

Political Economy, Markets, and Institutions

A New Decision Calculus: Race in International Political Economy Studies

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On September 30, 2020, several of us dialed in to attend a webinar panel discussion on "Race, Identity and Culture in the (Post-)Globalization Era." The participants shared their thoughts on how and why race factors into international political and economic processes. In the spirit of addressing the topic from a political economy perspective, it seems worthwhile to outline the decision calculus that determines why considering race in international political economy (IPE) research is a good idea. If the benefit b of accounting for race times the probability p of success outweighs the costs c weighted by the probability $(1 - p)$ of failure, race should be a key component of IPE research moving forward.

DEFINITIONS

Before delving into the cost-benefit calculus of studying race, it might help to define *race*. Howard Winant (2000) defines race as "a concept that signifies and symbolizes sociopolitical conflicts and interests in reference to different types of human bodies" (172) and points out that categorizing races based on physical characteristics is a social, historical, and political process that is both imprecise and often arbitrary (172). This definition makes it clear how race can be a dynamic concept that changes over time and place, as Alexandra Guisinger noted in the webinar. Race theory is continually evolving (Pettigrew 1980a, 1980b; McKee 1993; Omi and Winant 1994), with multiple and sometimes contradictory theories that understand race to be a collective ethnic identity, a class-based categorization, and/or a geopolitical designation (Wimmer 2013; Brubaker 2009; Kivisto 2008; Dancygier 2010). Race is a social construct, and therefore the term *race*, as well as different groups considered to be *races*, carries varying meaning across societies and academic disciplines.

For readers seeking a clearer concept of the field of international political economy, I adopt an inclusive definition of *IPE research* as work that investigates the political causes and/or consequences of international-level economic phenomena (such growth, globalization, or poverty) or economic policy (such as trade, finance, monetary policy, or foreign aid). Rather than designate a specific theoretical problem we should seek to solve by considering race, I instead use the calculus below to offer examples of the variety of mechanisms and processes that the consideration of race could help us understand. The meaning of race to IPE is up



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to each of us to decide.

COST

How much would it cost to consider race as a key factor driving or affected by trade, debt, foreign development assistance, monetary and financial policy, or migration? As Andy Baker pointed out in the panel, most of our work accounts empirically for race and/or ethnicity already; measuring race should not be costly. The cost we face would be

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in extra time spent theorizing about race and how it conditions experiences and shapes economic attitudes, and then using those theories to expand our empirical investigations to focus on race. In short, we need to do the work necessary to bring race from a control variable to a key explanatory variable.

Such work would take time and energy, but we are fortunate that other disciplines and subfields have spent a lot of time working on the idea. We know, for example, that identity characteristics like race affect both our political socialization and the way we perceive political and economic events in the world. Race affects our trust in each other and in government (Hetherington and Globetti 2002; Marschall and Stolle 2004), our assessment of the performance of public officials in key events like disasters (Reinhardt 2015a; Koliba, Mills, and Zia 2011), and our own sense of place and space (Light and Harris 2012; Falk, Hunt, and Hunt 2006). And because we know that these factors are determinants of our worldviews and decisions moving forward, we also know that race drives decisions about migration (Reinhardt 2015b; Burrell et al. 2019; Erel, Murji, and Nahaboo 2016; Berg 2017; Kaur 2004; Silverstein 2005; Fussell, Sastry, and VanLandingham 2010), investment (Rajaram 2018; Findlay and Lundahl 1987; Shin and Hanna 2015; Gutter and Fontes 2006), and political participation (Bobo and Gilliam Jr 1990; Bueno and Fialho 2009; Leighley and Vedlitz 1999; Verba et al. 1993; Fairdosi and Rogowski 2015; Anoll 2018).

Beliefs about merit, tradition, redistribution, and relationships between and among countries and areas of the world are imbued with judgments about race and class. It should not be a very large cost, then, to bring insights from work on race into IPE. As Maha Rafi Atal notes in this issue, critical race theory (CRT) is a lens for examining race that is already well suited to an IPE perspective (Atal 2021). Her compelling argument for considering “whiteness as property” illuminates the idea that, although race may be *constructed* differently across time and space, it may be *materialized* similarly. This perspective opens new avenues for investigating IPE puzzles. Is a propensity or willingness to trade with or send development aid to other countries fundamentally about beliefs in what people in those countries are worth? Do decisions about multilateral finance, assistance, debt relief, and trade sanctions depend on actors’ perceptions of the benefits of a world order that reconceptualizes race and the value of whiteness (or nonwhiteness) in a particular way? Should we view the property of race as a factor endowment for an individual or a nation-state?

BENEFIT

Any cost must be offset by a benefit if a change in scholarship is to be worthwhile. Luckily, the potential benefits to giving specific attention to race in IPE are manifold. As a social construct, acknowledging the role of race in IPE opens a wealth of possibilities for investigation. Race varies in meaning and salience across cultures and geopolitical borders. Because group vulnerabilities are often based on race, the effects of globalization are likely to be conditional on race, and as a research field, we know very little about those conditions. Such issues can be investigated with field experiments, as Andy Baker suggested, as well as survey exper-

iments using indirect questioning techniques (Chaudhuri and Christofides 2013) and more standard observational studies that examine subnational identity-based categories as units of analysis rather than nation-states.

Even more benefits lie waiting amid grant funding opportunities, which often prioritize work based on vulnerable groups, including those based on gender and race. We know from research into political behavior that identities based on race, gender, and class intersect to jointly construct each other (Shields 2008). Work on intersectionality shows a profound difference between the experience of minority-race women versus minority-race men, for example, in terms of redistribution, trust, power, and economic and human rights (Reinhardt 2019; Randall 2016; “A Union of Equality: EU Anti-Racism Action Plan 2020-2025” n.d.). Though race is, at its heart, about identity, racial discrimination is structurally supported by laws and systems that allow discriminatory treatment to persist. Bringing an IPE approach to interrogate these structures will open doors to funding around the world (“Social, Political and Economic Inequality | RSF” n.d.; “Soros Equality Fellowship” n.d.; Marketing Communications: Web // University of Notre Dame n.d.).

Studying race in IPE can also help make the field more diverse and inclusive. Scholars who study race and racial discrimination are found throughout many subfields of economics and political science, including comparative politics, American politics, judicial politics, political behavior, labor economics, economic policy, health and welfare economics, public economics, and economic history. Some scholars investigate race and IPE topics in interdisciplinary fields, such as environmental studies, disaster studies, human rights, public health, and public policy. To fail to consider race in IPE signals to these scholars, and to early-career researchers, that the subfield as a whole has little interest in the work they do or the perspectives they bring. We risk remaining ignorant not only of the way race factors into political economy processes but also of the enrichment a diverse group of scholars can bring to any work.

For some, the most important benefits of examining race as a key explanatory IPE variable will be the material, expressive, associative, and psychological benefits that come from responding to a normative imperative to study race, as well as the implications such work can have on human rights and civil rights in various parts of the world. This exigency is one of the key reasons so much research funding is available to study discrimination—the drive is based on the acknowledgment that globalization, growth, and social and economic development have brought varying levels of wealth and hardship based on group characteristics such as race, gender, and class. Research that considers race as a key determinant of economic and political processes and outcomes thus could not only fulfill a personal desire to contribute to the pursuit of equity in human rights but also contribute concrete advice and recommendations that help advance an important policy goal.

PROBABILITY

Of course, the cost and benefit of studying race in IPE must be weighted by the probability of such work being “successful.” In a sector where new applications and tests of existing

models, and new ways to think about known processes, are rewarded with widely available funding possibilities, swift publication, and multiple citations, the probability of success by engaging in rigorous, thoughtful work on race in IPE is high. Collaborating with scholars already studying race and racial discrimination will boost the probability of the work revealing important insights while making the field more inclusive. As Rachel Wellhausen (2021) aptly notes in this collection, there is space for each of us to examine race in the context of IPE, and doing so does not redistribute the pie but instead expands it. It is likely that such work will attract new graduate students, and that early-career researchers pursuing this work will be marketable for posts ranging from academic IPE positions to positions seeking diversity, equity, and inclusion specialists in schools of interdisciplinary programs and research clusters in international financial and monetary organizations.

TOTAL EXPECTED VALUE

Each scholar's final decision calculus regarding whether to study race in IPE must, of course, depend on opportunity costs and personal benefits that I do not address here. Just as we expect racial discrimination to be structurally perpetuated, so should we also address the structure within IPE that currently dissuades race as a topic of study. The probability of success of conducting research in race and IPE could be heightened by a variety of means, including calls for special issue contributions on race in IPE from top journals, designated panels on race in IPE at prominent conferences that call for papers in advance and advertise broadly, and outreach to scholars of political economy in the Global South and institutions that are underrepresented on our mailing lists to share information about what we do, how we do it, and why they might be interested in doing it too. Ulti-

mately, it is time to acknowledge that no matter how much time our research has spent quantifying cultural attributes, we cannot and must not ignore the role that in-group and out-group preferences, costs, and benefits play in an individual's political and economic decisions, or the translation of those decisions to macro-level trends and international interactions—all elements that are fundamentally and inextricably linked to race.

COMPETING INTERESTS

The author has no competing interests to declare.

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Gina Yannitell Reinhardt studies how citizens and policy makers make decisions under uncertainty, and how those decisions affect economic, social, and political development and subsequent policy outcomes. She focuses on projects designed to build resilience to disasters and aid disaster recovery, principally by addressing interpersonal and political trust. Gina evaluates local and international programmes in an effort to understand how financing can be judiciously allocated to help avert, alleviate, mitigate, and manage disasters, particularly those related to climate change, but also including technological and other disasters. She is committed to helping build local research and policy capacity in the Global South, and is currently curating a series of symposia on Structuring Inclusion into the Discipline of Political Science for *PS: Political Science and Politics*.

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