

Cosmopolitan Global Finance

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His thesis: *Cosmopolitan Global Finance: A Pragmatic Approach to the Tobin Tax* - develops a critical analysis of cosmopolitan proposals to reform the global financial architecture. It uses the philosophical pragmatism of Richard Rorty to develop a case study of the Tobin Tax campaign. His articles have been published in *International Studies Quarterly* and *Review of International Studies*. He is currently co-editing a Special Issue of *International Politics*, 'Ethics in World Politics: Cosmopolitanism and Beyond?' and is writing a GARNET Working Paper entitled: 'Breaking the Esoteric Architecture of Global Finance: The Tobin Tax a Sentimental Metaphor'.

Research Abstract

Cosmopolitanism has experienced a recent resurgence across the social sciences (Habermas, 2001; Held, 1995; Pogge, 2002). IPE scholars have sought to extend cosmopolitan thinking to questions of regulating and *making just* the Global Financial Architecture (GFA) (Germain, 2004; Coleman and Porter, 2000). Albeit that the GFA is a contested concept (Langley, 2004; De Goede, 2005), the move is interesting because it presents a test-case of the cosmopolitan paradigm; bringing questions of ethics and democracy to the technocratic domain of finance. To illustrate the problems and possibilities for cosmopolitan global finance the thesis proceeds via an elaboration of the Tobin Tax (TT) campaign. This case study is adopted for two reasons:

- 1) As a proposal for global redistribution the TT hangs in the space between technical discussions of financial organisation and normative agendas for global justice. It therefore presents an interesting way to cross the boundaries of finance and justice.
- 2) The adoption of the TT by global civil society activists is an example of *actually existing* cosmopolitan publics. The campaign at once spans the divide between moral and political cosmopolitanism, and, allows for the interplay of re-distributive and democratic accounts of justice found amongst cosmopolitans (Pogge, 2002; Bohman, 2005).

The theoretical framework is labelled 'pragmatic-IPE'. It draws on the philosophical pragmatism of Richard Rorty to move beyond what may be an ethical impasse between critical and post-structural approaches (Hutchings, 1999; Brassett and Merke, 2005). The pragmatic resolve that justice is made and not found provokes a theoretical responsibility toward the potential mutability of the GFA. At one level, greater reflection on normative arguments for the TT is required; stressing the interface between cosmopolitan theory and political practice. At another level, Rorty's emphasis on the contingency of knowledge/ethics qualifies that we should recognise

the ambiguity and potential violence of *large* projects for global social democracy (Brassett and Higgott, 2003). Instead, we might understand the TT campaign as an exercise in *sentimental education*: a simple tool for re-describing the GFA for different publics?

Cosmopolitanism is a promising, but limited, agenda to reform the GFA. Problems of historically contingent power structures and the multiple silences of financial knowledge question whether institutional reform could ever make finance more 'ethical'. Using the Tobin Tax campaign to illustrate, it is argued that deep ambiguities pertain to global justice. The institutional project of 'inclusion' and the practical solution to poverty proposed – *throw money at it* – fall shy of an appreciation of the complexity and context of injustice. Further, it reifies the financial system as a single unitary whole which we must react to (De Goede, 2005). From a pragmatic perspective, the central contribution of the TT campaign is simply to open such issues/questions to a larger audience. In public discussions that continue in social forums, in public meetings of ATTAC, and (even) the stylised narratives of charities, the opacity and technicality of finance is de-naturalised via a sentimental re-description. Such discussions disturb the black box of global finance and open it up to the broad based democratic conversation that cosmopolitans seek.

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