Structuralism

I. Basic Principles of Marxism
II. Three Questions
III. Strengths and Weaknesses
IV. The Theories Compared
Key Marxist Thinkers

- Karl Marx (1818-83)
- V.I. Lenin (1870-1924)
Basic Marxist Principles

- **Dialectical Approach**
  - Thesis ↔ antithesis ⇒ synthesis
  - Economic development is dynamic and conflictual

- **Materialism**
  - Structure and Superstructure
  - Economics primary over Politics

- **Historicism**
  - Primitive communism ⇒ Ancient Empires ⇒ Feudalism ⇒ Capitalism ⇒ Socialism ⇒ Communism
  - Historical contradictions of Capitalism
  - Lenin and Imperialism

- **Normative Commitment to Marxism**
  - Egalitarianism over efficiency
Marxist View of Society

- **Forces of Production**
  - (Material Resources and Technology)

- **Social Relations (Modes) of Production**
  - (Base or ‘Structure’)

- **Ideas, Values, Beliefs, Laws**
  - (Ideological ‘Superstructure’)
Structuralism: Three Questions

- **What is the economy for?**
  - Normative: To help the masses
  - Empirical: To serve the wealthy by exploiting the masses

- **How does the economy work?**
  - Dependency Theory (Terms of Trade and dependent development)
  - World System Theory (Core, Periphery and Semiperiphery)
  - Antonio Gramsci and “Intellectual Hegemony”

- **Relationship between Politics and Economics?**
  - Political organization derives from economic organization
Structuralism: Strengths

- Highlights Nature of Inequality in IPE
- Relates National Development to International Economy
- Marx and the Current Crisis

Occupy Wall Street movement
Structuralism: Weaknesses

- Failure of Communism
- Poorly Developed Concepts
- Influence of International versus Domestic in National Economic Development

Chiapas rebels in Mexico
# The Theories Compared

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<tr>
<th>THEORY</th>
<th>BASIC UNIT OF ANALYSIS</th>
<th>PURPOSE OF THE NATIONAL ECONOMY</th>
<th>UNDERLYING LOGIC OF ECONOMIC INTERACTION</th>
<th>NATURE OF ECONOMIC INTERACTION</th>
<th>RELATIONSHIP BETWEEN POLITICS AND ECONOMICS</th>
<th>POLICY GUIDANCE</th>
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<tr>
<td>Liberalism</td>
<td>Private Actors (Individuals and Firms)</td>
<td>Promote individual welfare (by maximizing efficiency and growth)</td>
<td>Markets driven by prices (Laws of Supply and Demand)</td>
<td>Harmonious between individuals/States (absolute gains; everyone wins)</td>
<td>Separate (Economics should be kept separate from politics)</td>
<td>DOMESTIC: free market and minimal govt. interference INTERNATIONAL: free trade and capital flows</td>
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<td>Mercantilism</td>
<td>State (National Economy as Economic Tool of State Power)</td>
<td>Promote state power (via national economic development [producer interests])</td>
<td>Markets driven by (state) market power</td>
<td>Conflictual across states (relative gains; some win more than others)</td>
<td>United (Economics alters state power; economics subordinate to politics)</td>
<td>DOMESTIC: Industrial policies [sectoral intervention] INTERNATIONAL: strategic trade [limited protection]</td>
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<tr>
<td>Structuralism</td>
<td>Class (Domination of classes within Capitalism)</td>
<td>Promote class interests (domestic or core vs. periphery)</td>
<td>Markets driven by class interests, both domestic and international (uneven development)</td>
<td>Conflictual across classes and states (system serves interests of dominant group)</td>
<td>Politics derives from economics (politics subordinate to economics; structure and superstructure)</td>
<td>DOMESTIC: protectionism and ‘import substitution’ INTERNATIONAL: reform of IPE/closed economies</td>
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