

Ignorance, denial, internalisation, and transcendence: a post-structural perspective on Polanyi's double movement

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Abstract. In this article, I suggest what an engagement between post-structuralism and the work of Karl Polanyi might look like. I do this by presenting a reading of Polanyi's concept of 'double movement' as a form of problematisation through binary opposition. I suggest that the central opposition that the double movement depicts – between economy and society as reflected in processes of marketisation and social protection – presents itself in such a way that the problems emanating from the opposition can only be solved through its transcendence. On one hand, the terms of transcendence are limited by the terms of the opposition. On the other hand, since transcendence is never reached, the double movement problematisation stabilises the existence of a lacuna between the lived experience of market society and the discursive field of that market society. As such, the form of the problematisation places a double-limit upon the ways in which 'solutions' can be presented. I present this thesis in relation to two instances of double movement discussed by Polanyi in his book, *The Great Transformation*. I then apply the argument to invocations of the economy-society opposition in contemporary political economic discourse, where it remains as ubiquitous as ever.

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... what made men most permanently contented was not – as they themselves supposed – the discovery of solutions to the questions which perplexed them, but rather some process, natural or artificial, whereby the problems were made to vanish altogether (Berlin, 1950)¹

Post-structuralism and Polanyi

Post-modern perspectives in the social sciences are typically concerned with how knowledge is constructed, focusing on how discursive strategies give rise to truth claims that can be understood as justified at particular historical junctures.² Thus,

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¹ Isaiah Berlin, 'Political Ideas in the Twentieth Century', *Foreign Affairs*, 28:3 (1950), p. 369.

² Related specifically to political economy, see M. de Goede, 'International Political Economy and the Promises of Poststructuralism', in de Goede (ed.), *International Political Economy and Poststructural Politics* (Basingstoke: Palgrave Macmillan, 2006), pp. 4, 17, 19; and A. Amin, and R. Palan, 'Towards a non-rationalist international political economy', *Review of International Political Economy*, 8:4 (2001), pp. 561.

the post-modernist's analytical gaze is drawn to the way in which various types of truth are produced through social practices and sustained through relations of power.³ Post-structuralism, in as far as it is analytically distinct from post-modernism in general, draws upon the heritage of structuralism as conceived by Saussure. Where Saussure understood words as referring to an ontologically pre-existent reality, post-structuralists emphasise instead the extent to which the meaning of words is defined in relation to the meaning of other words. Thus, post-structuralists contend that the discursive realm is not epiphenomenal *vis-à-vis* some pre-existent objective reality, but actually constitutive of all meaningful comprehension. Analysis must therefore centre on the *difference between* signifiers (words, discourses, etc.) rather than on the signification (or mis-signification) of an ontologically distinct reality.⁴

This question of difference is a thread that runs through post-structural analysis, leading to an emphasis upon how particular things are constructed in relation to one another. The seminal author in this respect is Jacques Derrida, who mounted a sustained critical enquiry into the role of binary distinctions in linguistics and in Western thinking in general.⁵ As David Howarth puts it:

[Derrida] argues that these oppositions consist of a privileged essence (an 'inside') and an excluded or secondary term (an 'outside'), which is merely accidental or contingent. Contrary to the view that the outside simply threatens or undermines the purity of the inside, Derrida argues that if the outside is *required* for the definition of the inside, then it is just as necessary as the inside itself.⁶

Derrida applies the idea to oppositions such as that between mind and body, rationality and emotion, man and woman, but the profundity and generalisability of the idea is such that it underlies myriad applications.⁷

In International Relations (IR) and international political economy (IPE), the binary oppositions model has gradually gained more traction as a framework for understanding political economic relations. A good example is Rob Walker's *Inside/Outside*,⁸ which maps the construction of binary distinctions onto the way in which the notion of sovereignty is constructed.⁹ At around the same time as Walker's book appeared, Michael Shapiro penned an article on the interplay between sovereignty and exchange, arguing that, although fundamentally opposed concepts, each depends

³ A. Amin and R. Palan, 'Towards a non-rationalist international political economy', pp. 561; M. de Goede, 'International Political Economy', p. 4; J. Wullweber and C. Scherrer, 'Post-modern', pp. 12, 19.

⁴ See J. Derrida, *Of Grammatology* (Baltimore: Johns Hopkins University Press, 1997 [orig. pub. 1967]), pp. 1–18.

⁵ Ibid. Throughout.

⁶ D. Howarth, *Discourse* (Buckingham: Open University Press, 2000), p. 37.

⁷ One important example is Michel Foucault's, *Madness and Civilization* (London: Routledge, 2001 [orig. pub. 1967]) which charts the history of how society deals with those deemed insane but, in so doing, helps us to simultaneously chart changing ideas about what constitutes sanity, rational behaviour and, ultimately, society itself. Post-colonial scholars have similarly sought to deconstruct the way in which 'the West' is constructed against 'the East', the classic example of course being, Edward Said's *Orientalism* (New York: Doubleday, 2003 [orig. pub. 1978]), although for an interesting critique of that intervention, see K. Malik, 'Universalism and difference in discourses of race', *Review of International Studies*, 26 (2000), pp. 155–77. Elsewhere, a great variety of post-structuralists have used the binary opposition form – often 'self' and 'other' – to highlight the plight of various sectors of society in terms of how they are marginalised through binary oppositional discourses (see M. de Goede, 'International Political Economy', p. 17).

⁸ R. B. J. Walker, *Inside/Outside* (Cambridge: Cambridge University Press, 1993).

⁹ See M. Cochran, 'Postmodernism, ethics and international political theory', *Review of International Studies*, 21, p. 237.

upon the other in order to make discursive sense.¹⁰ He refers to ‘the charged intimacy between sovereignty and exchange, the paradoxical combination of antagonism and symbiosis’¹¹ and argues that ‘one always implies the other, and if only one is appealed to, then the other one is being repressed’.^{12,13}

IPE’s disciplinary core is itself characterised by a binary opposition between notions of the political and of the economic. In her seminal article¹⁴ Susan Strange argued that scholars of international state relations and international economics had ‘neglected’ one another’s intellectual turf, thus missing the extent to which the political and the economic co-constituted outcomes on the world stage.¹⁵ This ‘states and markets’ approach¹⁶ has been immensely productive, offering scholars a basis from which to challenge both dogmatic economism and state-centrism in the study of international relations, yet for some, it is a discursive opposition that itself requires interrogation.¹⁷ For example, Ash Amin and Ronen Palan argue that IPE has ‘locked itself into the assumption of fit, or its opposite, between political authority and market forces’, with decisive impacts upon how processes of continuity and discontinuity come to be conceptualised.¹⁸ More trenchantly, Thomas Lemke argues that critiques of neo-liberal ideology, so pervasive in the social sciences and in IPE especially, tend to undercut themselves by relying on the opposition between state and market that sustains that neo-liberal ideology itself. So the narrative runs, an already existing ‘barbaric’ capitalism must be ‘civilized’ via the reregulation and re-embedding of the economic within the political.¹⁹ Rather than affirming the market-state binary through critique, Lemke suggests that we might instead ‘ask what role these dualisms play in constituting and stabilising liberal-capitalist societies’.²⁰

A good example of such discourse in practice is provided by narratives of crisis surrounding the 2008 subprime mortgage crisis, which was widely invoked as an aberrant moment in the otherwise ‘normal’ landscape of financial capitalism.²¹ Finance had upset the balance of the economy – between market and state, capital and labour, financial and ‘real’ economies, the rich and the poor, etc. – implying that what was required was a restoration of that balance. Yet the question of viewing the problem as one of balance at all remains hidden in such narratives – what political

¹⁰ M. J. Shapiro, ‘Sovereignty and Exchange in the Orders of Modernity’, *Alternatives: Global, Local, Political*, 16:4 (1991), pp. 447–77.

¹¹ *Ibid.*, p. 467.

¹² *Ibid.*, p. 464.

¹³ On related themes, see E. Balibar, ‘At the borders of Europe’, *Makeworlds*, 4 (2004); and N. Inayatullah and D. L. Blaney, ‘Realizing Sovereignty’, *Review of International Studies*, 21 (1995), pp. 3–20.

¹⁴ S. Strange, ‘International Economics and International Relations: A case of mutual neglect’, *International Affairs*, 46:2, pp. 304–15.

¹⁵ Although this is probably the most significant aspect of her legacy, it is obviously this is not the limit of Strange’s conceptual input into the discipline. As de Goede has discussed, Strange had a strong sense of the importance of ideas and information in the constitution of political economic reality. See M. de Goede, ‘Beyond economism in international political economy’, *Review of International Studies*, 29:1 (2003), p. 87.

¹⁶ For example, S. Strange, *States and Markets* (2nd edn, New York: Continuum, 1994) and H. M. Schwartz, *States versus Markets* (3rd edn, Basingstoke: Palgrave Macmillan, 2010).

¹⁷ M. de Goede, ‘Beyond economism’, p. 79.

¹⁸ A. Amin and R. Palan, ‘Towards a non-rationalist international political economy’, p. 567.

¹⁹ T. Lemke, ‘Foucault, Governmentality and Critique’. Paper presented at the *Rethinking Marxism Conference*, University of Amherst, MA, USA (21 September 2000), p. 6.

²⁰ *Ibid.*, p. 7.

²¹ J. Brassett, L. Rethel, and M. Watson, ‘The Political Economy of the Subprime Crisis: The Economics, Politics and Ethics of Response’, *New Political Economy*, 15:1 (2010), pp. 1–7.

economic orders does that view sustain? The question of regulation of the financial industry is all too often predicated upon a vision of international political economy in which states are engaged in a Promethean task of attempting to regulate or tax a financial capital that has unassailable advantages of global mobility and a certain cunning, enabling it to evade regulation through ever-more ingenious structured investment products and offshore wheezes. Seeing the political economy of finance in this way inevitably leads either to defeatism (finance, with its inherent advantages, will always win the battle) or to utopian calls for fully globalised regulatory solutions (with no ‘offshore’ and thus no escape from state regulatory grasp). Both views either serve to justify inaction or to furnish legitimacy upon processes of state power-building and so, although outcomes are always uncertain, the state-finance binary can verily be said to have a role in sustaining the real-world relations that it seeks to describe.

James Brassett and I have made a similar argument in relationship to recent engagements between political theory and IPE.²² We note a number of keynote interventions by scholars – in both IR/IPE and political theory circles – which call for a more openly ethical approach to IPE. Yet we suggest that there is a risk in such calls of seeing ethics merely as a potential doctor for IPE; as a “‘pre-discursive realm of goodness” to the “regrettably power laden world” that IPE observes’.²³ We suggest that such an approach actually might serve to affirm a set of binary oppositions – normative/positive, ethics/politics, justice/power – that themselves help to sustain narratives of what ethical action is deliverable in various political economic settings.

What is at stake in these debates is the politics of the possible. Binary oppositions not only frame debates in a broad sense, but serve as moments of what Foucault called ‘problematization’, which ‘develop the conditions in which possible responses can be given’.²⁴ In other words, the specific form in which the problem is presented – state *versus* market, economy *versus* polity, capitalism *versus* democracy, finance *versus* regulation, etc. – will influence our conception of what ‘solutions’ to the problem itself are possible or impossible. As Foucault discusses, ‘it is a question of [trying] to see how the different solutions to a problem have been constructed; but also how these different solutions result from a specific form of problematization’.²⁵ Thus, charting the history of problematisations is crucial if we are to understand the problems to which they pertain.

In this article, I present Karl Polanyi’s notion of double movement as a specific form of binary problematization related to, but distinct from, those discussed above. There has been an increasing recognition of the importance of ideas in general in sustaining Polanyi’s various theses,²⁶ yet there has been little in the way of attempts to render his conceptual scheme from a systematically discursive angle.²⁷ A lack of

²² C. Holmes and J. Brassett, ‘International Political Economy and the Question of Ethics’, *Review of International Political Economy*, 17:3 (2010), pp. 425–53.

²³ *Ibid.*, p. 427.

²⁴ M. Foucault, ‘Polemics, Politics and Problematizations’, Interview conducted by Paul Rabinow in May 1984, transcript available at: {<http://foucault.info/foucault/interview.html>}.

²⁵ *Ibid.*

²⁶ See the following texts for various examples of this increased recognition: G. Dale, *Karl Polanyi* (Cambridge, UK: Polity); C. Holmes ‘Problems and opportunities in Polanyian analysis today’, *Economy and Society* (2012, in press).

²⁷ One important exception is Naem Inayatullah and David Blaney’s 1999 article on Polanyi, which comments on the extent to which Polanyi’s thesis challenges the idea of dividing human motivations into ‘real’ and ‘ideal’ categories. N. Inayatullah and D. L. Blaney, ‘Towards An Ethnographic Understanding of Karl Polanyi’s Double Critique of Capitalism’, *Millennium – Journal of International Studies*, 28:2 (1999), pp. 311–40.

engagement from post-structural scholars is especially surprising given the prevalence of binaries in Polanyi's thought – market/society, movement/counter-movement, embedded/disembedded, substantive/formal, etc.²⁸ If post-structuralists have been reluctant to use Polanyian concepts as tools, then one might at least have expected a deconstructive critique of his use of those concepts. In his aforementioned article, Shapiro spends time deconstructing Smith's political economy because it represents a distinct articulation of the separation between the political and the economic.²⁹ Over the pages of his most famous book, *The Great Transformation (TGT)*,³⁰ Polanyi captures different, although equally profound, aspects of that same separation, making it an important site for thinking through related themes.

Through a wide variety of historical examples, Polanyi argues the three factors of the economy – land, labour, and money, what he terms 'fictitious commodities' – have an independent, substantive identity prior to their incorporation within market mechanisms. For example, in a typically lyrical passage, Polanyi describes the various qualities of nature which are not captured within the commodity label 'land':

The economic function is but one of many vital functions of land. It invests man's life with stability; it is the site of his habitation; it is a condition of his physical safety; it is the landscape and the seasons. We might as well imagine his being born without hands and feet as carrying on his life without land.³¹

He similarly argues that labour cannot be 'shoved about' like a normal commodity because the bearers of that particular commodity are people,³² and that money does not merely represent value, but constitutes the very structure of productive organisation itself.³³ For Polanyi, submitting each of these factors of production to commodity logic within a market mechanism entails a series of social harms that engender various forms of 'self-protection' by society.³⁴ To point out some more straightforward examples, he mentions the establishment of trade unions to protect labour, common law to protect nature and central banking to protect the structure of productive organisation by smoothing out the credit supply. In essence, these examples of double movement only reach the status of historical description in *TGT*,³⁵ but taken together, they present the reader with a powerful vision of a fundamental conceptual opposition in market society between economy and society as played out in an opposition between processes of marketisation and responsive processes of social protection.

²⁸ Fred Block has suggested that this tendency was reinforced by Polanyi's experience of the 'highly polarized (capitalism versus socialism) discourse of the Cold War'. See F. Block, 'Karl Polanyi and the writing of the great transformation', *Theory and Society*, 32:3 (2003) p. 299. Whilst agreeing with that diagnosis, this article obviously regards that form of conceptualisation as much more profound and epistemologically significant both in Polanyi's work and in political economic thought generally.

²⁹ M. Shapiro, 'Sovereignty', see also M. de Goede, 'Beyond economism', p. 91.

³⁰ K. Polanyi, *The Great Transformation* (Boston: Beacon Press, 2001 [orig. pub. 1944]).

³¹ *Ibid.*, p. 187.

³² See, for example, *Ibid.* p. 76.

³³ *Ibid.* p. 201.

³⁴ K. Polanyi, *The Great Transformation*, p. 79, see also M. Mendell and D. Salée (eds), *The Legacy of Karl Polanyi: Market, State and Society at the End of the Twentieth Century* (Basingstoke: Macmillan, 1991), p. xiii.

³⁵ S. C. Humphreys, 'History, Economics and Anthropology: The Work of Karl Polanyi', *History and Theory*, 8:2 (1969), pp. 165–212; M. Beinefeld, 'Karl Polanyi and the Contradictions of the 1980s', in M. Mendell and D. Salée (eds), *The Legacy of Karl Polanyi* (1991), p. 7.

It is this opposition that has framed key debates about Polanyi's legacy in the decades since he wrote *TGT*. Amongst IR/IPE circles, the most important such debate has been over the extent to which the binary oppositions Polanyi presents entail radical solutions. Some have seen the thesis as liberal interventionist in scope, drawing from it the conclusion that Polanyi was essentially arguing for a happy balance between marketisation and social protection in the form of state, civil society, or other.³⁶ Other theses have drawn on John Ruggie's Polanyi-inspired reading of the post-war period as one of 'embedded liberalism', where the tensions between state-led protectionism and the global market system were, at least to some extent, balanced.³⁷ This idea – particularly in Ruggie's formulation – has proved to be one of the most influential and enduring metaphors in international relations theory and one that still frames scholars' search for a new 'grand compromise' between market-led and state/international organisation-led forms of governance.³⁸ But within the literature on Polanyi, this reading is deeply contested. Hannes Lacher produced a widely read essay in 1999³⁹ which, via a close reading of Polanyi's work, repudiated this interpretation, arguing that the tension between market and society could only, by Polanyi's account, be resolved via a more or less fundamental transition from liberalism to socialism. On this key question of whether Polanyi might, on the basis of his notion of double movement, have accepted the reform of global capitalism via a strengthening of welfare state and the establishment of better 'socially protective' mechanisms at the international level, or whether he had a far more radical transition in mind – 'soft' and 'hard' Polanyi, respectively – Gareth Dale argues that, in reality, both stances can be supported via selective readings of his work. But nevertheless, Dale concludes that our view should be framed by the fact that Polanyi was always a radical socialist 'committed to the replacement of capitalism by a socialist order',⁴⁰ invoking no lesser authorities than the views of Polanyi's wife, Ilona Duczynska, and his daughter, Kari Polanyi-Levitt, in order to make his case.

This debate, and the underlying question over the extent to which Polanyi's work can or should be understood from a Marxist perspective, has been substantial⁴¹ and

³⁶ See various contributions to B. Hettne (ed.), *International Political Economy: Understanding Global Disorder* (London: Zed, 1995); E. Helleiner, 'Great transformations: A Polanyian perspective on the contemporary financial order', *Studies in Political Economy*, 48 (1995); and, latterly, B. Hettne, 'Re-Reading Polanyi: Towards a Second Great Transformation?', in Kenneth McRobbie and Kari Levitt (eds), *Karl Polanyi in Vienna: The Contemporary Significance of the Great Transformation* (Montreal Black Rose, 2006), pp. 60–72; J. A. Caporaso and S. Tarrow, 'Polanyi in Brussels: Supranational Institutions and the Transnational Embedding of Markets', *International Organization*, 63:4 (2009), pp. 593–620.

³⁷ J. Ruggie, 'International Regimes, Transactions and Change: Embedded Liberalism in the Postwar Economic Order', *International Organization*, 36:2 (1982), pp. 379–415.

³⁸ See various contributions to S. F. Bernstein and L. W. Pauly (eds), *Global Liberalism and Political Order* (Albany: SUNY Press, 2007).

³⁹ H. Lacher, 'The Politics of the Market: Re-Reading Karl Polanyi', *Global Society*, 13:3 (1999), pp. 313–26.

⁴⁰ G. Dale, 'Social Democracy, Embeddedness and Decommodification: On the Conceptual Innovations and Intellectual Affiliations of Karl Polanyi', *New Political Economy* (2010), p. 22.

⁴¹ In addition to Polanyiological articles already mentioned, key interventions include F. Block and M. Somers, 'Beyond the Economistic Fallacy: The Holistic Social Science of Karl Polanyi', in T. Skocpol (ed.), *Vision and Method in Historical Sociology* (Cambridge, UK: University of Cambridge Press, 1984), pp. 47–84; M. Burawoy, 'For a Sociological Marxism: The Complementary Convergence of Antonio Gramsci and Karl Polanyi', *Politics & Society*, 31:2 (2003), pp. 193–261; G. K. Chaloupek, 'The Austrian Debate on Economic Calculation in a Socialist Economy', *History of Political Economy*, 22:4 (1990), pp. 659–75.

is, perhaps, exhausted. By contrast, a post-structural perspective offers us a way to move beyond these questions and to reflect upon Polanyi's notion of double movement in a different way. Rather than seeking the necessary 'solution' to the double movement contradiction, or debating the extent to which that contradiction must or must not result in crisis (in essence, a similar question), a post-structural perspective might push us to ask instead how those contradictions are stabilised (or not) discursively.⁴² How do systems of meaning confer legitimacy upon particular economy-society arrangements such that they are capable of persisting? How do they change over time? Do those systems break down? If so, then how?

In the following, I venture to provide some preliminary answers to these questions via three discursive vignettes. The first two originate in *The Great Transformation*, one concerning how people conceptualised a period of experimentation with the poor laws in England during the late eighteenth and early nineteenth centuries, the other related to political economic thinking in general in the inter-war period. I argue that the distinctive hallmark of these double movements as moments of problematisation is that they are both accompanied by a discourse of *transcendence*. Although the precise configuration of the problematisation is different each time, in both cases, the 'problem' of the relationship between market and society represents itself in such a way that it can be made – to quote Berlin – to 'vanish altogether'. In discussing conceptualisation and discourse, one cannot speak of causation in the positivist sense, but the underlying claim – illustrated rather than proved – is that the very way in which the problem is posed *leads* to this discursive 'solution'. The discourse of transcendence is, in a sense, the way in which the discursive field of market society *cope*s with the problem of market society that sits at its core.

Polanyi's substantial historical engagement demonstrates that the 'problem of market society' never disappears. Discourses of transcendence are never fulfilled, leaving a permanent gap between ideals and reality. This makes it deeply puzzling as to why the same form of problematisation persists. Yet persist, it does. Polanyi's thesis remains relevant today not merely because the spectre of the free market has returned in the conceptual packaging of 'globalisation', but because the same binary problematisation of economy and society – marketisation and protection – still shapes the way that political economic questions are problematised. With this in mind, the final case puts forward a speculative application of the insights of the first two to various contemporary political economic discourses. As in the previous cases, I note how the presentation of fundamental contradiction between economy and society leads to a discursive 'solution' rooted in transcendence, although of a different type.

Double movement I

The first distinct manifestation of the contradiction between market and society that Polanyi discusses takes place during a period of experimentation with the poor laws in England during the eighteenth and nineteenth centuries. Prior to this, Polanyi argues that social institutions provided a number of safeguards 'designed to protect

⁴² On discourse as stabilisation, see V. S. Peterson, 'Getting Real: The necessity of critical poststructuralism in global political economy', in M de Goede (ed.), 'Intenational Political Economy', p. 120.

the prevailing economic organisation of society from interference on the part of market practices'.⁴³ On one hand, he mentions laws, traditions and customs, and on the other, he discusses the role of households, towns and market *places* in their role as simultaneously facilitating, yet controlling and containing emergent markets.⁴⁴ In a few brief pages, Polanyi suggests that states gradually moved to claim this facilitative-yet-controlling function, marshalling greater market penetration into European societies up until the time of the industrial revolution.⁴⁵ As he puts it, 'markets and regulation, in effect, grew up together'.⁴⁶

Then, quite suddenly, Polanyi introduces a fully-formed (and somewhat anachronistic) definition of the self-regulating market, organised solely through price, reliant only upon scarcity, self-interest, and the existence of money as means to exchange.⁴⁷ This, he argues, theoretically (although never actually) subsumes the social institutions of the economy within an overall economic logic in which 'all production is for sale on the market'.⁴⁸ Critically, this is the first time at which the economy becomes conceptually separated from polity and society:

A self-regulating market demands nothing less than the institutional separation of society into an economic and a political sphere. . . . It might be argued that the separateness of the two spheres obtains in every type of society at all times. Such an inference, however, would be based upon a fallacy. . . . normally, the economic order is merely a function of the social order. Neither under tribal nor under feudal nor under mercantile conditions was there a separate economic system in society. Nineteenth-century society, in which economic activity was isolated and imputed to a distinctive economic motive, was a singular departure.⁴⁹

It is at this point that the binary opposition of market and society first takes shape, with decisive impact upon how the political economy of the period was conceptualised. During a period of instability in grain price and harsh extremes of rural poverty, the Speenhamland ruling of 1795 instituted a system of poor relief that subsidised workers' wages if they fell below a certain level.⁵⁰ Polanyi saw this as a form of societal self-defence which 'protect[ed] labour from the dangers of the market system',⁵¹ yet it was an institutionally weak one compared to the emergent market incentives newly operating in the labour market. Employers had little incentive to pay wages and workers had just as little incentive to work with only the last vestiges of the pre-capitalistic understanding of labour preventing wage levels from dropping to zero.⁵²

In characterising the apprehension of events by the people of the period, Polanyi gives the impression of an *ignorance* of the full implications of the market-society opposition:

To later generations, nothing could have been more patent than the mutual incompatibility of institutions like the wage system and the 'right to live' . . . but the contemporaries did not comprehend the order for which they were preparing the way. . . . the complicated economics of Speenhamland transcended the comprehension of even the most expert observers of the time.⁵³

⁴³ K. Polanyi, *The Great Transformation*, p. 65.

⁴⁴ *Ibid.*, pp. 65–6.

⁴⁵ *Ibid.*, pp. 67–70.

⁴⁶ *Ibid.*, p. 71.

⁴⁷ *Ibid.*, pp. 71–2.

⁴⁸ *Ibid.*, p. 72.

⁴⁹ *Ibid.*, p. 74.

⁵⁰ *Ibid.*, p. 82.

⁵¹ *Ibid.*, p. 84.

⁵² *Ibid.*, p. 85.

⁵³ *Ibid.*, pp. 85–6.

There is a sense in which Polanyi plays the dubious role of enlightened observer⁵⁴ here, imputing falsity to the perspective of those partaking in historical events, whilst claiming an authentic status for his own subsequent interpretation. But the fascinating thing is not the absence of understanding *per se*, but rather the way in which the void was filled by a novel discourse of market society. Polanyi describes the way that new forms of social knowledge were required in order to make sense of the emergent order.

The form in which the nascent reality came to our consciousness was political economy. Its amazing regularities and stunning contradictions had to be fitted into the scheme of philosophy and theology in order to be assimilated to human meanings. The stubborn facts and the inexorable brute laws that appeared to abolish our freedom had in one way or another to be reconciled to freedom. . . . Hope – *the vision of perfectibility* – was distilled out of the nightmare of population and wage laws, and was embodied in a concept of progress so inspiring that it appeared to justify the vast and painful dislocations to come.⁵⁵

This is the hallmark of the market-social protection binary that Polanyi identifies in *TGT*: once the contradictory forces of market and society are apprehended – that is, once they are granted meaning in discourse – they are immediately rendered in a way that suggests that the tensions within them can be overcome in some fundamental way. The imperfect, worldly appearance of contradiction is transcended by a discursive form that relates those contradictions to a transcendent world of perfectibility.

In this first double movement, the transcendent discourse is one of biological essentialism, evidenced by Joseph Townsend's *Dissertation on the Poor Laws*, published in 1786. In this tract, Townsend uses an allegory concerning the fate of animals landed by Juan Fernandez on newly discovered islands in the South Pacific. To provide food for future visits, Fernandez lands a few goats there, but on his return some time later, those few had multiplied to cover the island. Upon leaving a few dogs to temper the goat population, the dogs promptly multiplied with equal vigour to the goats. Townsend concludes that only the quantity of food can regulate the number of animals, *including humans*, in a given situation.⁵⁶ Polanyi documents how this allegory – sold as factual at the time, although the original sources revealed no empirical support to it in the end – inspired others and gradually became accepted as indicative of certain facts about human nature. In contrast to Hobbes, Smith, Quesnay and others, who, Polanyi argues, had only sought metaphorical laws for society, Polanyi suggests that authors of this new tradition actually saw their laws as sprouting from nature itself. As he puts it:

Hobbes had argued the need for a despot because men were *like* beasts; Townsend insisted that they were *actually* beasts and that, precisely for that reason, only a minimum of government was required.⁵⁷

The policy conclusion drawn from the Townsendian perspective was that social protection – society itself – should be eradicated in favour of a perfected market form.

In an insightful study of the Speenhamland period, Fred Block and Margaret Somers note that the Townsendian perspective became established *before* any evidence of the actual economic and social effects had been gathered, and, in any case,

⁵⁴ H. L. Dreyfus and Paul Rabinow, *Michel Foucault, Beyond Structuralism and Hermeneutics* (Chicago: University of Chicago Press, 1983), p. 95.

⁵⁵ K. Polanyi, *The Great Transformation*, p. 120.

⁵⁶ J. Townsend, *Dissertation on the Poor Laws* (London: Ridgways, 1817 [orig. pub. 1786]).

⁵⁷ *Ibid.*

too early for the Speenhamland ruling to have produced the effects suggested. They conclude that ‘the major lesson that we learn from this study is a renewed appreciation for the persuasive power of the metaphors of nature, natural laws, and the “science” of political economy to influence how history is experienced and why certain explanations for distress triumph over others’.⁵⁸ The broader questions raised about the way in which objective knowledge is constructed lie beyond the scope of this article. But the key point for present purposes is that that knowledge manifests itself as the depiction of an overcoming of the problem of market society. And it is this overcoming which can be discerned in the political economic discourse of the inter-war period that Polanyi also describes in *TGT*.

Double movement II

In a footnote to the chapter on Speenhamland,⁵⁹ Polanyi notes a parallel between that time and the political economic situation of Vienna in the inter-war period. As in the former case, Polanyi notes how post-World War I Vienna was characterised by a dire economic situation and, again, he highlights how this perception of a crisis manifest itself in a binary opposition between the market on one hand and social protection on the other. The crucial difference was that, in contrast to the Speenhamland period, social institutions during this later period were well enough developed to defend labour⁶⁰ rendering the tension between marketisation and social protection more immediately visible in political practice. Unlike during the Speenhamland period, the tension between economy and society was institutionally manifested in front of the eyes of the Viennese. Yet this visibility did not, according to Polanyi, provoke direct apprehension of it, but rather a new discourse of transcendence. Where the Speenhamland legislation of 1795 was an attempt to hold back the coming of the market economy, Vienna’s attempt to provide sweeping social protection entirely disregarded the market incentives in the labour market that had, by then, been fully established. Implicit in Viennese legislative actions against the market was the idea that the market-social protection opposition could be overcome altogether without any fundamental change in the economic relations of the labour market.⁶¹

This *aperçu* represented a society-regarding discursive ‘solution’ to the market-society opposition. Yet the transcendence, the overcoming that Polanyi highlights here is much more deeply manifest in what he calls ‘liberal’ economic thought and its own understanding of the opposition between market and social protection during the nineteenth century. As an empirical observation of nineteenth-century capitalism, the notion of double movement was banal. As Polanyi himself notes,⁶² many other commentators had recognised the sweep of social protectionism concomitant with the rise of the free market during the nineteenth century – from the recognition of

⁵⁸ F. Block and M. Somers, ‘In the Shadow of Speenhamland: Social Policy and the Old Poor Law’, *Politics & Society*, 31:2, p. 313.

⁵⁹ Polanyi, *The Great Transformation*, p. 298.

⁶⁰ F. Block and M. Somers, ‘Speenhamland’, p. 291.

⁶¹ Polanyi, *The Great Transformation*, p. 298.

⁶² *Ibid.*, pp. 147–8.

trade unions, pervasive legislation on working standards, parliamentary acts preventing the worst excesses of environmental destruction all the way to the installation of nationalised central banks and political control over the money supply. The key point, however, was not the social protection itself, but the discursive frame within which it was cast. Polanyi argues that liberal (more accurately, marginalist) political economy could not understand protectionism, in all its forms, as anything other than a 'collectivist conspiracy'.⁶³ The economistic perspective that he discusses thus cast the double movement in a particular way: It legitimated the harm caused by the rapid development of capitalist markets – 'movement' – but, crucially, it simultaneously *denied* the legitimacy of its socially necessary opposite – 'counter-movement', which could not be 'assimilated', as Polanyi puts it, from the economistic perspective.⁶⁴ Protectionism was therefore understood as deviant, immoral, and perhaps even unnatural, since, to resist the marketisation of spheres of life was to resist what was already inevitable in the nature of human beings.

In common with the German historical school, Polanyi's critique of marginalism was representative of the view that a formalised rules-based understanding of the economy is not possible,⁶⁵ but at a deeper level, it took on the notion that the market was somehow synonymous with sanity itself.⁶⁶ Rather than being assimilated as a political economic phenomenon co-constituted with markets in democratic social systems, protectionism was, by virtue of thought experiment, cast as 'other' – something aberrant, unnecessary, and to be eliminated in the pursuit of market perfection. Again, the 'vision of perfectibility' looms large in explaining the market-society binary through a discourse of transcendence.

Although not related explicitly to his discussion of double movement in *TGT*, the following gives us some further insight into the nature of the economistic viewpoint as Polanyi saw it:

Honour and pride, civic obligation and moral duty, even self-respect and common decency, were ... summed up in the word 'ideal'. Hence man was believed to consist of two components, one more akin to hunger and pain, the other to honour and power. The one was 'material', the other 'ideal'; the one 'economic', the other 'non-economic'; the one 'rational', the other 'non-rational'.... He who would have refused to imagine that he was acting for gain alone was thus considered not only immoral, but also mad.⁶⁷⁻⁶⁸

The irony, by this account, is that, although the economistic fallacy implies predictability and calculability as arising from the very biological condition of humanity, the discourse actually reinforces and reproduces itself by remoralising activity, assigning claims about what is ethically right and what is ethically wrong. In the same way that Foucault argued that reason was defended through the construction of madness as its 'other', the economistic fallacy required that 'non-economic' behaviour be understood as deviant in some way.

⁶³ Ibid., pp. 151, 220.

⁶⁴ Ibid., p. 151.

⁶⁵ G. Dale, 'Social Democracy, Embeddedness and Decommodification: On the Conceptual Innovations and Intellectual Affiliations of Karl Polanyi', *New Political Economy*, 15:3 (2010), p. 378.

⁶⁶ A. Rotstein, 'The market, mind and rationality. From Vienna to Paris and back', *Revue européenne des sciences sociales*, XLIV:134 (2006), p. 261.

⁶⁷ K. Polanyi, *Primitive, archaic and modern economies: Essays of Karl Polanyi* (Boston: Beacon, 1971), p. 70.

⁶⁸ See N. Inayatullah and D. Blaney, 'Towards An Ethnographic Understanding' for commentary on this theme in Polanyi's work.

One example Polanyi provides is of industrial action as a method of pay bargaining. With tongue no doubt pressed to cheek, Polanyi notes the absurdities that arise if one apprehends workers in a truly economic sense: '[c]onsistently followed up, this means that the chief obligation of labour is to be almost continually on strike.'⁶⁹ Polanyi notes that, in as far as such a situation is imaginable, it would of course be disastrous for economy and society, however conceived. But the important thing about the example is that it illustrates how the market-society binary is performed. When public opinion is against industrial action (or when public figures attempt to turn opinion in that direction) it is typically on the basis that workers involved are acting selfishly and therefore unjustly. As Polanyi implies, there is no fundamental reason why we should not conceptualise industrial action – in so far as it represents self-interested behaviour in regard of scarce resources – as a market-regarding move *par excellence*, yet precisely because it is conceptualised as a market-inhibiting moment of social protection, it can be constructed as the pursuit of an illegitimate, rather than virtuous, form of self-interest. Disputes of this kind can therefore be seen as moments of ethical enforcement via the market-social protection binary.

Echoes of this thesis can also be discerned in Polanyi's discussion of the gold standard during the inter-war period where he argues that an unthinking desire to maintain adherence to the fixed exchange set up monetary pressures on nations, provoking the growth of various market-inhibiting state regimes. Although the politics and policies of each were diverse, even opposed, Polanyi argues that Roosevelt's New Deal, various incarnations of socialism across Eastern Europe, and fascism in Germany and elsewhere were all connected in the sense that they arose as society-regarding responses to the pressures exacted by the need to remain 'on gold'.⁷⁰ Again, he argues that the root of the problem was not in the actual fabric of the economy, but in the way that it was viewed.⁷¹ The significant fact was that the gold standard was the 'faith of the age'.^{72,73} It was not a simple, rational policy decision constructed as a solution to the balance of international payments, as might be read from an economics textbook, but a part of the long story of 'man's secular salvation through a self-regulating market'.⁷⁴ Faith in the gold standard and faith in global capitalism more generally was so deeply ingrained because it was entwined with deep-seated moral beliefs about the nature of the individual, of society and of nature, with distant roots in Townsend's allegory.⁷⁵ To deviate from the gold standard was therefore to challenge the 'faith' and to therefore challenge deeply sedimented beliefs about what humans were like and how, therefore, they ought to behave.

By this account, the important point raised by the notion of double movement is less the fact of the tension between market and social protection, but rather the way in which the transcendent discourse perpetuated it without offering the conceptual resources necessary to address it. The gap between the reality of international political economy and the transcendent world of the gold standard was left open. Ensuing

⁶⁹ Polanyi, *The Great Transformation*, p. 239.

⁷⁰ *Ibid.*, p. 226, chap. 20.

⁷¹ *Ibid.*, p. 205.

⁷² *Ibid.*, p. 26.

⁷³ See also F. Block, 'Karl Polanyi', pp. 288–9.

⁷⁴ K. Polanyi, *The Great Transformation*, p. 141.

⁷⁵ *Ibid.*, p. 228.

protectionism could not be assimilated as an idea, meaning that it could not be managed as a political phenomenon. It was the refusal to consider the gold standard as a political system that fostered the conditions for conflict⁷⁶ since, given the world suggested by the transcendent discourse, politics – ‘honour and power’ – could only be understood as deviant, immoral and unnecessary, rather than as an ever-present ‘hazard of planetary interdependence’⁷⁷ that must be managed, politically:

The liberal argument . . . asserted that sometime in the early 1880s imperialist passions began to stir in the Western countries, and destroyed the fruitful work of economic thinkers by their emotional appeal to tribal prejudice. . . . After the Great War [World War I] the forces of Enlightenment had another chance of restoring the reign of reason but an unexpected outburst of imperialism, especially on the part of the small new countries, later on also the ‘have nots’, such as Germany, Italy and Japan, upset the wagon of progress. The ‘crafty animal’, the politician, had defeated the brain centers of the race – Geneva, Wall Street and the City of London.⁷⁸

The institutional landscape of contemporary international political economy is substantially different today. Yet the tendency to see the economy as binarily opposed to the political and to the social as abstract concepts, and to politics and societies in lived institutional reality, still looms large. As during the times Polanyi documents, currency is now an important area of debate. In particular, the notion of ‘artificial’ manipulation of the Renminbi by China is argued to be morally wrong when set against the morally authorised world of ‘natural’, that is, non-artificial, currency movements. This raises obvious questions: what counts as natural market behaviour, what as unnatural protectionism? What counts as a legitimate pursuit of interests in contested issue areas?

Also on monetary matters, parallels between the gold standard and the unfolding Eurozone crisis are immediately obvious. The format of monetary union without fiscal union echoes precisely the constructed split between economic and sociopolitical governance that Polanyi observed underpinning the gold standard. And despite the myriad of socioeconomic conditions, international political factors, and legislative moves that laid the foundations for the Eurozone crisis, the ethical tone of the debate has been marked. Parodies of German budgetary constraint and Greek profligacy have abounded, cementing the opposition between legitimate market practice and illegitimate self-serving protectionism. The legitimacy conferred (at least implicitly) upon ‘government by technocrats’ relies on and builds upon the same ethico-discursive bifurcation of society into ‘good’ economics/economy and ‘bad’ politics/polity that underpinned the double movement dynamics that Polanyi originally observed. Yet equally, appealed to in reverse, these same oppositions also create the legitimated resources for processes of state-political power building at national and supra-national levels. If the problem is instead one of ‘bad economy’, then the solution is ‘good polity’. The point is not that either perspective is correct or incorrect, but that the binary form of the problematisation works so that one side suggests itself as the solution to the other, thus limiting the terms of debate.

⁷⁶ Ibid. p. 21.

⁷⁷ Ibid., p. 190.

⁷⁸ Ibid., p. 221.

Double movement III

In addition to the direct historical analogies discussed above, logics of markets and logics of social protection have come to manifest themselves in a far more complex and diverse array of configurations than the fairly neat economy/society, market/political authority split that Polanyi examined. *Vis-à-vis* the double movement, states sometimes behave like markets;⁷⁹ market actors sometimes exhibit state-like qualities.⁸⁰ Eddies of both marketisation and social protection today occur in conceptual and material spaces that overlap markets and the states as institutional phenomena all at once, and these eddies also overlap with the more straightforward market/social protection dynamics that Polanyi originally identified, sometimes in contradictory and sometimes in supportive fashion. Given this complexity, it is perhaps even more surprising that the same set of binary oppositions between economy and society and between market and state retain such influence in dominant conceptualisations of political economic reality.

My final claim in this article is that, in co-constitution with that institutional complexity, a new conceptualisation of the economy/society split emerged over the second half of the twentieth century which shared an emphasis on transcendence, but in a radically new way. Rather than through the moral imposition of a vision of human nature, or through a straight choice between economy or society, a variety of political economic discourses emerging in recent decades have emphasised *internalisation* as a route to transcendence. In a sense, this can be understood as a particular example of what Glyn Daly calls the ‘economisation of the political’.⁸¹ Daly argues that, in addition to existing discourses of ‘natural’ economic behaviour (that is, double movement I), [t]oday’s conjuncture does not simply repress the political, rather it engages reflexively with the latter and in such a way that it attempts to channel and compose it in paradigmatic fashion.⁸²

Perhaps the most visible metaphor for this internalisation-transcendence couplet was the primarily Anglophone notion of ‘third way’ politics, which was always predicated on the reconciliation of opposites and the overcoming of contradiction. Tony Blair neatly illustrated the dizzying commitment to opposed principles when he vaunted ‘patriotism *and* internationalism; rights *and* responsibilities; the promotion of enterprise *and* the attack on poverty and discrimination’.⁸³⁻⁸⁴ This attitude had substantial effects upon how the Polanyian opposition between market and society

⁷⁹ This theme has been partially explored in the Polanyian literature. Highlights include R. Stanfield, ‘The dichotomized state’, *Journal of Economic Issues*, 25:3 (1991), pp. 765–80 and various contributions to M. Mendell and D. Salée (eds), *The Legacy of Karl Polanyi*. Others have extended similar forms of analysis towards supranational governing organisations, including A. Harmes, ‘Institutional Investors and Polanyi’s Double Movement: a model of contemporary currency crises’, *Review of International Political Economy*, 8:3 (2001), pp. 389–437; and ‘The World Bank or Polanyi: Markets, Poverty and Social Well-being in Latin America’, *New Political Economy*, 7:2 (2002), pp. 199–217.

⁸⁰ Colin Crouch, for example, observes the growth in discourses of corporate social responsibility in C. Crouch, ‘Privatised Keynesianism: An unacknowledged policy regime’, *British Journal of Politics and International Relations*, 11 (2009), pp. 382–99.

⁸¹ G. Daly, ‘The political economy of (im)possibility’, in M. de Goede (ed.), ‘International Political Economy’, pp. 178.

⁸² *Ibid.*

⁸³ A. Blair, ‘The Third Way: New Politics for a New Century’, in A. Chadwick and R. Heffernan (eds), *The New Labour Reader* (Cambridge: Polity Press, 2003), p. 28.

⁸⁴ Daly ([Im]possibility’, p. 178.) draws on another telling quote from Blair: ‘there is “no left or right in economic policy, only good and bad”’.

was conceived, with an emphasis on combining the two into a coherent, perfected whole. As third way ideologue Michael Freeden opined, '[t]he meaning of socialism has been retained by emphasising co-operation and mutual responsibility, but contained by combining it with a particular vocabulary of fairness towards individuals, greater productivity, consumer choice and, especially, identifying an economic *public* interest in which the market plays a key role.'⁸⁵

This idea has been demonstrably transmitted into institutional reality. In the UK, Gamble and Wright trace the marketisation of social protection back to the Thatcher era, noting that whilst the frontiers of the UK state were never really rolled back as was the aim of Thatcherite conservatism, the nature of the delivery of public services did undergo a transformation, with market incentives dropped in via internal market structures, contracting out, and public-private partnerships.⁸⁶ Since then, the aim of marrying the public service ethos with the private sector's capacity for innovation has proliferated across public services.⁸⁷ Looking across Europe and to the US, Robison contends that '[f]orging the market state has now become the central problem for neo-liberals.'⁸⁸ The most extensive treatment of the issue so far can be found in the various contributions to Jonah D. Levy's edited volume *The State After Statism*,⁸⁹ which look at similar themes as they have emerged in a variety of different countries.

Such 'third way' politics and policy might be written off as a historical anomaly, as an unthinking centrist blend, or as a cynical way to sell policies to a wide constituency of voters. But the plausibility of it as an electoral strategy is a symptom of a much broader discursive convergence upon the idea of combining markets and social protection in such a way that the tension between the two, to quote Berlin again, 'vanishes altogether'. In relation to nature – one of Polanyi's three fictitious commodities – witness the profusion of literature and social policy which denies a fundamental contradiction between the growth of market society and the degradation of the environment. Since the UN's Brundtland Report in 1987 the notion of sustainable development has framed a great deal of environmental policy thinking⁹⁰ on the basis that it can serve ecological, economic, and social goals all at the same time.⁹¹ This 'ecological modernist' ideal retains its popularity precisely on the basis of its vision of an overcoming of the contradiction that Polanyi saw between marketisation and environmental protection.⁹² The zenith of this idea has perhaps manifested itself in the germination of carbon markets, with architects of the system defending it on the basis that 'environmental sustainability can be compatible with

⁸⁵ M. Freeden, 'The ideology of New Labour', in A. Chadwick and R. Heffernan (eds), *New Labour* (2003), pp. 47.

⁸⁶ A. Gamble and A. Wright, 'Introduction', in A. Gamble and A. Wright (eds), *Restating the State?* (Oxford: Blackwell, 2004), p. 3.

⁸⁷ J. Kay, 'The state and the market', in A. Gamble and A. Wright (eds), *Restating* (2004), p. 74.

⁸⁸ R. Robison, *The Neo-Liberal Revolution: Forging the Market State* (Basingstoke: Palgrave Macmillan, 2004), p. xii.

⁸⁹ J. D. Levy (ed.), *The state after statism: New state activities in the age of liberalization* (London: Harvard University Press, 2006).

⁹⁰ S. Bernstein, *The Compromise of Liberal Environmentalism* (New York: Columbia University Press, 2001).

⁹¹ J. Holmberg and R. Sandbrook, 'Sustainable Development: what is to be done?', in J. Holmberg (ed.), *Policies for a Small Planet* (London: Earthscan, 1992), p. 25.

⁹² Polanyi, *The Great Transformation*, p. 193.

maximisation of shareholder value'.⁹³ Underpinning carbon markets is the idea that, provided property rights are applied to environmental resources in a sufficiently complete manner, the market will automatically internalise the harmful effects of production – externalities, in the jargon – into the price mechanism, thus avoiding a tragedy of the commons.⁹⁴

But the notion of transcendence through internalisation is broader still: in relation to another of Polanyi's fictitious commodities, money, one observes similar ideas at work. Financial markets have been, in one way or another, granted an increased role in governing both the state, through bond and currency markets, and also the private sector, through equities markets. And these governing effects have been amplified substantially through the proliferation of derivative markets associated with all three. The underlying assumption amongst policymakers – central bank chiefs, staff at major international organisations, economic secretaries, etc. – was, at least prior to 2008, that, as well as generating substantial wealth, the financial sector could take on the burdens of managing macro-financial risk.⁹⁵ Indeed, the financial theory that underpinned this perspective suggested that, since all financial traders have a rational interest in managing their own individual risk exposure optimally, it is in the interests of macro-financial stability to allow as much free financial market activity as possible. The idea that financial markets could fulfil this role in managing economic risk across the economy, as well as generating wealth, was crucial in providing the legitimative space for the growth of the financial sector in Western nations.⁹⁶ Recent events have made this position look absurd, but the interesting thing about it was how those people came to believe that 'the structure of productive organisation', as Polanyi puts it, could be protected by market logic itself, expressed in risk management strategies amongst financial traders. As with third way politics and ecological modernism, the very fact that this idea was saleable amongst policy elites, and, to a lesser extent, amongst the public, itself speaks loudly of the power of the notion of transcendence through internalisation.

In all of these cases, the same discursive logic of transcendence is evident, but it is different to those that Polanyi wrote about. It no longer seeks to deny social protection, but rather, as if having undertaken the five stages of grief, accepts it and internalises it within its description of a well functioning market mechanism.⁹⁷ Yet it still retains that same underlying 'vision of perfectibility' in evidence in Polanyi's two examples. As with them, it suggests policy, and an outlook on life, in which contradiction and antagonism can be resolved with finality. As reiterated at various points in this article, this leaves a lacuna between the lived experience of market

⁹³ R. L. Sandor, E. C. Bettelheim, and I. R. Swingland, 'An overview of a free-market approach to climate change and conservation', *Philosophical Transactions: Mathematical, Physical and Engineering Sciences*, 360 (2002), p. 1607.

⁹⁴ J. H. Dales, 'Land, water and ownership', *The Canadian Journal of Economics*, 1:4 (1968), pp. 791–804.

⁹⁵ E. Engelen, I. Erturk, J. Froud, A. Leaver, and K. Williams, 'Financial innovation: frame, conjuncture and bricolage', paper delivered at the 'Political Economy of the Sub-Prime Crisis' Conference, University of Warwick (October 2008).

⁹⁶ C. Holmes, 'Seeking alpha or creating beta? Charting the rise of hedge fund-based financial ecosystems', *New Political Economy*, 14:4 (2009), pp. 431–50.

⁹⁷ In a recent presentation, Claus Thomasberger suggested, in a related vein that 'neo-liberalism has learnt about the conflict between capitalism and democracy', presentation delivered at 'The world between crisis and change' conference, CNAM, Paris (16 February 2012).

society and the discursive field of that market society. Market society becomes represented as a problem that must be solved, yet that solution is placed permanently out of reach by the very nature of the problematisation.

Conclusion

There are limitations to the approach I have taken in this article. On one hand, the presentation of three isolated vignettes cannot hope to account for questions of change. On the other, a great deal of detail must inevitably be left out of an article which takes such a long historical view. On the first, further research is required, especially as Polanyi's theses speak so clearly to questions of institutional change and of systemic crisis. Do narratives of transcendence ever get fulfilled? When do they succeed? When do they fail? This article has only skimmed the surface of such questions, but it has hopefully made the case for a Polanyian approach that examines moments of double movement specifically as discursively formed oppositions. On the second, it could of course be argued that the various trends and conceptualisations discussed here are historically disparate and therefore unrelated to one another. However, the core virtue of both Polanyi's work and of post-structural scholarship, to my mind, is the way in which both press one to look, unflinchingly, at the broadest and longest-lived trends. The oppositions of economy and society and of markets and social protection remain as central to the discourse of market society today as they were when the Speenhamland ruling was repealed in 1834, and therefore it remains important that at least some scholars take the long view.

Whether the problem of market society can ever be detached from the discourse of transcendence is another matter. This, of course, ties in to an over-riding theme in post-modern and post-structural literature, which seeks to challenge modes of thought that suggest the possibility of a world in which tensions, contradictions, and antagonisms have been eliminated.⁹⁸ Perhaps ironically, the extent of that literature and the great variety of instances to which it addresses this core thesis provides the best possible illustration of the sheer tenacity of such ways of thinking. Could the types of socioeconomic questions raised in Polanyi's thesis be radically reproblematised in a non-binary way, such that the desire to avoid, rather than confront, the basic tensions and antagonisms depicted was itself overcome? When read from the perspective taken in this article, one can see that Polanyi arrives at this question on the closing pages of *TGT*. Whilst nourished by an utterly different *weltanschauung* – his Christian faith⁹⁹ – he mirrors something of the profundity of the post-modern assault on the 'modernist' vision:

We invoked what we believed to be the three constitutive facts in the consciousness of Western man: knowledge of death, knowledge of freedom, knowledge of society. The first, according to Jewish legend, was revealed in the Old Testament story. The second was revealed through the discovery of the uniqueness of the person in the teachings of Jesus as recorded in the New Testament. The third revelation came to us through living in an industrial society.¹⁰⁰

⁹⁸ G. Daly, '[Im]possibility', p. 187.

⁹⁹ See G. Baum, *Karl Polanyi on Ethics and Economics* (Montreal: McGill-Queen's University Press, 1996).

¹⁰⁰ Polanyi, *The Great Transformation*, pp. 267–8.

Then, in the closing paragraph of the book, he uses the thoroughly psycho-analytic,¹⁰¹ not to say Camusian, metaphor of *acceptance* in order to describe the story's resolution:

Man accepted the reality of death and built the meaning of his bodily life upon it. He resigned himself to the truth that he had a soul to lose . . . and founded his freedom upon it. He resigns himself, in our time, to the reality of society which means an end to that freedom. Uncomplaining acceptance of the reality of society gives man indomitable courage and strength to remove all removable injustice and unfreedom. This is the meaning of freedom in a complex society; it gives us all the certainty that we need.¹⁰²

Polanyi adamantly maintained that he was not a Marxist,¹⁰³ and, in contrast to the straightforward utopianism of Marx's vision, he explicitly recognised that an escape from the double movement did not mean an escape from value relations and power relations.¹⁰⁴ Nevertheless, the feeling of a Marxist-Hegelian reconnection with 'essence' or 'spirit' is, when taken in conjunction with the tender descriptions of pre- and non-market societies earlier in the book, unmistakable. Read from one perspective, it could indeed be argued that Polanyi had his own vision of socialist transcendence in mind, perhaps rooted in 'the external, objective character of inter-personal relations'.¹⁰⁵ But his notion of acceptance could equally be cast as kind of agonistic respect for conflict and contradiction – as an acceptance of a plurality of incommensurable social logics which must be confronted and managed, rather than transcended¹⁰⁶ – as a *deproblematization* of market society. I think that this captures at least a part of what Polanyi meant when he argued that we must come 'face to face with the reality of society'.¹⁰⁷

¹⁰¹ In a related vein, Fred Block notes a psycho-analytic element to Polanyi's invocation of the Speenhamland episode: 'he sought to describe the historical trauma in loving and graphic detail precisely so that its impact on actual human beings could finally be transcended'. 'Karl Polanyi', p. 292.

¹⁰² Polanyi, *The Great Transformation*, p. 278.

¹⁰³ M. Mendell and D. Salée (eds), *The Legacy of Karl Polanyi*, p. viii.

¹⁰⁴ Polanyi, *The Great Transformation*.

¹⁰⁵ Dale, *Karl Polanyi*, pp. 9, 34.

¹⁰⁶ In relation to Polanyi, Inayatullah and Blaney speak of finding institutions that are capable of supporting 'mixed' social institutions ('Towards An Ethnographic Understanding', p. 313). On the pages of this journal, authors have wrestled with similar themes in other contexts. For example, in the wake of earlier post-structural forays into IR, Molly Cochran speculated on the possibility of a 'post-modern ethics' that detached itself from dichotomous conceptualisations on one hand and universalist notions of progress and rationality on the other. M. Cochran, 'Postmodernism, ethics and international political theory'. More recently, in discussing the work of Emmanuel Levinas, Papais argues that, '[u]nlike the Hegelian narrative of . . . achieving reconciliation, Levinas suggests a journey towards 'a pluralism that does not merge into a unity'. V. Papais, 'Self and Other in Critical International Theory: Assimilation, Incommensurability and the Paradox of Critique', *Review of International Studies*, 37:1 (2011), p. 128.

¹⁰⁷ K. Polanyi, *The Great Transformation*, p. 267.