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**Reconstructing Polanyi in the Late Neoliberal Era:
A Critical but Optimistic Perspective.**

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Why hasn't four decades of neoliberalism erased the legitimacy of Karl Polanyi's perspective?¹ Why is his masterwork, *The Great Transformation*, still such a powerful reference point for contemporary social scientists three quarters of a century after it was written. Trying to answer these questions does more than help us understand Polanyi's work. It is a heuristic strategy for understanding the current global political economy and the possibilities for changing it.

As is typical of great social scientists, Karl Polanyi got his most important single prediction about the trajectory of the global political economy wrong. Written in a hopeful moment at the end of World War II, *The Great Transformation* begins by asserting that "Nineteenth Century Civilization has collapsed" and that this collapse has "ushered in" a great transformation (2001[1944]:3). The next chapter begins by reiterating the same assertion: the "disintegration of the world economy which started at the turn of the century" has been followed by "the transformation of a whole civilization." (2001[1944]:21). Later Polanyi says confidently, "Undoubtedly our age will be credited with having seen the end of the self-regulating market." (2001[1944]:149). And, he ends the book by talking about how "the discarding of the market utopia" that was the ideological core of 19th century civilization brings us "face to face with the reality of society" and therefore creates the foundation for building "freedom in a complex society" (2001[1944]:267).

Three-quarters of a century after Polanyi proclaimed the advent of the great transformation, the utopian ideal of the self-regulating market continues to hold sway and a society oriented by the "principle of social protection." (2001[1944]:138) seems as far beyond the grasp of global society as ever. So why don't we just jettison Polanyi and focus our attention on the plethora of theorists of neo-liberalism? The answer to this question is threefold.

First, Polanyi's analysis of the "double movement" [138,156] –the interaction of two antithetical organizing principles – the "principle of economic liberalism" and the "principle of social protection" [138] – does not depend on the prediction of a great transformation for its theoretical value. It remains a powerful analytical lens for

¹ For a recent example Polanyi's continued charisma – see Kuttner 2014.

examining the tensions of market society. Indeed, it is the vision of the persistent tension between the two sides to the double movement that makes Polanyi's historical analysis so heuristically valuable.

Second, Polanyi's assessment that the post-World War II period represented a "Great Transformation" was more prescient than it may seem now. Polanyi was right that he was witnessing an important shift in capitalism in the direction of increased social protection. There actually was a "great transformation" in the mid-20th century, as governments took on new responsibility for managing the economy, legitimated by the economic analysis of Keynes, and new responsibilities for protecting society in response to the demands of the labor movement and other social movements. This produced what is now known as the "golden age of capitalism" (see Hobsbawm, 1995). The provision of increased social protection during this period made it arguably the most successful version of capitalism that we have seen to date.

Finally, the idea of a more thorough and enduring great transformation provides a particularly attractive and intriguing paradigm for positive future possibilities, a valuable counterpoint to the traditional Marxist vision of socialism as defining the positive future. Thus, Polanyi leaves us with the challenge of trying to project what kinds of cultural, social and political change would be sufficient to produce a thorough and durable great transformation and offers a set of analytical tools derived from historical analysis that can be applied to our efforts to project future possibilities.

My effort in this paper is to extend and reconstruct Polanyi's analysis with a view to using it to confront the analytical and political challenges of the world as remade by four decades of neoliberalism. First, I will elaborate the central elements of the double movement. Next, I will focus on extending the basic double movement frame through a re-examination of the potentials of the interaction between the logic and markets and the logic of the national power, a task that Polanyi himself neglected. For this task, the work of Giovanni Arrighi provides a good complement to Polanyi.

Reconstructing the Polanyian perspective to focus on global level requires going beyond looking at the interaction of the market system and the international order. It also demands re-conceptualizing the movement for social protection as a global process. In this effort I will draw on my previous work (2008, 2014a) on "counter-hegemonic

globalization.” Looking at “counter-hegemonic globalization” provides the pivot to the final question: what are the prospects for a full-fledged Great Transformation. Here I will try to consider both reasons why we might be forced to be more pessimistic than Polanyi and reasons for arguing that a full-fledged Great Transformation is still not beyond the reach of today’s global society.

The Dynamics of the Double Movement

The essence of Polanyi’s theory of social change is the idea of the “double movement” [138,156] – which he characterizes as the interaction of two antithetical organizing principles: the “principle of economic liberalism” and the “principle of social protection.” [138] Two basic structural assumptions are fundamental to the idea of the double movement. Most important, full implementation of the “principle of economic liberalism” is not an empirical possibility. Fully disembedding of the market from society would indeed annihilate society and markets cannot operate in vacuum. Efforts to implement the utopian ideal can never fully succeed without destroying the social matrix that makes exchange possible at all. Nonetheless, the closer the advocates of the utopian ideal come to succeeding the more devastating the consequences.² Thus, it is hardly surprising that they generate the “spontaneous reaction” to the threat of the utopian idea of the self-regulating market.

The goal of embedding markets in society, of subjecting exchange to the social rules, norms and control does not have the same self-limiting character. Nonetheless, in modern society – defined as post-machine production -- the full success of the movement for social protection is equally unknown. Thus, the double movement continues in practice as an unstable equilibrium. Market generated catastrophe has been (so far) avoided by movements in the direction of social protection and a full-fledged great transformation has not been achieved. A fierce tension continues indefinitely. Analysis of the dynamics pushing in the direction of greater market dominance is fundamental to and Polanyi devotes detailed attention to this side of the movement. More interesting,

² Polanyi sums up the devastation as follows: “the destruction of family life, the devastation of neighborhoods, the denudation of forests, the pollution of rivers...and the general degradation of that do not affect profits.” See Polanyi, *The Great Transformation*, 139.

however, is the question of what kinds of cultural and organizational foundations serve to strengthen the other side of the equation – the movement for social protection. Polanyi's depiction of the movement for social protection is provocative and heuristically intriguing, but still in need of reconstruction and extension. Here I will only indicate some directions that this elaboration might take.

The Cultural Foundations of Movements for Social Protection: By asserting that the movement of society to protect itself is essentially automatic. Polanyi, takes liberal presumptions of the “naturalness” of the unregulated market and replaces them with the presumption of the naturalness of movements for social protection.³ The roots of this automaticity are not simply interest-based responses to material deprivation and ecological destruction. They are also grounded in popularly shared cultural presumptions regarding the relation between economic exchange and social organization. For Polanyi, forms of social organization based on reciprocity and redistribution were the prevalent modes of social organization historically and comparatively, with the modern market dominated society constituting an aberrant social form. The idea that even those confronting market domination will retain a sense of the aberrant character of this form of organization is an important part of the spontaneity of the movements for social protection.

Can movements for social protection in the 21st century count on the sort of cultural foundations that might be plausible for 19th century peasant producers drawn into a wage based industrial employment? Most current analysts assume that the being able to draw on alternative models of what constitutes ‘normal’ social organization is a privilege restricted to those recently drawn into full participation in the global market economy. Those with experiential connections to indigenous communities would be an example. For the vast majority the reverse assumption is made. “Neoliberal ideology” - essentially a more sophisticated and multifarious version of the utopian ideal of the self-regulated market as a sufficient master institution for the realization of social goals – is

³ Thus, Polanyi defines socialism as “essentially the tendency inherent in industrial civilization to transcend the self-regulating market by consciously subordinating it to democratic society.” [242]

assumed to dominate at the global level and to have been incorporated into the presumptions of ordinary people locally as well.

The dominance of neo-liberal ideology is almost certainly exaggerated, but at the same time is clear that most of the contemporary citizenry cannot draw on direct experience with redistribution and reciprocity as dominant modes of social organization. If the cultural foundations of movements for social protection cannot be founded on experiences with non-market societies, they must be constructed on the basis of experiences within market societies. A multiplicity of such bases are possible but, for purposes of this schematic summary, suffice to underline that the reconstruction of the cultural foundations of movements for social protection is one of the principle challenges for developing a Polanyian analysis of contemporary movements for social protection.

The Organizational Ambiguities of the Movement for Social Protection: Polanyi's "movement for social protection" is a general phenomenon. While Polanyi considered the role of workers' organizations as a key element in the overall movement, there is no assumption of industrial workers comprising a privileged "historical subject." To the contrary, Polanyi insists (2001[1944]:163) that the success of any class or social group in playing a role in movements for social protection "is determined by the breadth and variety of the interests, other than its own, which it is able to serve."

In this respect, Polanyi's vision is congruent with contemporary focus on "social movements" as change agents rather than on the traditional proletariat or the "modern prince." At the same time, because the movement for social protection is projected as spontaneous and general, questions of specific organizational forms and their interaction are not part of the analysis. It is one thing to postulate specific groups or classes serving a breadth of interests and quite another to specify the conditions, ideologies and strategies than enable politically effective alliances among concretely constituted social groups.

In the contemporary social movement literature, one prominent organizational divide is between the more traditional command and control types of organizations (archetypally represented by traditional trade unions) and smaller organizations agglomerated on a network or "rhizomic" basis (see Evans, 2010). Other categorizations may end up being more important, but regardless of what categorization is used the point

remains the same. Translating shared social agendas into action requires specific organizational form. Some will work better than others and if we are to really analyze and assess the double movement we must put organizational flesh and bones on the movement for social protection.

Equally important, in Polanyi's analysis of the movement for social protection, the "breadth and variety" of the interests served by a particular group are primarily defined in sectoral terms. The social and geographic boundaries of society that is protecting itself is a national one, with England the archetypical case. A 21st century version of a Polanyian analysis of the cultural and organizational challenges standing in the way of the full development of the movement for social protection must be expanded to the global level. In my own efforts to do this (e.g. Evans, 2008, 2014a) I have used the concept of "counterhegemonic globalization" that is the idea that transnational connections can enhance the leverage of a project of social projection.

Before going on to elaborate some of the organizational implications of redefining the movement for social protection as "counter-hegemonic globalization," it makes sense to revisit Polanyi's vision of the relation between market society and the international order and expand on it. In reaching beyond Polanyi and looking for ways of understanding, not just on the dialectic tension between society and markets, but also bring in the global dynamics generated by the interaction of "anti-systemic movements" with shifting hierarchies of national power, the work of Giovanni Arrighi is a fruitful source of ideas.

Market Society and the International System

Polanyi's analysis emerged in the chaotic and nearly catastrophic first half of the 20th century. The politics of nationalist economic rivalries, conflicts and war appeared to be the prime problems confronting Western civilization. Polanyi responds to this perception by beginning *The Great Transformation* with a discussion of international relations. His genius was to point to the long historical accretion of corrosive effects of expansion of the markets dominance over society as the underlying origins of the chaos, turning destructive international politics into a symptom rather than a cause. This shift in the conversation is the foundation of Polanyi's contribution, but it had limiting

consequences for the way in which the international order is integrated his analysis of the double movement.

In Part I of *The Great Transformation* global rules – most prominently the gold standard – are highlighted as the most destructive manifestations of the dominion of the self-regulated market. While Polanyi appreciates the extent to which “the ‘crafty animal’ the politician” [221] went about enacting policy after policy that flew completely in the face of liberal rationality, he saw the effects of this craftiness as likely to be negative – from imperialism to fascism. Polanyi’s instinct that the interaction of the movement for social protection with the logic of the international system was likely to reduce the prospects for a great transformation was astute. Indeed, reflecting on this interaction in the late neoliberal era highlights the negative side of the interaction.

Nonetheless, before going on to highlight these negative interactions, it is worth at least noting two positive possibilities. First, there is the possibility that being on the periphery of the global political economy might give nation states greater affinities for allying with movements trying to transcend the dominance of the global self-regulating market. Second, there is the possibility, raised by Arrighi, that a shift from a global system based on the hegemony of Western nation states, whose ascendance was inextricably tied to both military prowess and the rise of global capitalism, to an Sino-centric system of national hegemony might create additional space for social protection. I will look at each of these possibilities in turn.

If it were possible for state actors in the Global South, not only to promote projects of social protection domestically, but also to become allies of transnational movements for social protection around particular agendas, the prospects for a great transformation would be significantly enhanced. The possibility is at least worth considering. Likewise, the question of how shifts in “hegemony” in the international relations sense (national dominance relative to other nation states) might help or hinder “counter-hegemonic globalization” must at least be raised even if it can’t be resolved.

Those who argue that states, even ostensibly democratic states, must always be instruments of capital (and in a globalized world, instruments of global capital) have a point. Nonetheless, there is an argument that at least some states have a vital interest in replacing the existing set of global rules, which are unrelentingly oriented toward

maximizing the profits of globally dominant firms and minimizing the extent to which these firms are constrained by democratic political processes, with a quite different set of rules that would be more “social protection” friendly. Social democratic regimes in the Global South, of which the “pink tide” regimes that have recently emerged in Latin America are the best potential examples, are the most obvious members of this set of states.

Arguably, the long-term political survival of social democratic regimes in the Global South depends on the reconstruction of global markets (see Evans, 2010b). The constituencies that provide electoral support for these regimes may be satisfied in the short run by marginal increases in social expenditures and more efficient distribution of these expenditures, but in the long run the implementation of a social democratic agenda in the Global South is hamstrung by current global rules. Their currencies are always vulnerable, so they will continue to pay a correspondingly large price for the financial volatility that the absence of effective global financial government entails. They need the ability to construct national markets for fundamental goods and services in ways that are “social protection friendly.” Current global rules are aimed at taking away that ability. Global property rights regimes are biased toward capital based in the North at the expense of both consumers and locally oriented capital in the South (with pharmaceuticals being the archetypical example). Does this logic ensure that social democratic states in the South, even relatively powerful states like Brazil, will become agents of counter-hegemonic globalization? Hardly! Nonetheless, it does suggest that if democratization can be pushed sufficiently in a social democratic direction, democratization may create divisions between these states and global capital and alliances between them and the movement for social protection.

Taking advantage of a shift in the character of the globally dominant nation is a very different possibility for furthering an agenda of social protection, but one worthy of exploration. Here the work of Giovanni Arrighi offers some provocative speculations regarding the possible effects of a shift from U.S. to Chinese hegemony.⁴ For Arrighi,

⁴ The line of argument that follows requires bracketing Arrighi’s most fundamental propositions regarding the current shift in hegemony: 1) periods of inter-regnum in the global system are characteristically periods of chaos; 2) the relative hypertrophy of U.S. military power magnifies the destructive potential of chaos

changes in national hegemony are not simply shifts from one country to another, they are symptomatic of transformations in the character of the governance and organization of the global political economy. As he puts it in the new postscript to *The Long 20th Century* (2009a:6), the sequence of hegemons from Genoa to the U.S. “describes an evolutionary pattern towards regimes of increasing size, scope and complexity.”

In Arrighi’s view, if there is another transition it would be toward an East Asian “Archipelago” in which the Chinese state and its interests might be politically dominant, but the surrounding network of economic ties, including those constructed by the Chinese Capitalist diaspora would be the essential economic integument of the system. Politically, “the leading governmental organization of this new regime would approximate the features of a ‘world-state’ more closely than the United States already has.” (2009a:12).⁵ For Arrighi, a successful shift to East Asian hegemony implies a less prominent role for military force, a territorialist logic involving more consent and less domination. It also implies that “countries will be relating to one another through market mechanisms which are not at all self-regulating, but are regulated” (2009b:88).

Arrighi is elaborating on one set of possibilities, while clearly aware of a range of others with much more negative implications for human survival (say nothing of social protection). Nonetheless, these speculations raise interesting possibilities for the prospects of social protection in the event that a new form of hegemony actually emerged.

In Arrighi’s vision the interests and power of capital do not appear as the major obstacle to subordinating markets to society. Nor are the repressive and anti-democratic features of the Chinese Communist Party rule seen as diffusing along with East Asian hegemony. Were the current preferences of global capital and its power to pursue these preferences to persist unchanged, then a transnational movement of movements would continue to be just as essential to the pursuit of social protection. If the anti-democratic

during the current shift. In other words, there is no reason to believe that global catastrophe will be avoided during the process of the shift that is underway.

⁵ The closing page of *Adam Smith in Beijing* (2007:389) imagines the possibility of an even more halcyon scenario in which “a commonwealth of civilizations truly respectful of cultural differences,” based on “accumulation without dispossession, mobilization of human rather than non-human resources, and government through mass participation in shaping policies”

domestic *modus operandi* of the CCP were to persist and be diffused globally, the role of transnational movements as the global bearers of democratic vision and practices would be even more important.

What advantages would this hypothetical new regime have from the point of view of counter-hegemonic globalization? From Polanyi's point of view, it would have one very large advantage: the ruling ideas of the new regime would not center on the utopian myth of the self-regulating market. Capital's overwhelming command over material resources might remain but its ideological advantage could not help but be diminished. In addition, any shift in the character of the hegemonic regime away from reliance on military threats toward more "civilized" forms of governance would be a fundamental positive change from the point of view of a counter-hegemonic effort built around networks, alliances and capturing the collective imagination.

Arrighi's optimistic vision of the potential gains from shifting hegemony may well, of course, be completely wrong. The consequences of hegemony may be less distinctively dependent on historical context and more determined by the structural dynamic dynamics of differential national power. If China's changing role replicates prior sequences of association between rising power and increasing aggressive nationalism, then the new international order would have none of the progressive implications that Arrighi envisions. Indeed, a global projection of the Chinese state's very effective domestic repression of independent civil society organizations could create a world with sharply diminished prospects for the movements for social protection.

Having considered the slim threads that might connect the logic of international order to enhanced prospects for a great transformation, it is necessary to highlight the much more obvious negative connection: the ability of global capital to use the nation state as a political shield and scapegoat, deflecting and absorbing the energy of movements for social protection and leaving the market dominated order in tact.

National Movements for Social Protection and Global Capitalism

As in Polanyi's day, the most visible mobilizations for social protection are more likely to be directed against states than against capital or the market system. States are,

of course, legitimate targets, but in a Polanyian perspective, focusing on the state rather than on the market is a mistake. Even though states are the major actors legitimating and enforcing neoliberal rules at the transnational level, private capital is not only the primary beneficiary of these rules and the driving interest behind them but also plays a direct role in their formulation and institutionalization. Yet, in the current global political economy, the power of private capital is vastly less vulnerable than the power of individual national regimes. Precisely because of the difficulty of challenging global capital and the structure of rules that it creates, mobilization is often directed at reducing state power rather than at reducing the power of capital.

There, of course, good reasons to challenge the power of individual states. They are the political agents of capital. They repress movements that challenge capital and often oppose democratic contestation and movement building more generally. But, movements against repressive, anti-democratic state apparatuses, even if they employ transnational linkages and the technological tools associated with globalization, are not necessarily “counter-hegemonic” in the sense of helping to unseat the hegemony of global capital.

The tragic denouement of the powerful social movements that managed to displace authoritarian regimes in the Middle East provide dramatic confirmations that unseating oppressive national regimes may not only have little impact on the structure of global neoliberal capitalism, but indeed be unable to have a significant impact on social protection domestically. Movements for social protection in Southern Europe have suffered a similar fate, with Greece being the most poignant example. These movements can unseat local political leaders, but they can’t to get to the power of global capital that blocks movement toward increased social protection at the national level.

Making national states more genuinely democratic and therefore more responsive to local movements for social protection is a necessary step along a path that leads to unseating the hegemony of global capital, but the difficulty of creating a great transformation one country at a time, given the persistent pressure on domestic policy exercised by global capital, argues that the pursuit of the great transformation must be a global rather than a national project.

Pursuing the Great Transformation⁶

If recognizing the limits of national movements leads to the conclusion that the pursuit of Polanyi's great transformation must be a global project, a sort of "counter-hegemonic globalization," then what can we say about the character and structure of this project? First and most obviously, the "hegemony" that is challenged by counter-hegemonic globalization is the hegemony of the market, and behind that the hegemony of global capital. Beyond that, the question of organizational form and ideological strategy is a complicated one, even less easily to pin down than the cultural and organizational characteristics of the movement for social protection considered in the national level (as in my initial discussion of the double movement.) I have tried to set out my perspective on "counter-hegemonic globalization as a means of pursuing the great transformation in some detail in a 2008 article. Here I will draw on a more recent 2014 rendition, focusing on two elements of what the broader architecture of counter hegemonic globalization might look like.

The hegemonic global capitalist order is encompassing. The movement for social protection will never be a monolithic actor, but without encompassing solidarities and broad strategic alliances it will remain overmatched. Somehow diverse oppositional strands need to be braided together, multiplying their strength without losing their distinctiveness. Encompassing solidarities and broad strategic alliances are unlikely to arise "naturally," no matter how destructive the effects of the self-regulating market. Consequently "braiding mobilizations" is one of the counter-movement's prime structural challenges.

"Linking levels" is a related architectural challenge. Just as global capitalism subverts national politics, penetrates the social relations of local communities and reshapes individual subjectivities, counter-movements must operate at multiple scales. They must confront global corporate power and the global political apparatuses that sustain it, but democratic contestation without organization and mobilization at the most local level is an oxymoron. Both braiding mobilizations and linking levels are difficult feats. Yet, if we agree with Polanyi's position that encompassing systems help stimulate encompassing opposition, then they seem less beyond reach.

⁶ This section draws heavily on Evans 2014a

Braiding Mobilizations: Rejecting the idea of a monolithic, hierarchically organized movement as the appropriate agent for unseating global capitalism is a central premise of the contemporary “movement of movements.” Santos (2008) argues that one of the definitive features of contemporary counter-hegemonic globalization is that it “rejects the concept of an historical subject and confers no priority on any specific social actor”. This is, of course, very consistent with a Polanyian perspective. Della Porta *et al.* (2006) argue that “strong, totalizing exclusive identities” of traditional single constituency movements are being replaced by “multiple and layered” identities, which combine gender, race, generation, class, and religion and create a distinctively “multifaceted tolerant identity” among activists.

Assuming multi-faceted identities makes sense. For example, a Colombian flower worker is a worker with an interest in trying to secure a collective bargain with her employer, but she is also likely to be a mother with a strong interest in expanding the public provision of childcare and education. Her identity may also include ties to an indigenous community threatened by extractive development (see Sanmiguel-Valderrama, 2011). Multiple identities may well require multiple organizational forms in order to represent an individual actors interests. This may well have different kinds of structures but will need to be connected to each other.

Rhizomic organizations and forums facilitate alliances among constituencies represented by less amorphous organizations, such as labor unions, that utilize more “tree-like” structures branching out authoritatively from clearly-defined decision-making centers. Thus, it is possible to create “networks of trees” which braids together different specific interests. And it is possible to “scale-up” hybrid organizational forms from the local to the global level. The Hemispheric Social Alliance, which brought together labor, agricultural and environmental groups based in the both the United States and Latin America to help defeat the FTAA (see Herkenrath, 2006) is an example. The “Blue-Green Alliance” which joins 14 major unions and environmental organizations (see <http://www.bluegreenalliance.org/about>) is another example of this sort of organizational braiding (see Obach, 2004).

While examples of alliances between mobilizations often thought of as having conflicting interests, like labor and environment groups confirms the possibility of braiding, examples of failure to find common ground for collective action are all too evident. For example, Roberts (2011) describes the disappointing inability of the “Group of 77” nations of the Global South to find a basis for collective action in their quest for climate justice vis a vis the Global North. Successful braiding is likely to be a hard won victory when it occurs.

Building and utilizing shared ideological frames may be an easier starting point than organizational alliances. If memes like “free markets” and “economic growth” facilitate capital’s ability to construct unifying political agendas despite conflicting concrete interests, general normative and ideological frames are even more important to the construction of an encompassing movement for social protection. Neoliberal ideology may be a flexible tool for undermining the movement for social protection, but can also be appropriated and used against market dominance.

The success of the global human rights movement in producing a generalized ideological resource on which other movements can draw is a prime example. The ideological intersection of women’s movements with the human rights movement has long been fundamental (e.g. Merry, 2006). “Worker’s rights as human rights” has become an important organizing theme in the labor movement. Shared ideological frames make it possible for different movements to make use of the same institutions. For instance, both campaigns against domestic violence and indigenous groups threatened by extractive development make use of the Inter-American Commission on Human Rights. Wastepickers’ strategy of escaping their stigmatization as marginalized workers by forging identities as recyclers who are agents of environmental sustainability is a nice example of the political benefits of braiding frames.⁷

One of the best examples of an ideological resource that can enable diverse movements to build shared political agendas is the idea of “democracy.” Neoliberalism’s rhetorical enthrone of democracy as the only legitimate form of political decision-

⁷ For an analysis of recycler strategy at the local level in Bogota, see Rosaldo, 2012. The construction of this new identity at the global level is represented by the Global Alliance of Waste Pickers (GAWP) which played an active role at the UNFCCC (United Nations Framework Convention on Climate Change) conference of the parties in Copenhagen in 2009.

making creates opportunity for global social movements. The idea of “democracy” is, of course, vulnerable to being hijacked, used to justify political processes that reinforce elite control, and provide a fig leaf for capital’s domination of the state. Nonetheless, insistent claims for genuine democracy at all levels remain an ideological trump card.

One good example of how the disjunction between democratic ideology and undemocratic practice can create opportunities for social movements is the obviously undemocratic character of contemporary global governance. From the IMF’s embarrassing “democratic deficit” to the difficulties of manipulating the “one nation one vote” system at the WTO, to the blatant anti-democratic trumping of domestic democracy by trade agreements like NAFTA, the undemocratic character of global economic governance is obvious (Smith, 2007). It has made the organizations that deliver global economic governance politically vulnerable, and movements have made the most of this vulnerability.

The necessity of reinventing democracy in a globalized political economy provides a perfect opportunity for counter-movements at many levels. Global capitalism’s rhetorical embrace of democracy (however hypocritical) makes delegitimizing demands for democratic governance from below difficult. More important, it is an ideological trope that dovetails nicely with the process of institution building that counter-movements must engage in anyway. The process of braiding mobilizations cannot help but generate vibrant debates and innovative practices, reinventing democracy within the counter-movement. Those most excluded may have the clearest sense of how much established systems must change. For example, a new generation of political theorists, whose thinking is derived from their experiences as members of indigenous communities, are adamant in their insistence that indigenous practices offer an alternative to traditional liberal interpretations of democracy that non-indigenous groups need to start taking seriously (e.g. Patzi, 2004).

Fighting for democracy also provides a path for returning to the classic position that if democracy is to have any real meaning it must include democratic control over markets and the allocation of economic resources. A democratically controlled political economy in which markets are embedded in society rather than dominating society is a

radical goal. Indeed, it is a goal that fits Santos' (2008) definition of "something radically better that is worth fighting for".

Linking levels: Arguments that counter-hegemonic globalization is not a feasible option are often grounded on the impossibility of uniting diverse agendas. Contentions that building a global movement is a mistaken goal, regardless of feasibility, are more likely to begin with the proposition that only local movements are capable of representing the authentic interests of their members. In this view, local resistance is the real thing and genuine movements organized at the national level may be imaginable, but movements that transcend national and regional boundaries most almost inevitably become tools of elite groups that, even if they are well-meaning, cannot represent the struggles of grassroots communities, especially those in the Global South.

Undeniably, the sort of direct debate and deliberation that is most easily implemented in local organizations is essential to any counter-movement. Nonetheless, counter-movements from the Abolitionists, through national liberation struggles to AIDS activism have managed to link levels, combining local activism with networks that manage to transcend geography.

Empirically, the last 30 years offers a cornucopia of examples of movements operating effectively across national borders and, more importantly, across the North-South divide. The human rights movement best illustrates the role of transborder action (Keck and Sikkink, 1998). Global organization has long been a feature of the environmental movement as well (Wapner, 1995). The less obvious cases are even more telling. Peasants and small farmers are stereotypically parochial in their politics, yet their current transnational social movement organization, *Vía Campesina*, is aggressively and successfully global (Borras, 2004). As Castells (2004) points out, even movements committed to escaping the domination of modern universalisms end up using global networks and global ideologies. The labor movement is perhaps the most interesting test case (see Evans 2010, 2014). Working in globally-integrated transnational production networks (instead of in "national" firms competing with "national" firms from other countries) makes it clear to workers that their fate is shaped by the same structure of power that dominates workers in other regions (see Anner, 2011; Webster, Lambert and Bezuidenhout, 2008). Efforts to create transnational institutions for the benefit of capital

also help generate labor transnationalism. Tamara Kay's (2010) work on NAFTA illustrates the point.

Establishing the possibility of organizing counter-movements at the global level is only the first step of an argument for linking levels. The crux of the argument is not just that it is possible to add a global level of organization to local and national levels of organization, but that creating synergistic ties between different levels is one of the keys to the success of counter-movements at each level. Here again there are ample examples to illustrate the point.

Alliances with global movements have provided disprivileged groups that are over-matched in local struggles new leverage. Transnational movements can counter the internal repressive capacity of states, especially repressive states in the South that are dependent on global economic ties. They can also provide some counterweight to violent and regressive local elites. From backlands peasant activists like Chico Mendes in Brazil (Keck and Sikkink 1998) to victims of domestic violence in Guatemala (Merry 2006) struggles in which the local balance of power is hopelessly lopsided can gain new life by drawing on resources from outside the local arena.

The production networks created by transnational corporations offer another case in which global power structures and local oppression are intimately connected, generating global-local activist networks in response. Campaigns joining local militancy in the South with a global web of activist networks have become a staple in fights for workers' rights in labor intensive manufacturing industries. Hermanson (2004) provides an iconic example, in which rebellious apparel workers in Puebla, Mexico, who were hopelessly over-matched by an "unholy alliance" of the local political structure, corrupt local union officials, and the relentless owners of the subcontracting assembly plant, manage to prevail through the construction of a global network of NGOs and labor movement organizations.

Examples of synergistic results shouldn't blind us to the danger that transnational social movements replicate the same North-South asymmetries as the dominant regime. Global-local alliances too often consist of "global" networks based in the North, while the "local" is situated in the South. Nonetheless, assuming that the disparate material and political circumstances that divide North from South must inevitably make linking

levels a source of domination would be a patronizing underestimation of the capacities and determination of local activists in the South.

South-based movements like the Zapatistas have proved quite adept at imposing their own priorities on Northern allies (Andrews, 2010). Millie Thayer's (2010) analysis of the ability of rural women workers in Brazil to defend their priorities in negotiations with North-based feminist networks is an equally compelling analysis. Even the basic assumption that the "global" originates in the North and spreads South can't be taken for granted. Local innovations originating in the South have become the orienting ideas for movements in the North. For example, participatory budgeting, which was nurtured, like the World Social Forum, by deeply-rooted, local political activism in Porto Alegre, has become a model for local movements trying to implement "empowered participatory governance" in the North (Fung and Wright 2003).

Some kind of linking levels is almost inevitable. In a globalized political economy, it is hard to operate at any level without building alliances at other levels. The question is not so much whether levels will be linked as whether they can be linked in ways that generate real synergies that further counter-movement goals at all levels.

The Future of the Great Transformation

Polanyi was always engaged, hoping to change the world, not just to analyze it. Trying to follow his lead means trying to imagine future possibilities as well as dissecting constraints.⁸ The pursuit of possibility does not imply the assumption of positive outcomes. Neo-Polanyian optimism was widespread at the end of the 20th century and with the Battle of Seattle becoming its iconic instance (e.g. Gill, 2000;). Even though this optimism has not disappeared (e.g. Smith, 2008; Sandbrook, 2011), more skeptical and pessimistic views have gained prominence in the new millennium (e.g. Stephen, 2009; Burawoy, 2011).

Whether the great transformation will continue to be pursued is not an issue. It will. Polanyi's essential optimism is continually re-vindicated by the active and determined persistence of individuals, communities and movements in the face of increasing destructive market dominance (promoted as always by a perverse political

⁸ See for example, Stewart, 2006.

embeddedness). People continue to make history even when presented with the most obdurate and onerous structural contexts.

Whether the world is likely to get the great transformation that it needs is another question, but answering it with a hypothetical negative, actually changes the analytical agenda surprisingly little. As long as there is some possibility of moving toward subordinating the economy to democratic social control, the analytical task remains the same. Illuminating of the impact of innovative ideas, the relative efficacy of different organizational strategies in different contexts and the possible points of political leverage created by shifts in the international order is a necessary component of the pursuit of the great transformation. Reconstructing and extending Polanyi's foundational framework is one of the most promising routes to instantiating this component.

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