away from attempts to "depoliticize the economic decision-making process, if not the society at large, and to restrict the domain of democracy as a means of fostering the smooth and speedy implementation of market-based economic reforms" (Önis and Senses, 2005, p. 276). In practice, this turn to democracy has largely been limited to a vision that broadened participation to enhance market efficiency, occurring alongside an ongoing depoliticization of economic policymaking.

1.5. Post-Washington consensus – extended neoliberalism?

Given the attention devoted to analyzing globalization since 1980 as approximating Hayekian neoliberalism (e.g., Brenner, 2004; Brenner and Theodore, 2002; Harvey, 2006), it is important to interrogate whether the post-Washington consensus represents a significant departure from this model, at least for the third world, or simply a variation on it. Clearly, a reinforced role for the state need not imply the end of neoliberalism. Indeed, Peck and Tickell (2002, p. 389) describe a phase of 'roll out' neoliberalism in the US and the UK, characterized by "new forms of institution-building and governmental intervention", in which "neoliberalism is increasingly associated with the political foregrounding of new modes of 'social' and penal policymaking, concerned specifically with the aggressive re-regulation, disciplining, and containment of those marginalized or dispossessed by the neoliberalization of the 1980s."

Echoing this analysis, Ben Fine argues that in the third world the post-Washington consensus simply extends the Washington consensus. He locates the intellectual source of the post-Washington turn to governance in Joseph Stiglitz' theorization of how asymmetric information compromises market mechanisms, recognized with a Nobel medal (Fine, 2001, 2002). Fine argues that Stiglitz' broad critique of the efficacy of markets, which broadens the definition of market imperfections to embrace "informational imperfections and asymmetries of various sorts, including…transactions costs" (Fine, 2001, p. 2), effectively licenses further 'behind-the-border' interventions by the Bretton Woods institutions of unprecedented scope.[4] "There is, then, a natural progression from the Washington to the Post-Washington consensus from an analytical point of view… [T]he new consensus generalises the old (a special case in which information is perfectly handled through the market), addresses issues that are proscribed by the old, and opens the way for a wider portfolio of policy options" (Fine, 2001, p. 11).

Jayasuriya offers a somewhat different analysis. The post-1997 shift in global governance discourse recognized that government is, in fact, essential to maintaining market order. This requires 'economic constitutionalism': "a system of jurisdiction that would facilitate the construction of the market" (Jayasuriya, 2006, p. 21). He argues that this can be traced to the neoconservative political theorist Carl Schmitt and the German ordo-liberals, whose vision of the social market (*soziale Marktwirtschaft*) was subsequently taken up by the German social democrats in the 1970s, and to Amartya Sen's notion of capability (Jayasuriya, 2001, 2006). Linking this to New Labor's third way politics in the UK, he argues that any turn back to the state needs to be qualified by recognizing a dramatic shift in how welfare is governed. Instead of welfare as compensation payments to politically active citizen groups whose political and social rights have been infringed by the inequalities created under capitalism; it is now argued that inclusion into the market will enable individuals to overcome marginalization. Instead of welfare bureaucracies, contractual relations with 'clients' provide the necessary means for their inclusion in the market, conditional on their responsible behavior. Behavior is monitored through contract 'chains', extending from local consultants back to the multilateral institutions. 'Political' citizenship, under which groups struggle for their share of the wealth, is being transformed into depoliticized technocratic strategies for achieving 'market' citizenship, "participation and inclusion in the economic order" (Jayasuriya, 2006, p. 2).

Both Fine and Jayasuriya offer broad-brush analyses of post-Washington shifts, neglecting how the details of implementation may differ substantially across space. Yet, in seeking common threads, they are useful for our purpose of tracing global discourses. Whereas Fine explicitly calls post-Washington global governance norms neoliberal, Jayasuriya is more circumspect. Each of the influences that he notes departs from Hayekian neoliberalism. The ordo-liberals are perhaps closest, describing themselves as neoliberals. But Hayek rejected their definition of neoliberalism, which is explicitly critical of capitalism, successfully propagating an anti-state and pro-capitalist definition (Friedrich, 1955).[5] The question of whether post-Washington global governance norms remain neoliberal turns, then, on the scope envisioned for the term. They depart from Hayek's definition, yet seek to realize a goal that he would share: A society whose social and political norms align with those of the capitalist market.

Jayasuriya notes parallels between his analysis and roll-out neoliberalism, but we cannot conclude that any increased state intervention promoting the market conforms with Peck and Tickell's definition of neoliberalization. In China, economic reform has undoubtedly unleashed market forces under the aegis of the Communist Party, and questions of governance and poverty reduction are of high priority. Yet it is far from clear that China can be characterized as a variegated form of neoliberalism. In the most influential Chinese discussion of neoliberalism in China available in English, Wang Hui argues that the result has been as much the enrollment of privatized production in the reproduction of state power, as the enrollment of state power in bringing about neoliberalization. "The state and neoliberalism exist in a complete state of co-dependence" (Wang, 2003, p. 60). Moreover, the Chinese state continues to invest heavily in infrastructure and takes an authoritarian approach to national economic management, hardly characteristics that typically are associated with either the Washington or the post-Washington consensus. Thus, Zhang and Ong characterize China as a distinct assemblage of neoliberalism and socialism rather than as variegated neoliberalism (Zhang and Ong, 2008).[6]

To summarize, the post-Washington 'consensus' entailed a novel package of policy measures and substituted a discourse of governance and poverty reduction for that of structural adjustment and privatization associated with its predecessor. This shift was a response to the failures of the Washington Consensus to make good on its claims, to the 1997 Asian economic crisis, and to increasingly trenchant contestations of neoliberalism in civil society and states. Whether the result can be characterized as an extended variant on neoliberalism is not easily answered, reflecting theoretical uncertainties about where the borders between neoliberalism and other modes of capitalist governance lie, as well as the variegation of really existing modes of governance across time and space. One aspect did not change, however: The location of exper-

[4] Behind-the-border initiatives refer to situations in which supra-national organizations enter a country to implement reform from within, rather than simply penalizing inappropriate actions from without.

[5] For the ordoliberals, neoliberalism meant "an economy which is definitely 'free,' as compared with a…planned economy, but which is subject to controls, preferably in strictly legal form, designed to prevent the concentration of economic power" (Friedrich, 1955, p. 511, italics in original).

[6] If and when China achieves global hegemonic status, this will only challenge the developmentalist socio-spatial imaginary if China's governance regime is different from Western governance regimes.

tise in a geography of power emanating from the global north in general, and US-based institutions in particular (in Washington, New York and Boston).

2. Beyond post-Washington? The 'new' development economics

Many uncertainties remain about the coherence and nature of a post-Washington 'consensus', notwithstanding widespread circulation of the term. Whereas the Washington Consensus dominated for some 15 years, the post-Washington 'consensus' has not settled in the same way and is already under challenge—by those very thinkers whose ideas were drawn on to justify it. Such a further shift cannot be traced to a specific moment of crisis and contestation paralleling the events of the late 1990s—although the global finance crisis of 2008 may, in retrospect, come to be constructed as such a catalytic moment. Nevertheless, these challenges, emerging during the first decade of the 21st century, are routinely motivated by reference to failures of neoliberal globalization (particularly what is now widely accepted as increasing income inequality at the global and sub-national scales, in most countries), the success of state-organized economic growth in China (no longer represented as simply market-led), the dissolution of the Doha 'development' round of WTO trade negotiations, and ongoing dissatisfaction with and contestation of neoliberal globalization (as in the World Social Forums now metastasizing across the global South, or Hardt and Negri's notion of the global multitude, cf. Fisher et al., 2003; Drainville 2005; Hardt and Negri, 2000, 2004).

This discursive framework, mobilized by the 'new' development economists, recognizes that costs and failures have accompanied neoliberal globalization, and acknowledges and worries about persistent contestations. It is argued that the former must be redressed, in order to undermine the material basis for contestations, allowing the benefits of capitalist globalization to be realized (Stiglitz, 2006). "If the tension is not managed intelligently and creatively, the danger is that the domestic consensus in favor of open markets will erode to the point where a generalized resurgence of protectionism becomes a serious possibility" (Rodrik, 1997, p. 6). To this end, it is argued, certain tenets of neoliberalism will have to be abandoned.

In order to analyze how this thinking is shaping global governance discourses, we examine a series of books written for lay audiences by some of the most influential (US) development economists, located in the influential economic institutions of Columbia, Harvard and New York University (but not the University of Chicago), with access to those in power in Washington DC and New York City.[7] Like critical development scholars and anti-neoliberal activists, they have engaged in extensive criticisms of the IMF, the World Bank, the WTO and the Bush Administration; calling for ending poverty now, for fair trade, and for an end to biopiracy and the Trade-related Aspects of Intellectual Property Rights (TRIPS) Agreement, more generally. They are also calling for re-empowering nation-states, to resist the behind-the-border governance initiatives of supranational institutions. The key interlocutors are Joseph Stiglitz, Jeffrey Sachs, Dani Rodrik, and William Easterly.

George Stiglitz is the most vocal mainstream critic, and its most influential, as former Clinton economic advisor and chief economist for the World Bank (1997–2000), now at Columbia University. Drawing on his theories of information asymmetry, he has castigated the IMF for a lack of transparency; for making decisions behind closed doors, even as it penalized third world governments for their lack of transparency (Stiglitz, 2002). He argues that this sin was compounded by the IMF's attempts to force neoliberal policies on Asian countries struggling with the 1997 Asian financial crisis. More generally, he observes that power inequities in the institutions governing the world economy hurt the global South, urging reform of the WTO to redress this. He argues against structural adjustment and biopiracy, and for policies promoting greater equality, forgiving national debts and stimulating aggregate demand in the global South. Countries with 'a proven track record' (242) should be given financial aid and the freedom to decide how to use it, instead of being told what to do via behind-the-border initiatives.

Stiglitz believes in market-led globalization, however, once the playing field is leveled. In *Fair Trade for All*, Stiglitz and Charlton (2005) argue that trade can promote development, as long as the WTO is reformed to eliminate its current *de facto* bias in favor of the global North. They urge that richer countries be forced to guarantee open access to imports from poorer countries, while poorer countries are accorded the right to restrict imports from richer countries. The Generalized System of Preferences should be adjusted to favor the global South, and the WTO should stay away from promoting unrestricted international capital flows and property rights agreements, such as TRIPS, that favor the global North.

He also has laid out an ambitious program for *Making Globalization Work* (Stiglitz, 2006). His analysis resonates with radical critics of neoliberal globalization: "The international institutions…entrusted with writing the rules of the game and managing the global economy, reflect the interests of the advanced industrial countries—or, more particularly, special interests within those countries… The end of the Cold War gave the United States…the opportunity to reshape the global system based on its own self-interest and that of its multinational corporations. Regrettably, in the economic sphere, it chose [this] course" (pp. 276–7). Diagnosing this as a democratic deficit (abuse of the market through control over information), his proposed solution amounts to global Keynesianism: Tipping the playing field in favor of the global South; enforcing transparency and accountability on institutions that are not subject to democratic control; paying poor countries for the full value of their primary commodity exports and for ecological services they provide to the global system; global rules to prevent corporations from playing one territory off against another and to reduce monopoly power; unconditional debt forgiveness for countries by allowing them to declare bankruptcy; and a global bank, as promoted by Keynes, that lends to those in need.

Director of Columbia University's Earth Institute Jeffrey Sachs, building on but going beyond his claims that Geography creates an uneven playing field that traps places in poverty, argues for a 'clinical' approach to economic policymaking at the national scale:

> "On numerous occasions…I have been invited to take on an economics patient—a crisis ridden economy—in order to prescribe a course of treatment. Over the years I have marveled at how that experience is akin to that of my wife Sonia's clinical practice of pediatrics. I watched in awe, often in the middle of the night, how she approaches a medical emergency or complicated case with speed, efficiency, and amazing results. Development economics today is not like modern medicine, but it should strive to be so." (Sachs, 2005, p. 75)

As Sachs describes it, a clinical approach recognizes the complexity (like individual bodies) of economic systems; preaches the importance of differential diagnosis; pays attention to the context within which the 'patient' is embedded; entails monitoring,

[7] Of course, these individuals' thinking is shaped by extensive academic research and consulting experiences, shifting over time as a result of these experiences and other events. Tracing these links is beyond the scope of this paper.

evaluation and comparison of goals with outcomes; and more attention to ethics: "[T]he development economics community does not take on its work with the sense of responsibility that the tasks require. [It] requires a profound commitment to search for the right answers... [and] to be thoroughly steeped in the history, ethnography, politics and economics of any place where the professional advisor is working" (pp. 80–1).

Sachs' clinical approach draws on the theoretical framework of western medicine; one that defines the healthy body in terms of a set of performance indicators that define the goal that differentiated interventions, tailored to the patient, seek to realize (Indeed, Sachs' approach is shaping global health policy discourses, cf. Sparke, 2009). Thus a clinical economics seeks to cure the national economic body just as western doctors seek to cure the individual human body.

For Sachs, economic health stems from a competitive and innovative capitalist national economy. Indeed, he aligns himself with Rostow's stageist model of capitalist development, and Paul Rosenstein-Rodan's contemporaneous idea of the need for a 'big push,' whereby states should invest heavily in infrastructure that will catalyze industrialization and development (Rosenstein-Rodan, 1943). This can be seen in what he characterizes as seven shortcomings in the various factors shaping economic outcomes that interventions must address. A *'poverty trap'*, due to a lack of savings for investment. *Poor economic policy* that raises the costs of business, reduces incentives for innovation, fails to provide public goods, creates trade barriers, and fails to invest in human capital. A *'fiscal trap'* (a lack of revenue to finance necessary infrastructure) undermines the ability of the state to provide adequate public goods and social services. *Physical geography* (e.g., soils, climate, access to navigable waters) can increase transportation and communications costs for landlocked countries, reduce agricultural productivity and increase disease burdens and ecological costs (in the tropics, and as a result of global warming). *Governance failure* undermines the rule of law, private property, the provision of public services and democratic decision making, enhancing the chances of corruption and of a state in thrall to elites or regional minorities. *Cultural barriers* include cultural cleavages, values and norms that undermine the economic opportunities of women or minorities, and diasporas who do not contribute to economic development in their country of origin. *Geopolitics*, "security and economic relations with the rest of the world" (Sachs, 2005, p. 88), becomes problematic when countries are confronted with cross-border security threats, refugees, international sanctions and trade barriers.[8]

To overcome such problems, Sachs advocates a big push, in the form of a global program of spending, coordinated by the United Nations (because the Bretton Woods institutions are dominated by the rich nations). This program should cancel burdensome national debts (releasing national resources for investment); push trade liberalization that no longer benefits the richest nations; direct scientific research toward the particular problems of poor countries (to accelerate innovation and agricultural productivity, and reduce disease); and reduce the pace and impact of climate change, through stabilizing greenhouse gas emissions in the first world and providing assistance to the much more vulnerable global South. The principal vehicle should be enhanced and better targeted official development aid. To justify such coordinated interventions into the global economy, Sachs argues that it is both affordable and in the self-interest of residents of the global North (because it reduces terrorism and immigration stemming from the global South).

Harvard economist Dani Rodrik wonders whether globalization has gone too far (Rodrik, 1997). While convinced that market-led globalization has brought many benefits, as noted above he is concerned that opposition to this model of development reflects very real problems associated with neoliberal globalization. He highlights three such problems: workers who are disadvantaged because they are unable to move into sectors and places that benefit from free trade and investment; the inability, under the Washington consensus and WTO procedures, for countries to assert national preferences and ethical norms (e.g., excluding commodities made with child labor, or in environmentally destructive ways); and the undermining of the power and authority of the nation-state (Rodrik, 1997).

Much like Sachs, Rodrik argues that there is only one set of viable economic principles, to be found in neoclassical economics, but policy prescriptions should be tailored to the specifics of national context: One economics, but many recipes (Rodrik, 2007). In particular, he argues for a governance regime that creates space for different nation-states to pursue distinct policies that are sensitive to national context, instead of a one-size-fits-all best practice policy regime. For example, this should entail altering the neoliberal policy consensus (e.g., the WTO agreement on safeguards) so that (democratic) nation-states are enabled to exert territorial authority over economic flows crossing their borders that contravene national ethical norms, as long as a national consensus exists about such issues. Recently he has extended this analysis to finance (Rodrik, 2009). Whereas Rodrik (convinced that national institutions, not geography, are the key to national economic performance) stresses national scale empowerment, Sachs advocates a more developmental state and global redistribution.

New York University's Easterly (2006) shares the others' critical disposition toward multilateral governance institutions, but little else. Like Stiglitz, Sachs and Rodrik, Easterly sees all humans as equally able and creative, and is seeking an emancipatory project that enables everyone to unleash their potential. He also argues that the international financial institutions have failed the global South's poor, but reserves just as much ire for Sachs and Keynesian do-gooders of all stripes. In his view, global development policies of all kinds (including the "Global War on Terror") are big push initiatives that are infused with the conceit that the global North holds all the answers, and doomed to fail. "The White Man's Burden emerged from the West's self-pleasing fantasy that 'we' were the chosen ones to save the Rest... The Enlightenment saw the Rest as a blank slate—without any meaningful history or institutions of its own—upon which the West could inscribe its superior ideals" (Easterly, 2006, p. 23).

In the spirit of Friedrich Hayek, Edmund Burke and Karl Popper, but also at times seemingly channeling post-colonial criticism (Mehta, 1999; Said, 1978), Easterly rejects such conceits and initiatives. He divides the world into planners (Sachs, the World Bank, etc.) and seekers (the entrepreneurial spirit in all humans across the globe). Like Hayek, he sees the free market ('the laws of economics'; Easterly, 2002) as key to releasing the latter. In his analysis, the tragedy of the world's poor is that they have been caught up in a self-serving development industry that has failed to deliver. Only the free market can provide the incentives, attentive to local context, that can unfetter the potential of the poor to succeed as capitalist entrepreneurs, who thereby become responsible for their success, or failure. As in trade theory, the capitalist market is conceptualized as recognizing and valuing difference, as a mark of distinction that can be traded on for mutual benefit and profit (Sheppard, 2005).

[8] Paul Collier, director of the World Bank Development Research Group (1998–2003), has recently contributed *The Bottom Billion* to these public discourses. Resonating with Sachs' analysis, he argues that poverty in African countries is profoundly affected by resource abundance, landlocked location, population size and ethic diversity (Collier, 2007).

The proposals of Stiglitz, Sachs and Rodrik, while by no means identical to those characterizing the Fordist regulatory era in the first world, draw explicitly on Keynesian ideas. These include stimulating demand via state investments in public services and infrastructure; the assertion of national scale economic management, rather than the 'hollowing out' of the state and behind-the-border interventions that characterized the Washington Consensus; reducing income inequalities by subsidizing the poor, and; global Keynesianism—interventions oriented toward international redistributions of wealth, and leveling the global playing field via redesigning supranational institutions and policies in ways that favor low income countries. Yet William Easterly sees the solution in the reassertion of a purely Hayekian neoliberalism, on the grounds that the (post) Washington 'consensus', for all its ostensibly neoliberal economic characteristics, has violated the spirit of Hayek by creating a new 'road to serfdom' for the third world.

A cursory examination of shifting World Bank discourses demonstrates that, in the realm of global capitalist governance oriented toward the third world, the Keynesian model was trumping Easterly's Hayekian alternative after 2000. In April 2006, the World Bank, the Hewlett Foundation, and the Australian, Dutch, Swedish and British governments (but not the USA) founded a Commission on Growth and Development. After two years of deliberations, visits to different countries, and experts' reports, in 2008 the Commission published its findings as *The Growth Report* (Commission on Growth and Development, 2008). The commission itself was largely composed of current or former national ministers of finance from 17 countries, together with two Nobel laureates in Economics: Michael Spence (chair) and Robert Solow.[9] As Ravi Kanbar notes: "this is surely as close as one gets to what I have called the 'Ministry of Finance tendency'..., or what Williamson (1990) meant by the 'Washington' of the Washington consensus (suitably extended to include elite decision makers in developing countries)" (Kanbar, 2008, p. 12).

The Growth Report takes the position that finding growth strategies for the rest of the third world should begin by examining the diverse strategies pursued by 13 third world countries that have achieved growth rates exceeding 7% annually for at least 25 years. It seeks to recognize the broad range of forms of national governance across these 13 cases, arguing for a pragmatic approach to governance, attentive to national context, rather than any single best practice strategy. The commissioners also distance themselves explicitly from the neoliberal Washington Consensus. Taking note of civil society contestations, they state that "the public tends to blame globalization. As a result they are increasingly skeptical of the case for an open economy, despite the great gains it brings" (p. 7). "[O]penness itself needs protecting. An international economy in a world of nation-states has no natural guardians. That is perhaps the biggest risk of all" (103).

With respect to governance, the commissioners note that "[g]overnments in the high-growth economies were not free market purists" (7), and that there was substantial disagreement within the commission about the efficacy of industrial and exchange rate policies. "Fifteen years ago, much of the discussion of government shared this presumption in favor of smaller government and freer markets... Our view is somewhat different...issues of competence and motivation cannot be dismissed. But they cannot be answered by simply writing government out of the script" (30). They favor such initiatives as a national industrial policy, temporary protection for infant industries, large scale public works programs, addressing environmental problems sooner rather than later, the necessity of deficit spending by states to achieve these goals, and limiting supranational institutions to monitoring and coordinating responses to unanticipated crises (very much along the lines argued for by Keynes during the Bretton Woods negotiations).

While the Growth Report was aggressively publicized by the World Bank upon its publication on May 21, 2008, the Commission is just one of many World Bank initiatives, and hardly official Bank policy. The World Bank's policy shifts are captured more closely in the annual World Development Reports. The trajectory of reports since 2000 underlines an increasing openness to Keynesian ideas after 2003. The 1999/2000 report, *Entering the 21st Century* (World Bank, 1999), emphasizes market forces, advises the devolution of governance from the national to the municipal scale, and promotes 'municipal entrepreneurship', prototypical features of neoliberalism also in the first world. The 2003 Report, *Sustainable Development in a Dynamic World* (World Bank, 2002), reflects the post-Washington turn to governance and concerns about asymmetric information and transparency, emphasizing the building of knowledge, informed constituencies, giving voice to the poor, and participatory governance, consistent with Nikolas Rose's description of the norms of governmentality associated with 'late liberalism' (Rose, 1999). The 2006 Report, *Equity and Development*, "suggests that privatization alone is not the answer" (World Bank, 2005, p. 171), and promotes improving access for the poor, incentivizing service providers, and making providers accountable to 'the general public'.

The 2009 Report, *Reshaping Economic Geography*, explicitly takes up the question of spatial inequality, at scales ranging from the urban hinterland to the world region (World Bank, 2008). Recycling 1950s neoclassical regional economics, it argues that all regions go through the same phases of development, with initially increasing spatial inequality giving way to decreasing inequality. State policies, categorized as the three I's—Institutions, Investments (in infrastructure), and Incentives—can shape this process. Aspatial institutional policies underwrite the conditions for market competition (such as ensuring property rights, cf. de Soto, 2000). Investments in infrastructure reduce distance and eliminate barriers, freeing up trade and migration to pursue economic opportunity. Incentives, subsidizing particular places to overcome geographical disadvantage, are least desirable but occasionally necessary. The latter two were popular strategies of spatial Keynesianism in Europe in the 1960s and 1970s (Brenner, 2004). Together, the three I's are envisioned as enabling the inclusion of all into the market (cf. Jayasuriya, 2006).

The remaking of governance currently underway is certainly not a wholesale repudiation of neoliberalism. It retains and continues to propagate a belief in the possibility that globalized capitalist markets can deliver on Smith's invisible hand, and confidence that the expertise to deliver on this promise lies in the global North. Yet it does further distance itself from privatization *tout court*, and makes space for explicitly Keynesian prescriptions. This invocation of Keynes without abandoning Adam Smith only seems paradoxical to those who have conjured up neoliberalism as the other of Fordism. There is, in fact, considerable common ground. From those of more neoliberal to those of more Keynesian persuasion, a consensus exists among mainstream economists that neoclassical economic theory should be the foundation for policymaking; and that this theory provides rigorous grounds justifying the belief that globalized market mechanisms can, in principle, overcome inequality and empower all participants in the market. The 'in principle' caveat is important: There is enormous disagreement about the pervasiveness of market imperfections and about the most appropriate ways to redress these: About how extensive the role of state interventions and regulation should be.

Indeed this common ground extends to Keynes and Hayek themselves, notwithstanding personal animosities and their struggle for the hearts and minds of 20th century mainstream Anglo-

[9] Brazil, Chile, China, Egypt, India, Indonesia, South Korea, Mexico, Nigeria, Peru, South Africa, Singapore, St. Kitts and Nevis, Sweden, Turkey, UK, USA.

phone economics. They agree that the radical uncertainty that pervades really existing capitalism has vital implications that cannot be addressed by the mathematical models of neoclassical theory. They also agree on capitalism as the only viable economic system. For example, in his *The General Theory*, remarking on the state interventionist policies that came to be characteristic of Fordism, Keynes argues that he did not conceive of such policies as "a terrific encroachment on individualism, [but], on the contrary…as the only practicable means of avoiding the destruction of existing economic forms [that is, capitalism] in their entirety and as a condition of successful functioning of individual initiative" (Keynes, 1936, p. 380). As Skidelsky (2006, p. 83) puts it: "Both men were liberals in all important senses of the term". As we will argue in the next section, this consensus reflects a shared socio-spatial imaginary; one that repeatedly reconstitutes the first world as the source of development expertise, notwithstanding its serial policy missteps and failures.

3. Continuities: the developmentalist socio-spatial imaginary

We have shown that there have been marked periodic remakings of global capitalist governance from a Washington to a post-Washington consensus, and beyond, in ways that have begun to question some key aspects of global neoliberal governance. Taken together, they hardly represent a consensus. Yet such shifts and disagreements have been contained within a developmentalist socio-spatial imaginary that has, in effect, repeatedly legitimized discourses of first world expertise even as the policies based in this expertise repeatedly fail. In this section, we summarize the elements of this imaginary, and discuss how it has persisted even in the wake of crises that create space for alternative imaginaries.

The developmentalist socio-spatial imaginary has three components that are closely intertwined: A stageist, teleological thinking that constitutes capitalism, Euro-North American style, as the highest form of development; a leveling metaphor, according to which a flattening of the world equalizes opportunities for all individuals and places; and an imagining of socio-spatial difference as coexisting with this leveling through its commodification.

At the center of mainstream policymaking discussed above is the conception of a single trajectory of development, namely capitalist development, along which all places are imagined as sequenced. Rostow famously articulated such a trajectory in his modernist "non-communist manifesto", *The Stages of Economic Growth* (Rostow, 1960). As dependency, post-colonial and post-development theorists have argued, this has the effect of presenting places with no choices about what development means, and of ranking places, and their inhabitants, on a scale of development—according to which the prosperous capitalist societies of western Europe and white settler colonies (North America, Australia and New Zealand) occupy the apex, with respect to which other places are imagined as incomplete in their development. This also implies the desirability of erasing or making over less adequate states of affairs, replacing them with their more efficient and rational Northern exemplars. Notwithstanding very substantial shifts and disagreements in how the apex is imagined (as liberal civilization during the colonial era, as Fordist industrialism after 1945, as neoliberal after 1980, and as good governance and poverty reduction after 1997), the effect is to locate expertise at the apex. If all places are on a common path, then those who have reached the end seem naturally pre-destined to teach others about how to achieve this—even when the paternalist advice is 'don't do as I do, but do as I say' (cf. Chang, 2002, 2008). The new development economics' supplement of Keynesian strategies, while critical of and presenting itself as a departure from the Washington Consensus, still endorses a stageist imaginary. Sachs is explicit about his debt to Rostow, framing the specific diagnostic interventions in any nation in terms of the goal of achieving a healthy (first world capitalist) economic body.

Sutured to stageist thinking is an imaginary of flattening, of globalization and capitalist development as a process that is flattening out the world, creating a level playing field that equalizes opportunities everywhere. It is this flattening that enables progress along the stages of development—what Blaut has termed a diffusionist conception of development (Blaut, 1993). Some claim that the world is actually flattening out—that socio-spatial positionality matters less and less, with the implication that it is the conditions in a place, rather than its connectivity to the rest of the world, that becomes the important differentiating factor (for critiques of such claims, in both the mainstream and political economic literatures, see Sheppard, 2002, 2006). The Washington Consensus, in effect, sought to alter the conditions in place; pressing nations to adopt 'best practice' neoliberal governance norms, structural adjustment, which would then enable them to progress towards prosperity in a flat world.

The 'new' development economists acknowledge that the world is not flat. Thus Sachs and Stiglitz argue that certain differences between nations persist in the face of globalization, creating unequal conditions of possibility for development. Sachs argues that certain biophysical differences can never be erased, making places 'prisoners' of their geography (Hausmann, 2001). This barrier can be overcome by directing more investment toward and/or giving more policy latitude to, 'backward' cities, regions, and nations. Stiglitz stresses how institutions of global governance reinforce power inequalities that disadvantage the global South, arguing for countervailing policies that favor the latter. Both advocate global redistribution and affirmative action for poor nations in order to redress inequalities resulting from disadvantaged geographical or political positionalities, in the belief that such interventions can level the playing field. Again, a flattened world, or leveled playing field, is seen as providing all places with the same opportunities to advance toward prosperity.

Yet a flattened world, within this socio-spatial imaginary, does not mean a homogeneous world. Development economics has long recognized that places differ in their resource endowments, arguing that such differences need not be sources of inequality. Rather, each place is enjoined to find its comparative advantage, and trade in global markets on this basis. In doing so, places develop very different economic specializations, each of which is an equal basis for advancing along the developmental trajectory. More recently, both the World Bank and the new development economics have increasingly come to recognize and value persistent differences in cultural norms and practices across the globe, explicitly distancing themselves from previous quasi-orientalist rankings of cultures. Yet such cultural differences are recognized and valorized in terms of how they can be utilized in the market. As in the case of comparative advantage, the value of such socio-spatial differences is assessed in terms of their commodifiability. For example, Bergeron (2003) analyzes how the World Bank incorporates difference into its attempts to create subjects for the market. Taking the case of microfinance, she notes how the Bank, utilizing Putnam's conception of social capital, takes the position that "developing social capital is best achieved by tapping into the communities' own 'premodern' modes of collaboration and social life" (p. 403). Where such non-capitalist practices are seen as functional to incorporating subjects into microfinance, they are valued. However, social and cultural differences and practices that are not regarded as commodifiable are dismissed as barriers to development, in need of modernization. By the same token, Sachs' concerns about geographical disadvantage can be regarded as identifying place-based characteristics that cannot be commodified in terms of comparative advantage, e.g., tropical or inland locations, thus requiring intervention.

A variety of forces has contributed to the persistence of this imaginary, for at least the last century. First, its power geometry—its rootedness in hegemonic regions of the global system—has given the imaginary particular power to shape not only thinking in the global North, whose self-image it reinforces, but also the global South, whose residents often have been convinced that their own local knowledge and indigenous practices are inadequate. Second, the imaginary gains traction from its optimism and resonance with the notions of progress, equality, and acknowledgement of difference. While each is defined in a particular, commodified way, their capacity to connect with deep human desires for a better life is enticing.

Notwithstanding the power and attractiveness of this imaginary, the failure of globalizing capitalism to bring about the prosperity that it promises, combined with the persistence of contestation, has periodically created moments of both material and cognitive crisis. Capitalism's ability to reinvent itself through such moments of crisis, thereby reinvigorating this imaginary, can be understood through Derrida's concept of the supplement.

> [T]he concept of the supplement…harbors within itself two significations whose cohabitation is as strange as it is necessary. The supplement adds itself…, a plenitude enriching another plenitude, the *fullest measure* of presence… But the supplement supplements. It adds only to replace…; if it fills, it is as one fills a void… As substitute, it is not simply added to the positivity of a presence…, its place is assigned in the structure by the mark of an emptiness. (Derrida, 1976, pp. 144–5)

Both Keynesian and Hayekian governance discourses play this supplementary role for capitalism as, arguably, does any global governance discourse. Crises signal the incompleteness of capitalism—marks of an emptiness that require a supplement. Supplements fill capitalism's emptiness and enrich it, promising a fuller measure of presence. Keynesianism provided exactly this supplement during the Great Depression, filling a gap in capitalism and reinvigorating the socio-spatial imaginary. Hayekian neoliberalism worked similarly when first world Fordism entered its crisis in the later 1970s, only to run into its own difficulties, described above, for which a new supplement is currently being sought. While there is no guarantee that a supplement must emerge to alleviate any crisis, to date this has been the case.

4. Conclusion

We have argued that the shifting global governance discourses directed toward the third world since the 1970s can be conceptualized as capitalism's supplements. As supplements, they have reaffirmed a persistent developmentalist socio-spatial imaginary. Recent discussions of such shifts (e.g., Evans, 2008; Wade, 2008) invoke Karl Polanyi's double movement: struggles within nation-states of North Atlantic capitalism, dating back to the 18th century, between those propagating free markets and those seeking to protect society through "powerful institutions designed to check the action of the market relative to labor, land and money" (Polanyi, 2001 [1944], p. 79). The Washington Consensus entailed a shift from the latter to the former pole, albeit at a global scale, generating some nostalgia for national Keynesianism among critical scholars (cf. Peck and Tickell, 2002, p. 38). Yet, while new development economics discourses resonate with Keynesian imaginaries, it is doubtful that we are experiencing a return to Polanyi's institutions, even at a supra-national scale. The decommodification of land, labor and money is not evident, and emergent governance discourses in the US and the UK stress a paternalistic 'nudging' of individuals to make the right choices (Thaler and Sunstein, 2003).

Nevertheless neoliberalism, as we know it, is in question. The current crisis has made Hayekian nostrums unpopular, but faith in the market runs deep, and it will probably take a decade before it becomes clear what supplement emerges to manage this crisis. There is no shortage of candidates for post-neoliberal governance regimes—both progressive and regressive (Brand and Sekler, 2009)—and in a moment of crisis, when supplements are in question, contestations can play a vital role in shaping capitalism's trajectories, and viability. Challenging the developmentalist socio-spatial imaginary, however, will require not just probing the limits of neoliberalism, but exploring imaginaries that exceed capitalism.

Within the academy, a plenitude of conceptual alternatives highlight capitalism's complicity in producing the inequalities and hierarchies that the developmentalist socio-spatial imaginary claims to overcome, including Marxist, world-systemic, feminist, post-colonial and post-developmental scholarship (cf. Sheppard et al., 2009). These alternatives imagine capitalism, development and governance otherwise – seeking more just and sustainable alternatives that create space for variegated trajectories, uneven connectivities and ineluctable difference, instead of stageism, flattening and commodification.

Beyond the academy, civil society is expanding the range of alternatives—and is arguably better equipped to disrupt the current experimentations of global policymakers. Experiencing the disabling effects of capitalism and its supplements, those living precariously actively contest neoliberalization, articulating alternative imaginaries and practices through actions ranging from local initiatives to transnational activist networks. The World Social Forum is just the most prominent of innumerable inter-related counter-neoliberal globalization movements (Fisher et al., 2003; Glassman, 2001; Evans, 2008; Notes From Nowhere, 2003; Reitan, 2007). Santos (2008, p. 258) regards its gatherings as a productive forum for "alternative thinking of alternatives"—where different kinds of knowledge about social transformation and emancipation, exceeding the hegemonic epistemologies of the West, are valorized and actively debated, and where the existence of alternatives is asserted without defining their content.

It may seem unlikely that such emerging alternatives constitute a serious near-term challenge to capitalist imaginaries, but they are provincializing Western understandings of governance and social transformation, and re-politicizing capitalism. Politicization is essential to make space for transformative rather than affirmative remedies, changing the frameworks that generate unequal power relations, and dismantling EuroAmerican centrism "so as to undo the vicious circle of economic and cultural subordination" (Fraser, 1997, p. 28).

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