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Globalization: Myths and Realities[1]

Philip McMichael
Department of Rural Sociology, Cornell University, Ithaca, New York 14853

ABSTRACT The current decline of the developmentalist paradigm, and its view of the rural as increasingly residual, revitalizes rural sociology. The blossoming of studies of rurality and ecology is paralleled by the growing currency of globalization as an object of analysis. This is more than a coincidence—in fact, globalization crystallizes local diversity. The two phenomena go hand in hand. But each needs to be understood as an historical construct; that is, they need to be problematized. In problematizing "globalization," I argue that it must be understood as a postdevelopmentalist construct. The postwar goal of national development, institutionalized in the international Bretton Woods regime, has run its course—dramatized by the assault on developmentalist states and institutions in the monetarist regime established under the auspices of the 1980s debt crisis. The nationally oriented institutions of the developmentalist era are now being replaced by globally oriented institutions under the legitimizing cloak of efficiency and financial credibility. Related to this trend, producing communities scramble to reposition themselves either through finding niches in a new global economy or through resistance to global pressures. Either way, there is a new emphasis on defining the local. This article explores the conjunction of global and local definition.

Introduction

The late-20th century offers rural sociology a unique opportunity for revitalization in the crisis of the development paradigm—the modernist project associated with nation-building. The development paradigm subordinated rural populations, and hence rural studies, to the higher authority of industrialism. Development theorists extrapolated from the example of modern states, whose rural populations had diminished drastically as agriculture industrialized. Remaining rural populations, across the world, were cast essentially as "unlimited supplies of labor" for an industrial future (Lewis 1954). In this way, rural issues were marginalized in the social scientific agenda. But marginalization has not eliminated them; if anything, it has magnified their significance. The consequences of agro-industrialism—landlessness, hyper-urbanization, and environmental deterioration—reveal the shortcomings of the development paradigm's underlying belief in inexorable technological progress. Sustainability has become the new catchword.

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The rising concern with sustainability reveals the limits of the development paradigm in guaranteeing the survival of the human species and the natural world. In addition, the growing unsustainability of the institutions of the development paradigm confounds this crisis, as globalization undermines social protections. This argument is based on the following premises: First, development is perhaps the "master" concept of the social sciences, and has been understood as an evolutionary movement bringing rising standards of living—a logical outcome of human rationality, as revealed in the European experience; second, the development project was a political strategy to institute nationally managed economic growth as a replicable pattern across the expanding system of states in the post-World War II world order; third, the paradigm of developmentalism offered a broadly acceptable interpretation of how to organize states and international institutions around the goal of maximizing national welfare via technological advances in industry and agriculture; fourth, this paradigm has collapsed with the puncturing of the illusion of development in the 1980s debt crisis, the management of which dismantled development institutions; and fifth, debt management instituted a new organizing principle of "globalization" as an alternative institutional framework, with the underlying message that nation-states no longer "develop;" rather, they position themselves in the global economy.

This paradigmatic shift resonates globally. It registers in the demise of welfarist regimes in the First World, of socialist regimes of central planning in the Second World, and of the Third World as a political collectivity of post-colonial states. All are subsumed within the big tent of globalism, which displaces simultaneously their institutional and ideological legacies. In a general reversal of thinking, the present is no longer the logical development of the past; rather it is increasingly the hostage of the future: a future defined by globalists as one of inexorable efficiency.

In this essay, I elaborate this interpretation of the origins of post-developmentalism, and then consider some consequences for rural sociology. In particular, the connection between local, rural processes and globalization needs clarification. Globalization tends to be understood as a process of economic integration—observed through local prisms, or "grounded" in local terms, giving a local face to processes of globalization. But these processes (such as proliferating commodity chains or transnational firm expansion) are routinely taken as given contexts, to be observed on the "ground," where agency and culture enter in. An alternative approach is first to ground globalization as a historical project, and, as such, to problematize it as a set of institutional and ideological relations constructed by powerful social forces (e.g., managers of international agencies, states and firms, academic ideologues). Local processes, and local expressions of globalization,[2] are then situated in an historically concrete, rather than an abstract context.

Globalization

Global exchanges predate the capitalist era. Why should they only now take on the appearance of being the governing force of the late-20th century world? Advocates of globalization claim, for example, that "the world's needs and desires have been irrevocably homogenized," and technology "drives consumers relentlessly towards the same common goals—alleviation of life's burdens and the expansion of discretionary time and spending power" (Levitt 1983: 99). Global economic integration is an empirical fact, but it is hardly the only reality. About 80 percent of the more than five billion people in the world live outside global consumer networks (Barnet and Cavanagh 1994:383).

Nevertheless, globalization has become consequential by virtue of its institutional force within the state system, and from there it reaches out to subject populations. Its most palpable impact has been through the worldwide process of restructuring of states and economies, bringing diverse populations and regions into the realm of a common dynamic. This dynamic is not simply a quantitative extension of commodity relations. It is, rather, a qualitative shift in the mode of social organization that marks a historic transition in the capitalist world order.

Arrighi (1994) links this shift to the onset of "financialization"—a contagious preference for liquid rather than fixed capital on the part of private and institutional investors under specific historical conditions (usually associated with the decline of a hegemonic state). Most recently, the (relative) decline of the United States is pegged to the rise of offshore money markets in the 1970s (discussed below). These currency markets stimulated the rise of unregulated financial institutions alongside of traditional (nationally regulated) banking systems. Heightened mobility of capital has privileged, and rewarded, financial speculation at the expense of fixed investment. Arrighi characterizes this as the subordination of the "territorial" principle to the "capitalist" principle. It marks a new stage of competition among states and firms in a unstable, post-hegemonic world order. When the center of accumulation (the U.S. home market) erodes, speculation on an unknown financial future heightens.

As money capital decoupled from productive capital, financiers consolidated power and reshaped modern political and economic

[2] The term "local expressions" is shorthand for the process by which local communities negotiate their social context, which includes global relations as embedded in institutions that condition local communities.

institutions in the 1980s, including farming (Bienefield 1989; Marsden and Whatmore 1994). Growing financial securitization (i.e., trading in securities, including debt) heightened the authority of debt security rating institutions, which meant in effect that all firms and states found their credit ratings subject to a global "information standard" (Sinclair 1994). Corporate downsizing and relocation, and state restructuring programs, in the service of credit-worthiness, have rippled across the global social landscape.

The new power of financial institutions has been at the expense of the sovereignty of state monetary authorities. In 1992, the former Chairman of Citicorp described the 200,000 currency traders across the world, as conducting "a kind of global plebiscite on the monetary and fiscal policies of the governments using currency. [This system] is far more draconian than any previous arrangement, such as the gold standard of the Bretton Woods system, since there is no way for a nation to opt out." (quoted in Brecher and Costello 1994: 30). In other words, precisely because of the non-territorial character of financialization, all states are constrained to manage their finances according to global criteria.

Under these circumstances, state organizations transmitted the effects of financial restructuring through the relatively circumscribed institutions of the "formal" economy and beyond, where communities depend on "informal" markets, subsidies, public lands, and casual employment on the fringes of the "formal" economy. In order to justify, or discount, the divisive consequences of restructuring—notably the social concentration of resources and the fragmentation of previously coherent social systems (e.g., economic arrangements, social protections, communities)—globalization advocates appeal to a higher good, namely, efficiency, and stress the importance of discipline in the global economy. Since some of these advocates are policymakers, they claim the discipline is imposed by the debt managers. Thus, the Bank of International Settlements stated in its 1992 Annual Report that "in many countries, explaining monetary policy decisions in terms of external constraints has been helpful in securing public acceptance" (quoted in Drainville 1994: 110).

In short, as the rationale for recent restructuring of states and economies, "globalization" is an historically specific project of global economic (financial) management. Prosecuted by a powerful global elite of financiers, international and national bureaucrats, and corporate leaders, the globalist project grows out of the dissolution of the development project.[3]

[3] The following account draws from McMichael (1996).

The development project

The development project was a postwar construct through which the world capitalist economy was stabilized. Like any social construct, the institutions of market economy are historically specific. Just as early capitalism emerged within distinct political frameworks—pre-19th century mercantilism (trade organized to enlarge national wealth), 19th century liberalism (free trade imperialism to enlarge capitalist markets)—so mid-20th century capitalism was organized within the framework of the (now universal) nation-state system (McMichael 1987). The completed nation-state system *combined* the principles of mercantilist and liberal organization into a new international regime of "embedded liberalism" (Ruggie 1982). This regime subordinated trade to systems of national economic management, anchored in strategic economic sectors like steel and farming. Together, international and national institutions regulated monetary and wage relations to stabilize national capitalisms within a liberal trade regime. Its extension to the so-called Third World, as the decolonization process unfolded, generated the paradigm of "developmentalism."

Under the project of developmentalism, states were responsible for managing national economic growth, with trade as a stimulus. How individual states accomplished this was generally their own concern, giving rise to a clear range of national political-economies (e.g., Japanese state capitalism, German corporatism, and U.S. liberal capitalism underwritten by military spending). The macroeconomic goal was to consolidate national welfare, through a context of stable monetary relations. Again, with rich variation, this principle of nationally-managed economic growth was the adopted form of political economy in the multiplicity of new states that formed during this period. Economic Commission for Latin America (ECLA) prescriptions for import-substitution industrialization dovetailed with the green revolution (providing essentially urban wage foods) to shape national economic growth in Third World countries.

Development was a universal project, also inspiring accelerated industrialization in the Second World. It took its cue from the European experience, understood as superior economic performance and/or living standards vis-à-vis the non-European world. It was an ideal that we know, at least from hindsight, was unrealizable.[4] But development was not just an ideal (as idealized history, and prescription). It was thoroughly institutionalized in the post-war world.

The institutionalization of development, as the central postwar project, required a stable international monetary regime and a uniform political entity such as the nation-state. It was a matter of his-

[4] Indeed, in terms of this essay, the process of globalization has disassembled conditions for parallel and successful development in national terms.

torical choice. When pan-Africanists demanded territorial federations during the decolonization movement, they were overriden by the European powers and their fellow nationalists—both groups seeing in the nation-state form a vehicle for stable accumulation of wealth and extraction of economic resources on the national and the international scale (see Davidson 1992).

The monetary regime, instituted through the Bretton Woods agreements in 1944, established the principle of fixed exchange rates and mechanisms whereby the IMF could maintain stable currency exchange by extending short-term loans to those states with payments imbalances (Block 1977). National economies, geared to stabilizing the wage relation through rising investment (in mass production) and state subsidies (to promote full employment and rising consumption), were supported by a stable trade environment. This formula, despite its uneven implementation, is often characterized as a mix of Keynesian/Fordist political-economy (Harvey 1989).

Alongside of this multilateral arrangement were the geopolitical realities of the Cold War. The United States, in particular, deployed Marshall aid to redistribute dollars to capital-poor regions of the world (from Europe, through East Asia to Africa). This established the dollar as the international reserve currency and promoted freedom of enterprise, which became the litmus test of the so-called free world (Arrighi 1982). Export credits, extended to Marshall Plan recipients, facilitated the transfer of American technology. In turn, the World Bank (along with other such multilateral financial assistance institutions) disbursed long-term loan funds to encourage the habit of developmentalism (Rich 1994).

Without further elaboration, the point remains that in the mid-20th century the foundations of capitalism were reformulated through a massive restructuring of the world order. In other words, not only is "restructuring" not unique to the late-20th century, but it has an essential institutional dimension. In the postwar era, it combined forms of international (monetary relations) with national (wage relation) regulation.[5] Developmentalism emerged within this institutional framework. First World (and Cold War) planners perceived their goal as raising and protecting living standards, and to this end pursued massive (military and economic) assistance pro-

[5] Michel Aglietta's original concept of "social regulation" problematized regulation as involving the political form of the wage relation, including the link between monetary relations and the wage relation. Through monetary regulation "the state forms part of the very existence of the wage relation," which, on a global scale, was "accompanied by the consolidation of a system of states" (Aglietta 1979:32). Karl Polanyi (1957) makes a similar observation about the role of central banks in regulating monetary relations in the interests of stabilizing international trade relations, and therefore in having the power to shape economic (and therefore social) outcomes in national societies.

grams. Developmentalism thus instrumentalized the nation-state, and bilateral and multilateral institutions, as its appropriate vehicles and agents.

Developmentalism was, indeed, a project originating in the stabilization of world capitalism after the inter-war crisis and in the context of the Cold War.[6] It was a constructed order, even though planners presented development in ideal terms: as an evolutionary progression along a linear trajectory of modernization. In this respect, not only would each state replicate the modernity of the First World (with the U.S. at the apex), but there were expectations that the development gap between First and Third Worlds would be progressively closed. Despite some apparent successes (e.g., the newly industrializing countries of East Asia and some Latin American states for a time), the development gap across these world divisions remained.[7] The development project was unsuccessful in its own universalist terms.[8] Its failure is both cause and consequence of the rise of an new, alternative project: the globalization project.

The globalization project

As suggested, globalization is not specific to our era. But globalization as a view of ordering the world is. It is a historical project, just as the development project was. The development project was a view of ordering the world, but it was understood, institutionalized, and embraced as a process to be replicated in nation-states. Postwar capitalism was stabilized through national economic management. Alternatively, the globalization project seeks to stabilize capitalism through global economic management—this time along the lines of specialization, rather than replication. Specialization differentiates states and regions (and includes marginalization), whereas replication was a universalist project (in the sense that all nation-states were expected to follow and realize the ideal Western path). Many of the same institutions obtain (e.g., states, multilaterals, banks, aid insti-

[6] Developmentalism bridged the Cold War divide, insofar as communist states accepted a similar technological paradigm, with national economic growth as a lever for legitimacy and a means for catching up to the West, although with alternative forms of property and social regulation.

[7] Between 1950 and 1975 (in constant 1974 dollars), the differences in GNP between the First and Third Worlds widened from $2,191 to $4,839 (Hoogvelt 1987: 58). In 1974, the World Bank reported: "It is now clear that more than a decade of rapid growth in underdeveloped countries has been of little or no benefit to perhaps a third of their population" (quoted in Wood 1986:197).

[8] Nevertheless, some say it did realize its goals, for example: "some critics make the mistake of proclaiming that development has failed. It hasn't. Development as historically conceived and officially practised has been a huge success. It sought to integrate the upper echelons, say ten to forty per cent, of a given third world population into the international, westernized, consuming classes and the global market economy. This it has accomplished brilliantly" (George and Sabelli 1994:147).

tutions, even non-governmental organizations). But they operate in a transformed world. Their character, role and significance in the world order are different.

The concept of a "globalization project" allows an analogous, and related, view of a particular institutional form of capitalism. It replaced the development project as an organizing principle, growing out of the dissolution of that project. Its enunciation as a vision by new global elites is quite distinct from the developmentalist vision elaborated in the postwar world. The developmentalist elites were essentially state managers who shared an interest in stabilizing the world capitalist order, one in which First World working classes, and colonial and post-colonial populist movements were demanding inclusion. These elites gathered at the United Nations and the Bretton Woods conferences in 1944, with the goal of raising living standards world-wide, heading off labor and anti-colonial struggles, and establishing a realm of free enterprise to assure the flow of strategic resources to the military-industrial centers of the Free World. Thus, the president of the Bretton Woods conference, Henry Morgenthau, foresaw the:

> creation of a dynamic world economy in which the peoples of every nation will be able to realize their potentialities in peace. . . . and enjoy, increasingly, the fruits of material progress on an earth infinitely blessed with natural riches. This is the indispensible cornerstone of freedom and security. All else must be built upon this. For freedom of opportunity is the foundation for all other freedoms. (quoted in Rich 1994:55)

The elites associated with the globalization project are a different kettle of fish. In addition to state managers (those embracing liberalization), there are the new financial and transnational corporate elites combined with the managers of newly-empowered multilateral institutions like the IMF, the World Bank and the World Trade Organization. As proponents of globalization—formed through the conjunction of the Trilateral Commission (a 1970s global think-tank), debt crisis management and Uruguay Round negotiations regarding global trade and investment regulation—these elites constitute what is arguably an incipient global ruling class.

Global integration trends

The globalization project grew out of the development project because developmentalism included specific international relations. In particular, the U.S. emphasis on the principle of freedom of enterprise, and the use of bilateral measures (i.e., dollar credits and investment and market guarantees) to underwrite this, encouraged transnational economic integration. Agribusiness firms, for example, invested in cross-border operations in Europe and East Asia, assisted by Marshall Plan financing and the U.S. PL-480 food aid program (Cleaver 1977). Discussions of the postwar food regime have outlined the ways in which transnational corporations undercut the coherence of national sectoral integration by constructing circuits of production and realization that integrated economic subsectors transnationally (Friedmann and McMichael 1989; Friedmann 1993). The notable example is that of the livestock complex, where specialized feed producers connected with specialized livestock producers across national boundaries and elsewhere in the world economy (Berlan 1990; Friedmann 1992). This particular example reveals a transnational dimension present in the development project, but premature as an organizing principle.

As this transnational dimension extended to firms from Europe and Japan and some Third World countries, a series of global exchanges began to overlay national economies. In the late 1960s and 1970s, Third World newly industrializing countries (NICs) actively participated in these global exchanges through a strategy of export-oriented industrialization (EOI). Under these circumstances, the World Bank in its 1980 *World Development Report* redefined development as "participation in the world market" (Hoogvelt 1987:58). Symbolically this marked the demise of the development regime as a global economy emerged alongside of declining national economies. This is not to say, however, that all consumers and producers were now "global," but that the global economy itself became consequential in reshaping the conditions under which states made economic policy.

Transnational economic integration depended ultimately on the role of the dollar as a reserve international currency. Postwar disbursements of the dollar, via export credits and foreign investment, allowed an offshore dollar market to form, beyond the reach of national banking and currency controls—the origins of financialization. This "Eurodollar" market promoted the rise of transnational corporate activity, and especially the rise of global banks. But as the offshore capital market expanded (from $3 billion in 1960, to $75 billion in 1970, and eventually to over $1 trillion in 1984), it undercut the Bretton Woods monetary regime (Strange 1994:107). This occurred as mounting pressure on the dollar from offshore holdings forced President Nixon to end the gold-dollar standard and declare the dollar non-convertible in 1971—initiating a destabilizing shift from fixed to floating currency exchange rates. The foundational monetary relations of the development project unraveled.

In the 1970s, Third World developmentalist states and global banks entered into a loan binge, where unsecured funds flowed into extravagant public developmentalist projects sponsored by Third World states bent on pursuing the goal of catch-up with the First World. In this sense, borrowing amplified the central purpose of the development project: industrialization. The debt-based development of the 1970s coincided with First World profitability declines and recession. Under these circumstances, the Third World, especially the newly industrializing countries, became the engine of growth for the global economy. The stimulus of a substantial decentralization of industrial investment encouraged a "new international division of labor" to form as First World firms relocated unskilled production offshore and sold components and products on the world market (Fröbel, Heinrichs and Kreye 1979).

By the end of the 1970s, debt became a liability rather than a vehicle of development. Monetarism had gained legitimacy as a mechanism of restructuring the balance of power within First World states, putting labor and social programs on the defensive. When the U.S. Federal Reserve Board reduced the money supply in 1980 to stem the fall in the value of the dollar, lending to Third World countries slowed, and came on shorter terms. By 1986, Third World debt totalled $1 trillion, and even though it was only half of that of the U.S. national debt in that year, it was now a debt crisis. Third World countries were devoting new loans entirely to servicing previous loans, whereas the U.S. (given its sheer global power) was able to continue the fiction of a paper dollar standard.

The debt regime

The debt crisis marked the reversal of the development project. Debt management served to reconstruct global, and hence national, monetary relations. The IMF assumed a de facto role of banker to the world, determining, with the World Bank, conditions by which states could renegotiate their outstanding loans and/or service their debt. These conditions were universally imposed and adopted, as states privatized public assets, slashed social budgets, cut wages, devalued national currencies, and promoted exporting. In short, the goals of the development project of nationally-managed economic growth with a view to enhancing national welfare yielded to a new principle: globally-managed economic growth with a view to sustaining the integrity of the global financial system and the conditions for transnational corporate capitalism.

Structural adjustment measures were adopted across the so-called "three worlds," and those states that did not formally undergo structural adjustment have done so informally in order to compete in the global economy. The conditions of the 1980s debt crisis suggested that developmentalism was an illusion (Arrighi 1990),[9] ending the Second and Third Worlds as geo-political categories. Commentators spoke of the 'lost decade' for the Third World, and political and economic liberalization spread across the socialist world (Friedmann forthcoming; Harris 1987). The definition of development was further refined to encompass a comprehensive policy of economic liberalization—especially privatization of public functions and the application of market principles to the administration of wages, prices, trade and investment.

Structural adjustment programs allowed the multilateral institutions combined with state managers and financial classes to reformulate the role of the state. States found they were under pressure to pursue credit-worthiness and competitiveness in the global economy by downgrading their national priorities—especially welfare enhancement and sustaining political constituencies supportive of national economic integration around an industrial base. Boosting export production and offering attractive conditions for foreign investment became the new priorities alongside an extraordinary rollback of public investment in the former Third World, as privatization increased tenfold across the decade (Crook 1993:16). Shrinking the state reduced its capacity as a national institution at the same time as it privileged the financial and trade ministeries that survived and managed the cuts in other ministeries, such as education, agriculture, health and social services. This means that state agencies that support and regulate economic and social sectors affecting the lives of the majority of the citizenry, especially poorer classes, have lost resources. And they have lost them to agencies more concerned with the sectors that connect with global enterprise. Hence global-economic criteria cast a shadow over the social criteria that defined the national project.

In structurally adjusting countries on a case-by-case basis but with a standard package of adjustments, this debt regime transformed the discourse of development in two distinct ways. First, the conditions imposed on debtors for renewal of credit enabled the debt managers to reframe the national project. It was no longer a question of pursuing the goals of the development project; rather, wholesale restructuring (to compete in the global economy) was necessary to guarantee repayment of debt. Indeed, the World Bank's tradi-

[9] For example, the South Commission observed in 1990: "What is abundantly clear is that the North has used the plight of developing countries to strengthen its dominance and its influence over the development paths of the South. Developing countries have been forced to reshape their economic policies to make them compatible with the North's design. While adjustment is pressed on them, countries in the North with massive payments imbalances are immune from any pressure to adjust, and free to follow policies that deepen the South's difficulties" (quoted in South Centre 1993: 13).

tional focus on project loans yielded to a new focus in the 1980s on policy loans, that is, loans linked to policies of liberalization. Second, austerity measures, privatization and export expansion renewed the global economy (or the global financial system) rather than individual national economies. Austerity measures lowered wages to encourage foreign investment, privatization ensured renewal of the principle of the global freedom of enterprise, and export expansion sustained the flow of products to the wealthier zones of the global economy.

Each measure potentially undermined the coherence and sovereignty of national economies. Lowered wages reduced local purchasing power. Wage-earners had to tighten their belts, which meant that the market for locally produced goods contracted. Privatization of public enterprises reduced the capacity of states. This meant they were no longer in a position to enter into joint ventures with private firms, using this to set production priorities. Reduction in public expenditure generally reduced states' capacity for coordination of national economic and social programs. As parts of national economies became embedded more deeply in global enterprise, they weakened as nationally-coordinated units themselves, and strengthened the reach of the global economy. This was not unique to the 1980s, but the mechanisms of the debt regime institutionalized the power and authority of global management within states' very organizations and procedures, as illustrated in the following case study.

The Mexican dress rehearsal for NAFTA

Perhaps the most dramatic case of state restructuring in recent years is that of the Mexican dress rehearsal for the implementation of NAFTA in the 1990s. The Mexican state sponsored agro-industrialization in the form of irrigated commercial agriculture through the postwar development era, at the same time regulating a basic grains sector. Despite the agro-industrial priority, President Echeverría's 1971 revision of the agrarian reform code, under pressure from *campesinos* (peasants and farmworkers) for greater participation, renewed financial and institutional support for the *ejido* sector (community controlled land holdings deriving from the Mexican Revolution of 1910). Basic grain prices were subsidized and various forms of agricultural credit assisted the small farm sector. In other words, the state managed an extensive rural social system based on *campesino* agriculture supplying foods to domestic markets, alongside a profitable commercial agribusiness sector. But the government supported the *campesino* sector with multilateral loans, rather than a national progressive tax.

When Mexico's oil prices fell in 1981, the debt financing of the basic grains sector could no longer continue, and the Mexican crisis triggered the so-called debt crisis. The national food security system (i.e., grain production and distribution scheme) that had begun the previous year under the Lopéz Portillo government was scrapped. Between 1980 and 1991, Mexico negotiated 13 adjustment loans with the World Bank, and six agreements with the IMF. The World Bank proposed an agricultural Structural Adjustment Loan in 1986 to assist in the elimination of imported food subsidies, privatization of rural parastatal agencies, the liberalization of trade and domestic food prices, "sound" public investment, and cutbacks in the size of the agricultural ministry (McMichael and Myhre 1991).

These were the conditions of multilateral loans, and the Mexican government's submission to them (eschewing joining a Latin American debtor's cartel) became the model of restructuring. Rural social services were subordinated to economic criteria which focused on expanding agro-industrial exports to service the debt and thereby assist in stabilizing the global financial system. In 1991, a follow-up sectoral adjustment loan for Mexican agriculture further liberalized food importing, privatized state-owned monopolies and eliminated price guarantees on corn—a drastic step. The social repercussions were sufficiently severe that the World Bank subsequently supported the government's Pronasol and Procampo programs, which offered financial assistance to poor rural producers (Barry 1995:36, 43–44, 144).

Through a decade of liberal reforms mandated by the global managers and pursued by the Mexican government to maintain its credit-worthiness, the state abandoned its role as manager and regulator of the enormous agricultural sector. It shed agencies, and withdrew its financial support from the *campesinos*, at the same time as funds shifted into expanding agro-exports. This overall priority shift prepared the ground for NAFTA. During the debates preceding the signing of NAFTA, the opposition candidate, Cuauhtémoc Cárdenas, argued that "exploitation of cheap labor, energy, raw materials, technological dependency, and lax environmental protection should not be the premises upon which Mexico establishes links with the United States, Canada, and the world economy" (quoted in Resource Center 1993:2).

As a result of this drastic shrinking of state involvement in the rural sector, the percentage of *campesinos* with access to official credit fell from 50 to less than 20 percent at the end of the 1980s. Under these conditions, *campesino* organizations have mobilized to create new and locally controlled credit systems to replace the vacuum left by the state. Their dilemma is that this vacuum compels them to negotiate with the National Banking Commission, which regulates credit arrangements and which is increasingly geared to the new principles of global competitiveness—clearly quite distinct from the principles on which *campesino* communities run (Myhre 1994). In sum, when states restructure, they may improve their financial standing and their export sectors, but the majority of citizens and poorer classes find their protections shorn away in the rush to participate in the world market.

Global economic management

The globalization project is not simply an external imposition on states from global agencies. State managers collaborate in the restructuring of state organs under the dictates of the new rules of the multilateral agencies to improve the efficiency of the economic enterprise under their jurisdiction. The South Commission noted that the "most powerful countries in the North have become a de facto board of management for the world economy, protecting their interests and imposing their will on the South" (South Centre 1993: 3). While this is a Third Worldist perspective—as it is not Northern countries, but instead regulators and business executives from the North and the South that do the managing—it does draw attention to the new project of managing the world economy as a singular entity.

Not only has the globalist regime-in-the-making actively reorganized states, but this reorganization has been profoundly unrepresentative. Bureaucrats in global agencies exert a growing influence as makers or custodians of the new market rules—this much is clear from the imposition of liberalization measures on indebted states with little or no scrutiny by the citizens of those states. And this practice is to be extended in the newly created World Trade Organization (WTO), which has independent jurisdiction and oversees trade in manufactures, agriculture, services, investment, and intellectual property protection. The WTO has global governing power insofar as its rules are binding on all members, and it has the potential to overrule state and local powers regulating environment, product and food safety. Its staff are unelected bureaucrats, who have no constituency to answer to other than an abstract set of free trade rules and their proponents. Proceedings are secret, denying citizen participation.

Through the WTO, global managers assume extraordinary powers to manage the web of global economic relations overlaying states, at the expense of those state organizations, including their democratic achievements. What is remarkable is that the reach of real economic globalization itself is so limited in terms of the populations it includes, and yet its impact is so extensive. The impact is extensive precisely because states have been absorbed into the project. Just as nation-states were the ideal vehicle of the development project, so restructured states convey the globalization project to their populations. A similar configuration of undemocratic power defines numerous free trade agreements (e.g., NAFTA, APEC, the European Union) springing up as global regionalist arrangements and reflecting what Stephen Gill (1992) has termed "the internationalization of political authority."

The internationalization of political authority includes both the centralization of power in multilateral institutions to set global rules and the internalization of those rules in national policymaking, as our discussion of Mexico suggests. The definition of an international regime—adherence to internationally agreed upon rules through multilateral consent—is thereby refined to include the actual determination, or at least implementation, of those rules by global agencies. In other words, the potential global regime is only formally multilateral, as states lose capacity as sovereign rule makers.

The centralization of state power in global institutions means, in effect, the ability to shape state administrative priorities. This tendency is exemplified by the World Bank's new lending criteria. The World Bank's 1992 *World Development Report* stated that, "Good governance, for the World Bank, is synonymous with sound development management" (George and Sabelli 1994:150). As the most influential development agency in the world, the World Bank now insists on shaping governments rather than simply economic trajectories—a practice it refined during the 1980s by way of its Structural Adjustment Loans (Cahn 1993).

The globalization project represents a new institutional form for stabilizing capitalism. It is emerging out of the contradictions of the development project that came to a head in the 1980s. Although it could be said that the Third World was a proving ground, this new project of economic management is thoroughly global, as all states submit to the new market rules. In addition, the restructuring of the former Third World has a recursive effect, as it has accelerated the movement of refugees from south to north and driven down wages across the world, in what is termed the "race to the bottom" (Brecher and Costello 1994). Both of these trends are spawning a politics of racial intolerance as employment conditions decline, dividing labor and civilian populations in states across the world. First World national politics, for example, are increasingly framed in exclusive, or "status," terms, rather than the inclusive citizenship terms associated with social democracy.

Restructuring the wage relation

In this shift we can see the restructuring of the wage relation along global lines. Certainly states still manage the wage relation, but the conditions under which they do so are increasingly globally defined. Labor protections, achieved over decades of political struggle and compromise and providing the social foundation for the welfare state, are steadily eroded under the new dictates of global market efficiency—just as labor organization itself has steadily eroded since the onslaught of monetarism in the 1970s.

Returning to the NAFTA example, free trade has a "harmonizing" effect on policies regarding levels of wages and social services, which means reducing the differential towards the minimal standard, typically found in the lower cost regions. This is known as "downward leveling." Consider the recent process of "harmonization" from the U.S. side. Industries that shift to Mexico are those in which women are disproportionately employed, such as apparel, consumer electronics, and food processing. Many of these women entered the workforce in the late 1970s and 1980s, because families could no longer get by on a single wage. Once their already low-wage jobs move south, the possibility of regaining equivalent work lessens. The pressure on family livelihood increases. This only adds to the general downward pressure on the U.S. wage, as Mexico's cheaper labor comes on line.

Proposed retraining schemes to provide possibilities for American workers to adjust to a shifting employment scene are often ineffectual. Indeed, the United States Labor Department issued a report in November 1993 evaluating a longstanding $200 million annual program for retraining manufactured workers who lost their jobs to foreign trade. It concluded "that only 19 percent of the 'retrained' workers found jobs that demanded their new skills and paid at least 80 percent of their former wages; 20 percent remained jobless; most of the rest sank into low-wage slots that they occupied for just eight months" (quoted in editorial, *The Nation* [1993]).

In the global economy, product cycles are unstable, as consumer fashions and sourcing sites change relentlessly. The loss of jobs is not simply an economic transfer from one nation to another; more fundamentally, it represents the "hollowing out" of a nation's economic base, and the erosion of social institutions that stabilize the conditions of employment and habitat associated with those jobs. A century of institution-building in labor markets, in corporate/union relations, and in communities, can disappear overnight when the winds of the market are allowed to blow across national boundaries. Those who have work find they are often working longer hours to make ends meet. Wage labor as we know it is undergoing a profound transformation, signalled by the increasingly unstable terms on which people are hired across the world, and the growing range of forms of labor in industry and agriculture—from stable cores of wage work through contract- and piece-work to new forms of indentured, slave and child labor—incorporated into global commodity chains under the conditions of restructuring of the global economy.

Globalization is ultimately an institutional transformation. It has no single face, as institutions and institutional change vary across the world. Former categories like the Three Worlds, and "core" and "periphery," lose their salience, as chains of commodity production and exchange operate above, below, and across national and regional boundaries, generating their own time-compressed spatial relations as the velocity of economic transactions intensifies (Mittelman 1995). State organizations restructure accordingly, complemented by emerging global and regional institutions.

Elsewhere, I have suggested that globalization is a formative and contradictory process with no clear structural imperative (McMichael 1994). Its only unifying dimension, I would argue, is the political project of restructuring to secure or stabilize market conditions for corporate expansion on a world scale. Following the Third World "lost decade" of the 1980s, this has been pursued with draconian effect in Eastern Europe since the collapse of the Berlin Wall (Gowan 1995). Financial regulation is ad hoc—managed politically through the multilateral institutions, meetings of the powerful Group of Seven (G-7) states, and macro-regional free trade agreements.

The global regulation of monetary relations, however fragile,[10] is necessary under circumstances where nation-states have lost the ability to regulate their own currency values, and vast amounts of currency cross national borders daily. At the national level, states continue to regulate wage relations, but increasingly under global, rather than national, terms—which often means under the terms of the firms that organize commodity complexes. This "global wage relation" combines a mosaic of quite different forms of labor (paid and unpaid) contributing to the global production and circulation of value under increasingly casual, insecure, globally competitive conditions.

In short, the extensive transition in economic and political arrangements that we term "restructuring" has its roots in the displacement of the development project (the management of national economic growth and welfare) by the globalization project (the management of global economic growth and the global com-

[10] They are fragile because of the lack of monetary regulation and the overstretched dollar. The first signs of the overstretched dollar prompted President Nixon to end the gold-dollar standard and invoke the paper-dollar standard, the viability of which depends on the confidence of other states and investors in the dollar and in the United States. Since the mid-1980s, of course, the U.S. has had the largest national debt in the world. The U.S. has not been called completely to account perhaps because of its continuing weight in the world economy and its monopoly on global military power (since 1989). Whether this can last may very well depend on the viability of the American middle class, as a consequential segment of the world market.

mons[11]). It is not simply a quantitative economic trend; rather it involves substantive changes in institutional and ideological relations—generating the new paradigm of "post-developmentalism."

The world of post-developmentalism: the possibilities of localism

The post-developmentalist paradigm is shared by globalists and anti-globalists alike, because of the differentiating effects of global integration. The erosion of state capacities to manage national economic growth and welfare disorganizes class coalitions formed around developmentalism, including the dismantling of public patronage systems. The series of IMF food riots in the last two decades attests to this (Walton & Seddon 1994). As states decentralize, the opportunity for local political renewal presents itself, often quite compellingly. As global integration intensifies, the currents of multiculturalism swirl faster. Under these conditions, which include the juxtaposition of ethnically distinct labor forces and communities, the politics of identity tends to substitute for the civic (universalist) politics of nation-building. Also, regions and communities see self-determination as more than a political goal. It extends to the idea of cultural renewal, which includes recovering local knowledges. Wolfgang Sachs (1992:112) remarks:

> Today, more than ever, universalism is under siege. To be sure, the victorious march of science, state and market has not come to a stop, but the enthusiasm of the onlookers is flagging . . . . The globe is not any longer imagined as a homogeneous space where contrasts ought to be levelled out, but as a discontinuous space where differences flourish in a multiplicity of places.

The new forms of imagination embody what Sachs terms "cosmopolitan localism," that is, the assertion of diverse localism as a universal right. Cosmopolitan localism questions the assumption of uniformity in the global project. It is by definition part of the contradictory dynamics of globalization, often being a protective response where communities try to avoid the marginalization or disruption of unpredictable global markets. Such questioning also asserts the need to respect alternative cultural traditions as a matter of global survival. Finally, it is a question of preserving or asserting human and democratic rights within broader settings, whether a world community or individual national arenas.

[11] Note that the management of the global commons has been largely subsumed within the overall project of global economic management. This was institutionalized in the Global Environmental Facility, established at the time of the 1992 Earth Summit (Rich 1994). More important is that the survival of the human species depends directly on the sustainability of the global commons, which is under serious threat from economic globalization.

The Chiapas rebellion

The most potent recent example of cosmopolitan localism was the 1994 peasant revolt in Mexico's southern state of Chiapas. Chiapas is a region in which small peasant farms are surrounded by huge cattle ranches and coffee plantations. A third of the unresolved land reforms in the Mexican agrarian reform department, going back more than half a century, are here. To alleviate this situation, the government allowed landless *campesinos* to colonize the Lacandon jungle and produce subsistence crops, coffee, and cattle. Coffee, cattle, and corn prices all fell during the 1980s, but *campesinos* were prohibited from logging despite the fact that timber companies continued the practice (Fox 1994). The revolt, therefore, had these deepening class inequities as its foundation. But the source of these deepening inequities transcended the region.

The January 1, 1994 revolt was timed to symbolize the conjunction of these inequities with another set of inequities, this time on a macro-regional scale. The revolt coincided with the day of implementation of the North American Free Trade Agreement (NAFTA). To the Chiapas rebels, NAFTA completed the undermining of the revolutionary heritage in the Mexican national Constitution of 1917. In particular, under this constitution, communal lands (*ejido*) were protected from alienation. In 1992, under the pretext of structural adjustment policies and the promise of NAFTA, the Mexican government began opening these lands for sale to Mexican and foreign agribusinesses. In addition, the terms of the NAFTA included a provision to deregulate commodity markets— especially for maize, the staple peasant food. Not only was the government deciding the fate of local communities such as those in Chiapas; it was also proceeding without representation from those communities.

The *Zapatistas* perceive the Mexican state as the chief agent exploiting the region's cultural and natural wealth, especially through dismantling the communal tradition of the Mexican national state symbolized in the infamous reform of Article 27 of the Constitution. The Article now privileges private (foreign) investment in land over the traditional rights of *campesinos* to petition for land redistribution within the framework of the *ejido* (Indian community land held in common). The *Zapatistas* argue that this reform, along with NAFTA liberalizations, seriously threatens the Mexican smallholder and the basic grains sector. They understand that the U.S. "comparative advantage" in maize production (6.9 U.S. tons vs 1.7 Mexican tons per hectare, including infrastructural disparities) would swamp Mexican producers, especially since under NAFTA the Mexican government has agreed to phase out guaranteed prices for staples such as maize and beans (Harvey 1994:14). Herman Daly, former World Bank senior economist, warned: "U.S. corn subsidized by depleting topsoil, aquifers, oil wells and the federal treasury can be freely imported [to Mexico, and] it is likely that NAFTA will ruin Mexican peasants" (quoted in Chomsky 1994:180).

The *Zapatistas'* demands for inclusion in the political process signify the movement for local political renewal. This addresses the absence of free and fair elections in Chiapas (and elsewhere in Mexico), adequate political representation of *campesino* interests (as against those of Chiapas planters and ranchers), and the elimination of violence and authoritarianism in local government. The Ejército Zapatista de Liberacién Nacional (EZLN) demands included a formal challenge to a centuries old pattern of *caciquismo* (local strongman tradition) in which federal government initiatives have been routinely thwarted by local, too often venal, political and economic interests.

The Chiapas revolt has had a clear demonstration effect, as communities throughout Mexico have since mobilized around similar demands, especially as they face common pressures, such as market reforms. In challenging local patronage politics, the *Zapatistas* elevated national demands for inclusion of *campesino* organizations in political decisions regarding rural reforms. These include equity demands for small farmers as well as farm workers. They also advanced the cause of local and/or indigenous development projects that sustain local ecologies and cultures (Fox 1994:18; Harvey 1994:36–7). Nevertheless, aside from demanding indigenous co-governors, the rebellion assumed a pan-Mayan identity rather than a specific ethnic identity.

The Chiapas rebellion is distinguished by the texture of its political action. Timed to coincide with the implementation of NAFTA, it wove together a powerful and symbolic critique of the politics of globalization. This critique had two objectives: first, opposing the involvement of national elites and governments in implementing neo-liberal (economic) reforms on a global or regional scale (which undo the institutionalized social entitlements associated with political liberalism); and second, asserting a new political agenda of renewal of a politics of rights that goes beyond individual (property) rights to human, and therefore, community rights. The push for regional autonomy challenged local class inequalities, and demanded the empowerment of *campesino* communities. These communities have created a "fabric of co-operation," woven from the various threads of local groupings. They substitute fluid organizational patterns for the bureaucratic organizational forms associated with modernist politics—such as political parties, trade unions, and hierarchical state structures (Cleaver 1994:150). In that sense they express an emerging post-developmentalist politics.

In addition, the timing of this revolt to coincide with NAFTA's implementation implicitly addressed the broader movement to reform global economic rules, via the GATT Uruguay Round. While the revolt contributes to long-term resistance to a global economic regime, it has already destabilized the monetary system, as evidenced in the Mexican *peso* crisis of December 1994. Impatient with economic and political instabilities in Mexico, a sudden outflow of capital depressed the *peso*, creating the *tequila effect*, which rippled through regional money markets. In the space of a decade, a second Mexican bailout was necessary, to the tune of more than $40 billion.

In June of 1995, the G-7 powers created a worldwide emergency fund to bail out states on the verge of national bankruptcy. The U.S., along with its European allies, pursued this initiative to stabilize the world monetary system. It had three essential aspects: first, a shift in the burden of such bailouts away from the U.S., which had borne the brunt of the Mexican bailout of 1994; second, an expectation that the prosperous Asian countries would underwrite the fund with their financial surpluses—in effect, a way of redistributing the world's financial wealth so that money would continue to make the world go around; and third, a plan to establish an "improved early warning system" based on comprehensive public disclosure by member states of hitherto confidential financial information, such as foreign exchange reserves, that effectively uses IMF leverage to deepen financial surveillance of the system at large (Sanger 1995). In this way, the *Zapatista* uprising has indirectly contributed to new initiatives to stabilize global monetary relations. Global and local processes are thoroughly intertwined. This contradictory and unpredictable dynamic, rather than some trend or scenario of progressive homogenization of the world's social landscape, is the essence of "globalization." We now turn to the implications of these global dynamics for rural sociology. While paradoxical, they also situate the current revival of rural sociology and its strands of localist and globalist analyses.

The paradox of post-developmentalism

The unraveling of the development paradigm generates two important, but seemingly paradoxical possibilities. One is the end of the "rural" as a residual social arena[12] (and category) in a development path with a pronounced urban bias. New definitions of "rurality" proliferate, as studies of environmental issues, nonfarm enterprise and rural labor markets, and the practice of "constructing the countryside" all attest to a rural sociological revival (Koppel and Hawkins 1994; Marsden, Lowe and Whatmore 1990; Marsden et al. 1993). But the other effect runs counter to this. It results from those global

[12] As a residual, rural populations have been marginalized and "forgotten" (see, Lobao [1990], Fitchen [1991], Marsden, Lowe and Whatmore [1992], Lyson and Falk [1993]).

forces undermining the development paradigm through the restructuring of states. The new rules proposed by the GATT Uruguay Round, for example, challenge agricultural protection and farm subsidies on grounds of making agriculture efficient around the world (McMichael 1993). In this scenario, states don't pursue national development plans (where farm sectors articulate with their industrial sectors). Rather the world market has "breadbaskets" that arise through specialization. This streamlining of agriculture can only accelerate farm concentration and de-ruralization trends.[13] We would be, as it were, back to where we started, although the rural would be even more intensely residual, on a global scale. The paradox arises because the efficiency advocates favor a globalization paradigm as the successor to developmentalism. Their target is state interventionism, including farm protections, and their vision favors the rule of the market on a global scale. While this vision is an unrealizable ideal,[14] it nevertheless has powerful institutional support, as outlined above.

This paradox has far-reaching implications in rural terms. Trends such as de-industrialization, the post-industrial centralization of marketing and services, the impact of the debt crisis and financialization on farming (Flora 1990) and weakening national development infrastructures have generated alternatives to productivist agriculture. Rural diversity has blossomed—as a livelihood strategy in the countryside, and as a topic of study. Indeed, rural livelihood strategies have been recovered and discovered, as the conditions for survival of hard-pressed rural populations. The vision of a linear process of agro-industrialization has given way to an appreciation of rural diversity as a practice, and as a strategy for rural survival and indeed sustainability.

While Whatmore (1993:54) has observed that flexible rural production strategies are virtually as old as the hills, the point is that recent academic appreciation of rural diversity stems from the

[13] In 1994, European Member of Parliament James Goldsmith reported to a U.S. Senate inquiry that four billion people are joining the world economy as the Cold War, which held them separate, has ended: "the application of GATT will also cause a great tragedy in the Third World. Modern economists believe that an efficient agriculture is one that produces the maximum amount of food for the minimum cost, using the least number of people . . . . It is estimated that in the world there are still 3.1 billion people in the world who live from the land. If GATT manages to impose worldwide the sort of productivity achieved by the intensive agriculture of nations such as Australia, then it is easy to calculate that about two billion of these people will become redundant. Some of these GATT refugees will move to urban slums. But a large number of them will be forced into mass migration . . . . We will have profoundly and tragically destabilized the world's population" (Goldsmith1994: 39).

[14] It is unrealizable because it is environmentally unsustainable and because human diversity cannot be reduced to a universal market rationality.

changing paradigm. Further, it is not just that the decline of developmentalism stimulates conceptual diversity, but that it opens up new spaces for productive and social diversity. Downsized and technologically flexible production is one effect, as represented in the plethora of what are known as "post-Fordist" studies (Harvey 1989; Lash and Urry 1987; Piore and Sabel 1984). The other effect stems from the neglect associated with globalized markets—where communities of producers are made redundant by technological shifts or offshore relocation of economic activity (including agribusiness). And where states are busy downsizing to remain creditworthy, they typically have little to offer by way of compensation, or effective retraining, as their social budgets (including those for community development projects) have shrunk. Indeed, the U.S. initiative in the GATT Uruguay Round was aimed precisely at reducing expensive farm subsidies, as a tactic to deploy multilateral pressure rather than direct pressure on farm interests (Paarlberg 1992).

Of course, there is possible synergy between these two effects, where marginalized communities either bootstrap their way into a market niche through some nonfarm enterprise, or provide a new low(ered)-cost labor force for a global firm.[15] The point remains, that in the new global economy many regions and communities find themselves compelled to survive in a post-developmentalist context where social protections, formerly centralized in the hands of the national state, have evaporated through withdrawal or decentralization. And the whole thrust of the rules associated with the newly instituted World Trade Organization involves dismantling farm protections, although this is an agenda rather than a reality at this point (Ingco 1995).

The new rural sociology, in short, addresses a real transition—where national economic systems are being unpacked and then only some parts are repackaged for the global economy. Rural diversity, as survival within or outside of the global economy, is a growth business, leading to a redefinition of "rurality." In addition, the social importance of rurality grows with the evident failure of urban centers to absorb rural migrants across the world, especially so in the South (Araghi 1995). Situating rurality and its possibilities invokes the problem of specification.

The problem of specification: global/local analysis

In addition to paradigmatic changes encouraging new perspectives on rurality, there is a methodological issue expressed in the (false) opposition between "local" and "global" analysis. The discovery of diversity on the ground is paralleled by the discovery of globaliza-

[15] See the analyses of restructuring of meatpacking labor forces in the American Midwest by Stanley (1994) and Gouveia (1994).

tion. Neither phenomenon is new. But the parallel is striking. Localist studies and advocates (Amin 1994; Long 1990; Marsden et al. 1992; Murdoch and Marsden 1994; Roseberry 1993)[16] have mushroomed alongside a proliferation of globalization studies (Bonnano et al. 1994; LeHeron 1993).[17] This is unsurprising, as global integration crystallizes the local, even to the point of generating reaction to global analysis.

One such reaction is to the concept of the "food regime." This illustrates the specification problem. There has been concern, for example, that food regime analysis discounts agricultural diversity and its ecological dimensions (Buttel 1995), that efforts to reclaim or revitalize local communities are "effectively silenced by the categorical logic of the 'global food regime'," (Whatmore 1994:59), and that "the food regimes literature is surprisingly silent on geography, accenting historical over geographic insight, except in coarse geopolitical terms" (LeHeron and Roche 1994:2). These are all valid concerns if one understands the "food regime" as a theoretical, or an empirical, construct.

However, as LeHeron and Roche suspect, the concept of the food regime is a *historical* concept, which is why it addresses geopolitical rather than geographical concerns. As a historical concept, it is also comparative—not geographically, but historically comparative. That is, it specifies the political history of capitalism, understood from the perspective of food. Thus the "food regime" distinguishes two periods of recent capitalist history (late-19th century, mid-20th century), each of which is framed by contradictory principles of organization—territorial/geopolitical and capitalist—marking hegemonic transition (Friedmann 1987; Friedmann and McMichael 1989). For example, in the postwar era (the second food regime), the United States projected an ideal notion of development (nationally-managed economic growth) that institutionalized the nation-state system as a political anchor for global power. At the same time, it sponsored a contradictory principle of "freedom of enterprise," through which transnational firms could spin global commodity webs that subverted coherent national economic organization. Here capitalist organization was in tension with territorial/geopolitical organization.

[16] There is a rich genre of local studies geared to local empowerment possibilities (see chapters by Arce, Villarreal and de Vries, Bebbington, Hulme, and Edwards in Booth [1994]) which, while understood as "endogenous" development, respond to prior, or contextualizing, relations.

[17] LeHeron (1993) seeks to develop a comprehensive "globalization perspective" that extends beyond a "capital-centered" view to include policy, and reflexive local dimensions. Bonanno et al. (1994:4) view globalization as a primarily economic process, with TNCs as the critical actors redividing labor worldwide, where regions are either "winners" or "losers." A third volume (McMichael 1994) focuses on the politics of global restructuring of agro-food systems—whether local, national, regional or global—rather than on globalization *per se.*

The concept of the second food regime is a vehicle for understanding these historical dynamics from the perspective of the politics of agriculture and food. As such, it is not a construct with which one can actually theorize (or account for the endless empirical details of) the world's agricultural and food systems. The concept is historical, and therefore not generalizable beyond the particular history being conceptualized. This kind of interpretive analysis is of a different epistemological order than that which seeks comprehensiveness or elegant (or positivist) logical scenarios. Neither empirical detail at the ground level, nor a theory of capital *per se*, the "food regime" is simply a historically grounded construct emphasizing the political history of capitalism from the point of view of food.

The "food regime" construct has the same epistemological status as the interpretation of "globalization" in this article. That is, it is not a *theory* of global process nor an empirical study of global tendencies, such as economic integration—rather it is a conceptualization of the political history of capitalism via a comparative-historical construct. As such, it is not comprehensive; rather, it orients the analysis of food complexes to key state/economy relations, understood in world-historical terms. In this respect, the construct can frame analysis of case studies (McMichael and Kim 1994; Talbot 1994; Ufkes 1994). This involves a second (methodological) step of empirical examination through the lens of the construct, where the case study's particular state/economy configuration offers local expression of, and counterpoint to, the global dynamic posited in the construct.[18]

There was a time when the deductivism of the development era governed sociological analysis, and rural sociologists examined farm structures through the prism of classical theories of capitalist development (Goodman, Sorj and Wilkinson 1987). With the unraveling of developmentalism, universal claims and categories have been under growing suspicion (Buttel and McMichael 1994). The concepts of the food regime and of regulation have both been identified as suspects—and worse, as bedfellows (Goodman and Watts 1994). In my view, it is the understanding and use of these concepts that has been suspect. As argued here, the "food regime" is misconstrued as a theoretical (logical) concept.[19] And, as argued elsewhere, the concept of "regulation" is misconstrued, through the lens of developmentalism, as a national relation and is rendered incapable of comprehending the dynamics of the post-Bretton Woods capitalist

[18] For example, the changing organizational features of East Asian farm sectors and changing Pacific Rim geopolitics are dynamically interrelated in time and space in McMichael and Kim (1994).

[19] Theoretical concept here suggests the assumption of propositional relationship to other concepts, implying a causal theory which assumes a logic of its own in structuring analysis of/and outcomes.

world (McMichael and Myhre 1991:85–87). In either case, the historical relations underlying concepts, and their construction, are obscured, giving rise to the "violence of abstraction."[20]

Unless we specify the historical relations in our concepts they remain abstract. "Levels," or units of analysis cannot be taken as empirically given.[21] Social units are self-evident in neither space nor time: they form relationally.[22] In this sense, the opposition of local and global analysis is a false opposition, as each template is a condition of the other. On their own, conceived in non-relational terms, global and local "units" can only exist as reified levels of analysis. Global relations are inconceivable without local "faces" (e.g., states, micro-regions, communities), just as the "local" has no meaning without context (whether it is a community with exchange relations beyond its boundaries or a community resisting the reach of states and markets).[23] The very definitions of "global" or "local" are not only mutually conditioning, they continually change. For this reason, the use of "local" and/or "global" terms of reference needs problematizing. This essay has attempted this in regard to the concept of globalization and its expression, through restructuring processes, in local contexts.

Conclusion

The arrival of the post-developmentalist era raises a series of new questions about the organization of rural economy and society. Some of these derive from the rise of alternatives to the urban-industrial focus of developmentalism, and the growing interest in sustainability. Others derive from the restructuring of markets as global economic relations override national economic relations. Either way, post-developmentalism is not simply a new phase of capitalism or social organization—it is the consequence of an active project of globalization, involving a drastic restructuring of political and economic relations. Rather than concede the process of economic globalization as inevitable context, we are better served by problematizing it. In doing so, rural sociology has a unique opportunity to reclaim its subject. Rurality, ecology and agro-food systems all figure prominently in the common process of restructuring. The

[20] The "violence of abstraction" is most powerfully critiqued by Sayer (1987). Note that abstraction is an essential part of conceptualization—the problem arises when abstractions are endowed with agency.

[21] Goodman and Watts (1994:39) propose a patterned "territorial" analysis of agro-food complexes, juxtaposing (inconsistently) "global processes and local . . . specificities," where local specificities derive from agro-food "exceptionalism" (vis-à-vis capital theory), but global processes remain unexamined.

[22] For an elaboration of this, see McMichael (1990, 1992).

[23] For good examples of contextualization of local relations, see Tomich (1994) and Gouveia (1994).

trick is to establish how restructuring conditions the options faced by particular communities and regions. This is both a practical, and a methodological, issue.

In this essay, I used the Mexican case to illustrate the mutual conditioning of local and global relations. This case demonstrates that it is difficult to isolate local relations, as "localism" expresses itself precisely in historical, and therefore, global terms. Arguably, this is likely to be the case, one way or another, with most local entities, since their boundaries are ultimately social rather than geographical. In other words, it is not the entity itself so much as the entity in its relational field that concretizes restructuring. And in order to concretize, we need to have some understanding of the way in which relational fields are constructed historically.

As a broad relational field, developmentalism was constructed as a transnational project designed to integrate the postwar world, and is now undergoing dramatic revision via globalization. I conceptualize this project as the global reconstitution of the monetary and wage relations of capitalism across the state system. As such, it provides a fluid institutional context within which particular cases and entities can be examined. That is, while it does interpret the broad shift in organizing principles in the world economy, it can only initiate, rather than prefigure, analysis of particular cases and entities that negotiate this relational field.

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