MAA to Probe Calculus I

David Bressoud, Macalester College
Realizing sovereignty*

NAEEM INAYATULLAH AND DAVID L. BLANEY

Sovereignty has become controversial. The idea and practice of sovereignty are said to be increasingly undermined by the simultaneous transnationalization and localization of political, economic, and cultural space. Not only is the ability of states to control their boundaries gradually erased, but given political boundaries seem unable to account for or define the dynamics of social life. At the same time, sovereignty is indicted as supportive of inequality, internal oppression, external imperialism, racism, and ecological destruction, among other unsavoury features of international social life. In this view, sovereignty is condemned as an ethically deficient way of organizing the international community. This is a confusing and contradictory picture. On the one hand, the boundaries defined by sovereignty appear increasingly irrelevant to international society, and on the other, the very power of sovereignty to demarcate boundaries is decried.

The picture becomes more confused when we include the continuing support for this principle among ‘weaker states’ in international society. Formal sovereignty is a recent achievement for the states of the Third World and threats to that independence are resisted vigorously. But the promise of sovereignty has often been unfulfilled. Third World states are defined by a failure to achieve the economic viability thought to follow upon and to sustain formal political independence.

* Earlier versions of this paper were presented at the annual meeting of the American Political Science Association in San Francisco, 30 August–2 September 1990 and at the colloquium ‘Problems without Borders: Perspectives on Third World Sovereignty’, University of Toledo, Toledo, OH, 23–25 April 1993. We would like to thank Jim Caporaso, Kate Manzo, John Agnew, Mike Barkun, Mark Rupert, Ralf Ketchum, Jan Thomson, Alex Wendi, Rob Walker, Dan McIntosh, Hon Tze-ki, Sorayya Khan and David Levine for their comments on various versions. Special thanks to Richard Little, Michael Donelan and an anonymous reviewer for their careful and detailed comments.


3 R. B. J. Walker identifies these contradictory responses as reflections of a paradox at the heart of the concept and practice of sovereignty. See Walker, ‘Sovereignty, Identity, Community: Reflections on the Horizons of Contemporary Political Practice’, in R. B. J. Walker and Saul H. Mendlovitz (eds.), Contending Sovereignties, pp. 159–85. We follow his lead, but give our own characterization of that paradox.
Instead, the economies of many post-colonial states have continued to occupy a ‘peripheral’ or ‘marginal’ role in the capitalist global division of labour. Third World states have responded to this situation by making the defence as well as the strengthening of their sovereignty the centrepiece of their individual and collective diplomacy. The demand for a New International Economic Order is merely the most visible example of the Third World attempts to redress the fragility of their sovereignty. Such demands appear as a challenge to the current ordering of world affairs. However, this appearance may obscure the fact that Third World states tend to be among the strongest supporters of the preservation and strengthening of the society of states and of the principle of sovereignty central to it.¹ Thus, for the Third World, sovereignty is neither irrelevant nor a malevolent force, but an unrealized goal.

This discussion of sovereignty as an unrealized aspiration for the Third World brings into clearer view the idea that international society involves an intertwining of the logics of sovereignty and capitalism. Or to put it differently, international society is a world political economy, comprising a society of sovereign states and a global division of labour within which capitalism is embedded and expressed. Sovereignty appears, then, as a social practice within a world political economy and a central concept of a theory of international political economy. Thus, our task is to show the importance of seeing sovereignty within the frame of political economy.² In particular, we examine the way in which the logic of sovereignty is both opposed and connected to the logic of capitalism and how this intertwining of logics frustrates the realization of sovereignty, especially for the states of the Third World. The plausibility of our claims about international society is established in part by the close analogy we draw to the way capitalism depends upon but frustrates the sovereignty of individuals. By elaborating a political economy of sovereignty, we hope to clear up some of the confusions about sovereignty encountered earlier. We suggest that some of the problems attributed to sovereignty may be better seen as a failure to realize sovereignty and that realizing sovereignty necessitates, not the rejection of boundaries, but reconsidering the uses to which they are put. In particular, we conclude that realizing sovereignty entails a state’s ‘right’ to a portion of global wealth. Implementing such a ‘right to wealth’ would weaken the property rights associated with the ‘hard shell’ of the state, but would simultaneously strengthen the state’s claims as a cultural arena and agent, increasing its security as a ‘unit of meaning’.

We present our argument in three parts. First, we explore the status of the individual within classical political economy as a prelude to our discussion of the formally sovereign state within a world political economy. We draw on Marx to suggest that individuality and individual freedom are frustrated in a society where the acquisition of wealth is organized on capitalist lines. An examination of Adam

---


² The idea that sovereignty is an appropriate object of political economy might be greeted with scepticism by proponents of more conventional international relations theory. We would note that Kenneth Waltz’s neo-realist, with its market metaphor (drawn from neo-classical economics) is itself a ‘political economy’ of the state. We owe this phrasing to an anonymous reviewer.
Realizing sovereignty

Smith’s analysis of the division of labour helps us clarify this tension between individuality and capitalism. The ambiguities in Smith’s discussion of the principles governing wealth acquisition within a capitalist division of labour display the way in which market principles are set in opposition to a principle of individual sovereignty. Secondly, relying on parallels with the lines of argument pursued by Marx and Smith, we demonstrate the connections and tensions between sovereignty and the capitalist global division of labour. Thirdly, our examination of this tension gives rise to important insights. For example, it clarifies the conditions needed to realize sovereignty within a global division of labour and is a basis for reassessment of the principles necessary to wealth creation and acquisition, including the economic significance of boundaries as demarcations of property rights. In addition, we consider the argument that realizing sovereignty may ameliorate some of the worst consequences of the boundaries associated with sovereignty.

Capitalism and the sovereign individual

Capitalism eclipsed feudalism and its distinctive hierarchical organization of social life. We are interested in the transition from feudalism to capitalism because it helps us to identify the core elements of capitalism as a social practice. Our analysis focuses on the role played by a sovereign individual in the logic of capitalism, and on the tensions raised by the problem of realizing sovereign individuality within a capitalist society. We rely on the work of Karl Marx (in Capital and, especially, the Grundrisse) and Adam Smith (in The Wealth of Nations) in order to capture this inheritance of capitalism.

Although Marx is best known for his scathing critique of capitalism, just as revealing are his important, but less well-known, discussions of the relative achievements of capitalist society. Although we draw our inspiration from Marx, our reading is not completely consistent with his politics or method. We wish only to identify an ambiguity in Marx’s work which is useful for our current purposes.

The ambiguity emerges in Marx’s discussion of commodity exchange. An initial reading indicates that commodity exchange, while superficially realizing freedom and equality, actually creates an underlying reality of servitude and hierarchy. A second and closer reading introduces ambiguity, or at least suggests that a more variegated picture of commodity exchange is warranted.

The first three chapters of Part II of Capital I and the first section of the chapter on capital in the Grundrisse are all consistent with the first reading of Marx’s view of commodity exchange. The last two paragraphs of chapter 6 of Capital are exemplary. Marx argues initially that ‘[t]he sphere of circulation or commodity exchange within whose boundaries the sale and purchase of labour-power goes on, is the very Eden of the innate rights of man. It is the exclusive realm of Freedom, Equality, Property, and Bentham’. The ironic tone of this passage is justified when we move from the sphere of exchange to that of production: ‘The one [the capitalist] smirks self-importantly and is intent on business; the other [the labourer]

is timid and holds back, like someone who has brought his own hide to market and now has nothing else to expect but a tanning. This assessment recurs in the Grundrisse. A long exposition concludes: ‘Equality and freedom are thus not only respected in exchange based on exchange values but, also, the exchange of exchange values is the productive, real basis of all equality and freedom’. A few pages later, discussing the deeper structure of bourgeois society, Marx negates this conclusion: ‘In present bourgeois society as a whole this positing of prices and their circulation etc. appears as the surface process, beneath which, however, in the depths, entirely different processes go on, in which this apparent individual equality and liberty disappear’.

But does this statement completely negate the former? Is bourgeois society simply a realm of unfreedom and inequality? Or do these benign and malign images of capitalism co-exist? An examination of Marx’s detailed comments about the transition to capitalism reinforces an interpretation which preserves the benign elements, even if Marx in the end resists such a reading.

In the Grundrisse, Marx argues that two consequences follow as capitalism severs the bonds of ‘clan’ and ‘communal’ societies. First, ‘relations of personal dependence’ are replaced by those of ‘personal independence founded on objective dependence’, and, second, human productive capacities are unleashed so that a ‘general social metabolism, of universal relations, of all-round needs and universal capacities is formed for the first time’. For Marx, capitalism ‘frees’ the individual from feudal bonds and provides the material basis for the development of a ‘free individuality’ which will be realized fully only in some future beyond capitalism. We need to look more closely in order to evaluate this complex assessment.

First, the emergence of ‘personal independence’ appears as a real advance in the ideas of freedom and equality. Marx describes in detail the move from a status, where ‘each individual conducts himself only as a link’ in the community, where individuals appear as ‘mere accidents, . . . purely natural component parts’, or as subordinates in a hierarchically organized community life. As Marx suggests, ‘Equality and freedom presupposes relations of production as yet unrealized in the ancient world and the Middle Ages’. It is only with the rise of capitalist exchange relations that these human relationships are transformed so that people now interact as free and equal (that is, sovereign) individuals rather than through fixed relations to the land, the clan, the community.

While this transformation is important and real, it is limited. This ‘personal independence is founded on objective dependence’. To be more specific, when examining the more profound processes of bourgeois society, we discover that the creation of ‘personal independence’ under capitalism involves the forced separation

---

7 Ibid.
9 Marx, Grundrisse, p. 247.
12 Marx, Grundrisse, p. 245.
of the individual from the objective conditions of production (and, hence, the ‘objective conditions of his reproduction’). This vitiates previous social relations, where the labourer is placed into a ‘natural’ or ‘organic unity’ with the objective conditions of labour, and, consequently, situates the formally free and equal individual within a set of objective relations of compulsion and a class-stratified social division of labour.

How do we interpret this tension? While it is clear that these ‘objective’ conditions circumscribe (Marx might say ‘obliterate’) the achievement of freedom and equality under capitalism, this is a compulsion and a hierarchical form with a difference in relation to previous forms of society. For Marx, this new society and the productive advances it generates (to be discussed next) is premised on the ideas of freedom and equality. This represents a major advance, relative to prior social forms.

Secondly, the expansion of human productive capacities is depicted as a clear, albeit costly and incompletely realized, gain for humanity. For Marx, the creation of wealth is critical: abundant wealth is necessary for individuals to reach their full potential. The real salience of wealth for Marx can be seen if we look beyond ‘its limited bourgeois form’, and see its role in communism:

In fact, however, when the limited bourgeois form is stripped away, what is wealth other than the universality of individual needs, capacities, pleasures, productive forces, etc., created through universal exchange? The full development of human mastery over the forces of nature, those of so called nature as well as of humanity’s nature? The absolute working out of his creative potentialities . . .?

It is precisely the abundance of wealth at which capitalism aims, and in which it succeeds most handsomely: ‘Capital’s ceaseless striving towards the general form of wealth drives labour beyond the limits of its natural paltriness, and thus creates the material elements for the development of this rich individuality, which is as all-sided in its production as in its consumption . . .’. Yet, here again, capitalism remains problematic. While bourgeois society generates wealth in abundance, it nevertheless also withholds it from the vast majority of the population. Ultimately, wealth is meant to free humans, but its production in a bourgeois form extracts a tragic cost—poverty, alienation, servitude: ‘In bourgeois economics—and the epoch of production to which it corresponds—this complete working out of the human content appears as a complete emptying out, this universal objectification as total alienation, and the tearing down of all limited one-sided aims as sacrifice of the human end-in-itself to an entirely external end.’ Marx, characteristically, confronts the achievements of capitalism with deficiencies.

The balance Marx strikes is delicate. His critique of the inhumanity of bourgeois society reveals he is no apostle for capitalism. Rather, his ‘ruthless criticism’ is designed to assist in the creation of a better world. But Marx’s analysis of capitalism suggests more nuance. The gains associated with capitalism, relative to the past, are real, albeit limited by the organization of capitalism itself and achieved only at great cost.

19 Grundrisse, p. 488.
20 Grundrisse, p. 325.
21 Grundrisse, p. 488.
What Marx helps us to see more clearly is that the change in world-view accompanying capitalism introduces the idea of individuality: persons become sovereign individuals, free from ties of fealty to lord and manor. This freedom, to paraphrase Marx, is double-edged. While the freedom to express individuality is a gain, it depends on wealth acquisition. The historical purpose of capitalism is to provide this wealth and it does so, but only at the level of the whole system. Individuals are not assured that what Adam Smith calls the ‘general plenty’ will diffuse down to them. The need to acquire wealth appears, then, as a compulsion to participate in a system of commodity exchange within the division of labour.

This is a core tension in liberalism: the possibility of individual self-expression and, yet, the objectification and commodification of human beings. That is, the individual is finally free to be him/herself but only within a system of wealth creation that treats the individual as labour-power, as the mere bearer of a commodity. Marx’s critique of liberalism can be stated simply. It is not enough to be recognized as a free or sovereign individual; this formal recognition must be accompanied by a substantive means (wealth) to express that individuality. The issue of wealth acquisition (how individuals acquire wealth and how they might do so) is, of course, one of the central problems of political economy. Adam Smith’s *The Wealth of Nations* is an exemplary text in this regard. His analysis of the division of labour, the creation of wealthy societies, and the process of acquisition of shares of that wealth by individuals simultaneously addresses and evades this problem.

Smith begins by comparing two abstract ‘nations’, one wealthy and one poor. With this point of departure, he takes the ‘nation’ or state for granted as central to his political economy and defines his project as an attempt to explain differences in wealth among nations. Smith’s famous answer concerns the ‘labour’ of nations. If labour is ‘divided’ (that is, if there is both a functional differentiation of tasks and a specialization of workers within the community), wealth is produced in abundance. If, however, no such specialization occurs (that is, each person must carry out all tasks necessary to his/her survival individually), the result of this lack of specialization is poverty. While this contrast raises serious questions in itself, it is another implication of this analysis, its capacity to suppress certain questions about the individual’s access to wealth, that will concern us here.

To illustrate the power of the division of labour to produce wealth Smith uses the famous pin manufactory example at the beginning of chapter 1:

. . . a workman not educated to this business . . . could scarce, perhaps, with his utmost industry, make one pin in a day, and certainly could not make twenty. But the way in which this business is now carried on, not only the whole work is a peculiar trade, but it is divided into a number of branches, of which the greater part are likewise peculiar trades. One man draws out a wire, another straightens it, a third cuts it, a fourth points it, a fifth grinds it at the top for receiving the head . . . ; and the important business of making a pin is, in this manner, divided into about eighteen distinct operations.24

22 Smith’s acceptance of the demarcations of boundaries central to sovereignty and the society of states is consistent with the practice of the classical political economy tradition.


What is crucial for Smith is the impact that this division has, through improvements in the use of time and the dexterity of the worker, in expanding production:

I have seen a small manufactory of this kind where ten men only were employed and where some of them consequently performed two or three distinct operations... they could, when they exerted themselves, make among them... upwards of forty-eight thousand pins a day. Each person, therefore,... might be considered as making four thousand eight hundred pins in a day.25

However, in this first chapter of Book I, Smith fails to examine the social relations reflected in contracts between those whose only property is their labour-power and those who own capital. He can thereby slide into thinking about these workers as independent artisans and encourage us to think of each worker making a certain number of pins. But, as Smith himself makes somewhat clearer in Book II, this misrepresents the situation.26 The output of pins is actually the result of a production process which depends on a particular kind of social relation.

This confusion is crucial and bears restatement because of its implications for the question of the individual’s access to the wealth produced in the production process. In the first chapter of Book I, Smith obscures the status of individuals in a capitalist division of labour, who, with only their own labour-power to sell, perform specialized tasks within a functionally differentiated structure controlled by capitalists. Smith substitutes the idea of sovereign individuals—indeed independent artisans, who own their own means of production, and who have surplus to exchange. Near the end of this chapter, Smith says:

It is the great multiplication of the productions of all the different arts, in consequence of the division of labour, which occasions in a well-governed society, that universal opulence which extends itself to the lowest ranks of the people. Every workman has a great quantity of his own work to dispose of beyond what he himself has occasion for; and every other workman being in the same situation, he is enabled to exchange a great quantity of his own goods for a great quantity or, what comes to the same thing, for the price of a quantity of theirs. He supplies them abundantly with what they have occasion for, and they accommodate him as amply with what he has occasion for, and a general plenty diffuses itself through all the different ranks of the society.27

But the barter of the surplus production of independent artisans and the spending of wages for subsistence by wage-labourers do not ‘come to the same thing’. A more general plenty, wealth, naturally diffuses to all members of society only because Smith has drastically changed the social conditions of individuals from the beginning to the end of the chapter. Individuals do appear as parts of the production process in a division of labour, but only as functionally differentiated

26 Smith establishes the necessity of these social relations in a backward and mostly implicit manner. In Book II, the creation of wealth through the division of labour does not originate from its opposite, poverty. Rather, the creation of wealth requires for its generation an already abundant condition, in which prior ‘stocks’ are bifurcated into ‘capital’ and ‘stock’. The latter is only sufficient to sustain an individual for a short time, compelling that individual into the status of a labourer. The former is sufficient to establish a workshop and hire labourers, the creation of a social space in which the division of labour might be practised. This is not to mention the additional ‘capital’ smuggled into the example by Smith. See Naeem Inayatullah, ‘Deepening IR Theory’s Dependence on Adam Smith: Old Texts, New Readings’ (manuscript, 1992) and ‘Ethical Basis for Political Economy’.
27 Smith, Wealth, p. 15.
within and subordinated to the logic of the production process as a whole. In this situation, the individual's access to the wealth so produced depends on the wage-contract with the capitalist. In Smith's story these functional parts are (mis-) represented as equal and independent (i.e., sovereign) parts and their access to wealth is constructed, not on the basis of a wage-contract, but in a relationship of barter among independent producers. The result of this theoretical move is that the opulence made possible by a capitalist division of labour cannot be acquired by bartering of the surpluses produced by independent producers, because the condition for that opulence was the elimination of the independence of producers.

How, then, does Smith arrive at the conditions for individuals to acquire wealth? One point, at least, is clear: in this chapter, he is unable to find within the logic of the division of labour a single, unambiguous principle that explains how individuals gain access to wealth. To arrive at a 'wealthy society' based on the implicit 'diffusion' principle with which he ends, Smith has to conflate the requirements of the division of labour with those of sovereign individuality. Our argument is not that Smith is a closet egalitarian. His 'diffusion' idea involves bartering among otherwise independent and only relatively equal producers, not a guaranteed equality of result. However, the diffusion principle cannot be read as an unambiguous endorsement of the market principle and the social relations of capitalism. Because he takes independent artisanship as the model of the individual within a liberal society, his work suggests an endorsement of the capacity for independent and free action made possible by an access to wealth independent of the collective valuation of others in the market.

This ambiguity is a familiar one in our own welfare state societies. How are we to regard the individual who cannot meet his or her needs within a capitalist division of labour on which need satisfaction depends? Do we emphasize the humanity, the value, of each individual, thereby suspending or ameliorating the individual's dependence on an often harsh and uncertain market for his or her livelihood? Or, do we emphasize the competitive nature of the market in spurring wealth creation, implying a willingness both to sacrifice individuals to that process and to accept an only partially 'wealthy society'? The logical incoherence of Smith's conflation aside, it is to his credit that he wants it both ways—market relations creating wealth and independent human beings, with access to wealth adequate to allow them to direct their own lives.

In both Marx and Smith the sovereign individual is established as a category of political economy, although only problematically so. While both authors see that the equality and independence of the individual depends on access to wealth, neither finds a secure basis for the sovereign individual in a capitalist society. For

---

28 Smith's answer about the distribution of wealth in other chapters does not concern us here, for we are interested in contrasting principles of wealth acquisition implicit in Smith's account at this point in his argument—a point at which societal and individual wealth are supposedly joined. Smith's privileging of a labour theory of value later in the text does not obviate this tension in chapter 1.

29 Smith's greater sensitivity to the social relations of capitalism in Book II of Wealth should not obscure his employment of the independent artisan in Book I. Nor should we ignore the implications of this confusion—inadvertently introducing competing principles of wealth acquisition and silence on questions about the principles governing access to wealth. It is interesting to note that commentators often fail to read Book II very carefully, ignoring its implicit class argument, and they rarely attempt to integrate the two sections of this work. See David P. Levine, Economic Studies: Contributions to the Critique of Economic Theory (London, 1977), chapter 2, and Inayatullah, 'Deepening IR Theory'.
Marx, this insecurity is intrinsic to a capitalism which juxtaposes an idea of a free and equal individual with the realities of the objective dependence of the wage-labourer within a division of labour. For Smith, this deficiency is masked by his failure to distinguish the formal independence and equality of the wage-labourer from the substantive independence and equality of the independent artisan. Thus, the sovereign individual of political economy represents an aspiration which is frustrated by the operation of capitalism.

**Sovereignty and the capitalist global division of labour**

Liberalism, this time as reflected in an international society of sovereign states, produces a similar dilemma for the sovereign state. In an international society, although the formal equality and independence of a state are based on recognition, substantive independence and equality are seen to be dependent on ‘self-help’. This implies that the full realization of independence and equality is not achieved by formal recognition but is dependent on the individual state’s own efforts and resources. That ‘self-help’ is never more than implicit in the formal recognition process reveals that inadequate attention has been paid to the crucial problem of how states produce and acquire wealth within the world economy. The construction of international society involves the intertwining of the logics of sovereignty and capitalism. So a society of sovereign states presupposes a capitalist global division of labour, and international society is thereby implicated in the same problem we locate in political economy. This problem now needs to be articulated in terms appropriate to state sovereignty.

Talking about state sovereignty, however, risks getting bogged down in what Alan James has described as an intellectual quagmire and it is certainly true that recent work has made sovereignty a disputed concept and a contested social practice. Our concern, at this point, is only to provide a provisional and relatively conventional account of what sovereignty means—‘provisional’ because the final section of the paper will say more about the meaning of sovereignty. We begin with F. H. Hinsley’s classic conceptualization of sovereignty.

For Hinsley, sovereignty entails the ‘idea that there is a final and absolute political authority in the political community . . . and no final and absolute authority exists elsewhere’. Hinsley makes clear that the idea of sovereignty is an historical achievement, arising in this form only where other notions of political authority have been displaced. He argues that the question of sovereignty cannot arise where final authority is thought to rest outside the political community in a socially and physically distant rule or in a non-temporal deity or sacred realm. By locating final

---


31 Hinsley’s *Sovereignty*, 2nd edn (Cambridge, 1986) remains the most important effort to explain, date, and conceptualize sovereignty.

authority within the community, sovereignty simultaneously raises the question of who may speak for the community—the continuing question of the relation of the state and the political community—and challenges claims to external authority (e.g. imperial or hegemonic designs).

We need to elaborate this final point. Hinsley notes that this doctrine of ‘internal sovereignty’ has implications for relations between communities:

Applied to the community, in the context of the internal structure of a political society, the concept of sovereignty has involved the belief that there is an absolute political power within the community. Applied to the problems which arise in the relations between political communities, its function has been to express the antithesis of this argument—the principle that internationally, over and above the collection of communities, no supreme authority exists.

While ‘internal sovereignty’ suggests that final authority lies within the community, ‘external sovereignty’ amounts to the claim that among states themselves there is no final authority because each state is an authority independent of the others. Sovereignty constitutes states as existentially separate: in promoting their own sovereignty, states participate in their own constitution as discrete entities; in accepting the status of sovereign statehood, states also participate in constituting others as outside, albeit as sovereign others. ‘External sovereignty’ appears therefore as the outward expression of the inward relation of sovereignty.

This absence of a supreme political authority has led to the characterization of international society as ‘anarchical’. However, the existential separateness of states exists in tension with the fact that sovereignty implies a set of social actors embedded in a set of social relations; that is, a society of sovereign states. The act of reciprocal recognition is necessary to create the condition in which states treat each other as discrete and disparate entities. As Hinsley notes, the claim of one state to exercise final authority in its own community depends logically on extending the same right to other states. Other states participate in a fundamental way in the constitution of a state: their acts of recognition are part of creating the sovereign statehood of the other. Thus, as a-social as the outcome may seem, the creation of a society of sovereign states is inherently a social process, involving the mutual constitution of states.

---

33 Hinsley traces meticulously the evolution of the relation between state and community which makes possible claims of sovereignty and has been the basis for continuing debate about the precise location of the final authority within the community—a debate eventuating in the doctrine of popular sovereignty, by his account. See, especially, Sovereignty, chapters I and VI.
34 See Hedley Bull, The Anarchical Society: A Study of Order in World Politics (New York, 1977), p. 8 and Martin Wight, Systems of States (Leicester, 1977), p. 153. Of recent note is R. B. J. Walker’s argument that sovereignty not only divides the inside from the outside, but also shapes the character of the community and relations of communities. Walker, ‘Sovereignty, Identity, Community’. However, despite the general support this idea receives in the literature, Charles Beitz, ‘Sovereignty and Morality’, disputes this characterization of the relation of internal and external sovereignty.
35 We borrow this language from Hedley Bull, Anarchical Society. Bull differentiates between a system of states and a society of states. The former is merely reactive; states take each other’s presence into consideration when planning. The latter involves communicating intentions, establishing rules, and participating in institutions.
36 Hinsley, Sovereignty, p. 158. See also Martin Wight, Systems of State, p. 135.
Using Hinsley’s language of sovereignty, we can begin to talk more precisely about the problem of realizing sovereignty in international society. Accepting that sovereignty involves a claim that final authority rests within the community, we can ask: what purposes justify this internal authority? Why is sovereignty valued? One answer to this type of question is that the purpose of sovereignty is to express and realize the principles that make a state a particular state. States have and create a (changing) sense of themselves that involves them in projects to realize their self-image(s), regardless of whether these images are an expression of, or an imposition on, the ‘will of the people’, or some degree between. There would seem to be little point for a state to assert sovereignty if there is nothing special about the community to express.39 Sovereignty also loses its meaning where there are no means available to realize that expression. Although state projects depend on multiple and varying conditions for their realization, such projects always require some investment of resources or wealth. Adequate acquisition of wealth to support such projects becomes, then, a necessary condition for the realization of sovereignty. Yet, as in Marx’s analyses of the sovereign individual in a capitalist society, there is no guarantee in international society that this condition will be secured and sovereignty realized.

We get a hint of this difficulty when we recognize that the logics of sovereignty and capitalism move in different directions. The logic of sovereignty necessitates that all people who develop a sense of community or nationhood be allowed the rights and responsibilities of formally equal states. While this logic has not fully played itself out, we can say that its acceptance helps to demarcate world social space into more discrete parts. On the other hand, the logic of capitalism is integrative and expansive. Wealth, to paraphrase Smith, is limited by the extent of the market; the more intensive and extensive the division of labour, the greater the production of wealth. This process is inherently dynamic; its purpose is to grow and bring all people and social relations, with which it comes into contact, under its own laws.

A fuller specification of the conflict is possible. Working with Hinsley’s vocabulary of sovereignty, we might say that in a division of labour the final authority for the process as a whole is external to each part and that the whole and its purpose (the production of wealth) give each part (each firm, state or region) its function.40 To the degree that states operate as concrete, functional parts of a global division of labour,41 they respond to a logic that is both outside and above them. State economic policymaking, while concerned with the welfare of the community, must be sensitive to the role the state (its firms and regions) plays in the global division of labour. States which fail to adapt (or to assist their firms and regions in

39 Robert H. Jackson makes a similar point, ‘Defending the national interest makes sense only if that interest entails real value: the state being defended must give or at least be assumed to give expression to the good life’. Martin Wight, International Theory and the Good Life, Millennium, 19 (1990), p. 266. Despite this wording, we do not endorse the idea that communities are necessarily homogeneous and fully integrated, fixing on a single idea of the good life. Rather, we have argued elsewhere that communities are characterized by competing, both dominant and recessive, visions of the good. The relative unity of a community must be forged (or imagined) in relation to this difference. See David L. Blanch and Naeem Inayatullah, ‘Prelude to a Conversation of Cultures in International Society?: Todorov and Nandy on the Possibility of Dialogue’, Alternatives, 19 (1994).
41 This is precisely the claim made by Susan Strange, ‘States, Firms and Diplomacy’, International Affairs, 68 (1992), pp. 1–15.
adapting) to the logic of the global division of labour generally pay a steep price. The logic of sovereignty suggests the opposite: each part of international society is formally equal; function is never at issue (the function of each part is simply to be and become itself); and final authority is deemed to reside in the part. For states aspiring to sovereignty but immersed in a global division of labour, the compulsions of global capitalism appear as a direct threat to sovereignty, particularly for those occupying the least advantaged positions. Thus, we should see policies of ‘import substitution’, ‘self-reliance’, and ‘de-linking’ as varying and sometimes desperate efforts by Third World states to assert sovereignty in the face of the compulsions of global capitalism.

However, sovereignty and the division of labour are not merely opposed principles but also are elements of a singular political and economic order, an international society of ‘embedded liberalism’.42 Most commonly, we treat states like mythical individuals in the state of nature, imagining each as an analogue of the independent artisan, producing wealth with its own effort and resources.43 This theoretical move places the principle of ‘self-help’ at the centre of international society. Each state (1) is made responsible for producing its own independence and achieving equality to the extent of its own wealth and resources, and (2) acquires wealth and resources, supposedly straightforwardly, according to its own capacity to produce, or by barter with like producers.

This analogue to the independent artisan can be seen as an implication of the idea of sovereignty. It is argued that sovereignty defines a kind of property right in the territory of a state. As Charles Beitz explains, ‘The requirement of respect for a state’s domestic jurisdiction functions as a kind of collective property right for the citizens of that state—it entitles the state to exclude foreigners from the use or benefit of its wealth and resources except on terms that it voluntarily accepts.’44 What is being claimed is the right of the community to use its territorially produced wealth (along with what it might gain through barter) to pursue the implicit or explicit purposes associated with its own self-image. To claim this right also establishes, by implication, an equal right of other communities to reserve their resources and wealth for their own purposes. Thus, the extent of a state’s claim to wealth, and its consequent ability to realize its own purposes, is made to depend on the wealth produced within its own territory, or acquired in exchange in the capitalist world economy.

Thinking of sovereign states as independent artisans makes this principle of wealth acquisition appear as a given which cannot easily be questioned in a society of states. Formal independence and equality are secured socially, via the action of recognition within the society of states. By contrast, the substantive character of independent artisanship—a genuine independence and equality rooted in access to wealth—is treated as a self-generated condition prior to or outside of the reciprocal recognition and mutual constitution of states. Rewards of wealth can be seen as


43 Nothing about this claim denies the ‘interdependence’ of states. Rather, the terminology of interdependence presumes the existential separateness of states which is moderated by transboundary transactions of various sorts. Thus, no one denies that ‘self-help’ is the rule of an interdependent world.

Realizing sovereignty

returns for the individual effort and resources of states because the integrative logic of the division of labour is likewise ignored in this conception of sovereigns as independent artisans. Acquiring wealth, in order to achieve independence and equality as substantive conditions, is thereby treated as a private matter, involving the voluntary actions and transactions of formally independent states. The terminology of ‘self-help’ opens up this distinction between social and a-social principles. In a ‘self-help’ system, sovereignty involves the social recognition of a condition achieved materially in what is taken to be an a-social process of self-production. The creation of substantive independence and equality appears to be an a-social process only because this conception of sovereignty as a merely formal status locates self-production outside of the social relationships constituting sovereignty. In addition the idea of self-production hides the operation of a global division of labour. The principles governing the acquisition of wealth thereby appear as given in pre- or a-social relations outside the concerns of the society of states. Consequently, in analyses where the global division of labour is ignored, sovereignty forecloses debate about these principles.

Perhaps ironically, the debate can also be re-opened by the idea of sovereignty. Just as the individual in Marx and Smith both is and is not independent, communities both are and are not sovereign in the global context. On the one hand, as we have shown, to the extent that we assign states the status of sovereigns, imaging them as independent corporate artisans, we expect them to be capable of creating the wealth supporting the individual projects legitimated by their formal independence. On the other hand, individuals within a wealth-producing division of labour are never independent artisans; once we consider the social context, supposedly independent artisans are transformed into different ranks of people, capitalists and workers. Likewise, communities within a global division of labour are not self-generating sovereigns. Although we often imagine that the sovereignty of the First World was self-generated, we can only do so if we ignore that the wealth claimed by these states is the product of a global producing structure of which the First World is a component, albeit dominant, part. Similarly, the Third World state’s inability to create wealth on a scale supportive of substantive sovereignty cannot be seen as an individual failure independent of the overall opulence generated by the global structure of production. The point is not that capitalism merely transfers wealth from one region to another, but that states and regions play functional roles in a historically evolving global structure of wealth production. It is clear that, even given recent changes in global production, states which provide raw materials and cheap, unskilled labour continue to occupy a subordinate position to those which claim greater shares of wealth based on a technologically advanced and knowledge-based role in the global division of labour. Therefore, when we consider the social and historical context, states appear, not as independent producers, but as functionally and hierarchically differentiated elements of the global division of labour, as ‘colonizer’ and ‘colonized’, as ‘core’ and ‘periphery’.

This social context does not foreclose, but opens questioning about how wealth is acquired. The division of labour incorporates each part (state) as a component in the process of wealth creation and Smith’s analysis teaches us that wealth is a function of the process as a whole. Thus, individual contributions are not necessarily or easily distinguishable: one can sustain the idea of individual
contributions only by confusing the formal equality of wage-labourers with the substantive independence of artisans. Challenging this category mistake opens the space for a counter-argument that each part has a ‘stake’, ‘claim’, or ‘right’ to a portion of that wealth; that participation in the process of production entitles one to a share of the results of that process, based on guaranteeing each state a capacity to pursue its own projects, to realize its own sovereignty. In this way, the intrusion of the social and historical context of the establishment of a global division of labour disrupts our clarity both about which principle of wealth acquisition supports the idea of sovereignty and about what sovereignty can mean when intertwined with the global division of labour.

This confusion of formal and substantive individuality, noted by Marx and practised by Smith, reflects a confusion central to liberalism and an international society of ‘embedded liberalism’. This problem should invite us to clarify our thinking about states and wealth. Ought we to regard states humanely, as of value, so that each deserves the wealth required to express its sovereignty? Should we, then, formulate acquisitional principles reflecting a right to wealth that will achieve real equality and real sovereignty? Or ought we, instead, to accept that states are primarily independent actors performing labour functions, the value of which is properly evaluated by the world market? Should we accept, then, that sovereign equality is merely formal, endorsing implicitly the consequences of the market principle—an oligarchically organized states-system?46

Rethinking sovereignty and its discontents

This discussion not only isolates a confusion about the principles governing the production and acquisition of wealth in a global division of labour, but exposes a related tension in the nature of sovereignty. We discerned such an ambiguity in our earlier discussion of the status of sovereignty as a socially recognized and constituted a-sociality. We also noted, in the previous section, that competing ideas about sovereignty are implicated in the competing and conflated principles of wealth acquisition suggested by Smith. Bringing these two observations together helps us summarize our argument in a way that highlights the tension within the idea of sovereignty.

On the one hand, sovereignty implies the social recognition of a formal independence (an a-social status) which, while authorizing efforts to express the distinctiveness of the community, makes the state responsible for creating its own means to that self-expression. Because the means to self-expression are produced within a structure which constitutes states as hierarchically-graded components of the whole, the ability to secure those means is not assured. Therefore, the ability to


46 The result resembles more the idea of a suzerainty than an ‘anarchical society’, to invoke Bull once again. See Anarchical Society, pp. 10–11.
realize sovereignty is contingent. For states of the Third World, in particular, the
formal recognition of sovereignty conjoined with a peripheral role in the capitalist
global division of labour results in a failure to achieve sovereignty substantively.
Thus, for the Third World, sovereignty appears as a self-defeating social practice.

On the other hand, we have shown that conceiving sovereignty as a formal status
and relegating its substantive achievement to a pre- or a-social realm has the
consequence of foreclosing other possible claims to wealth which might better serve
to realize sovereignty. We can reconceive sovereignty as a substantive condition and
make the realization of the self-expression of a community a social concern. Thus,
we would be required to translate the need to acquire wealth, so crucial to
expressing sovereignty, into a ‘right to’ or ‘claim on’ a share of the world’s wealth.
By recognizing and implementing such a claim,47 we can construct an international
order in which sovereignty as a substantive expression is recognized and secured as
a social principle and condition, moving us beyond the a-social principle of
‘self-help’. In other words, in this move beyond the recognition of only formal
sovereignty, the substantive expression of sovereignty is secured more fully, but
only as a social relation; that is, only in conjunction with others, not in in-
dependence from them. More fully realizing sovereignty seems to require, then,
reconceiving sovereignty in relational terms.48

However, this discussion of ‘relational sovereignty’ seems to take us beyond some
important features of sovereignty, as conventionally understood. Are we suggesting
a move beyond sovereignty? The answer is not straightforward.

First, an idea of ‘relational sovereignty’ seems to alter our understanding of the
boundaries demarcating states. Sovereignty has been thought to construct ‘self’ and
‘other’ as equivalent to the ‘inside’ and ‘outside’ of the state. Others have used the
language of the ‘hard shell’49 or the ‘state-as-absolute-boundary’50 to express this
idea. Realizing sovereignty breaks the conventional linkage of sovereignty and (at
least, relative) economic independence. By disentangling wealth acquisition from
the state’s claim to independent ownership of its own resources and labour
contributions, as valued by the world market, the distinction between the ‘inside’
and ‘outside’ of economic life is blurred. To be more precise, implementing a ‘right
to wealth’ within international society alters the meaning and function of inter-
national boundaries. Boundaries no longer circumscribe the property rights of the
community.

It might be argued that such a redefinition of boundaries requires a new
understanding of sovereignty, one which responds to the globalization of economic
life. The community remains demarcated as a bearer of a ‘right’ in relation to the
‘collective’ wealth of nations, so that the idea of sovereignty would express more
universally the realization of discrete and disparate community self-projects. It
would appear, then, that the boundaries associated with sovereignty are
not necessarily simple and absolute, but complex, involving different kinds of

47 We are not very clear here about how such a right would be implemented. What is clear is that
adopting such a social principle of wealth acquisition requires that its implementation be a social
process.
48 See Blaney, ‘Dependency Theory’.
50 Richard K. Ashley, ‘Living on the Border Lines: Man, Poststructuralism, and War’, in J. Der
Derian and M. J. Shapiro (eds.), International/Intertextual Relations: Postmodern Readings of World
mediations between the inside and the outside of the community. Likewise, sovereignty appears, then, not so much as superseded by this softening of the ‘hard shell’, but as transformed in the process of its fuller realization.

However, recognizing a ‘right to wealth’ also poses a challenge to our understanding of the process by which the collective wealth of nations is produced. The myth of the independent artisan legitimates a principle of wealth acquisition rewarding ‘individual’ effort. The incoherence of this idea within a division of labour aside, even Marx sees this myth as necessary to motivate actors in a producing structure. Thus, while we would still argue, against Smith, that one cannot make sense of the claim that a global opulence is acquired via barter by independent producers, some may find difficult the idea that a global opulence can be produced where the motivation for its production is vitiated by a principle of wealth acquisition based on a ‘right’. It remains a limit of our historical imagination that we have failed, so far, to uncover adequate answers to the anxiety that production will grind to a halt where material incentives are absent. Within such limits of imagination, realizing sovereignty may threaten the purpose (the production of wealth) of the very political economy of which it is a component part.

Second, rethinking sovereignty also implies a challenge to the ideas of ‘international anarchy’ and the ‘security dilemma’. Anarchy and the security dilemma are often taken to be defining features of the international politics of sovereign states. As John Herz tells us, human affairs are organized in an anarchic fashion ‘where a plurality of otherwise interconnected groups constitute ultimate units of political life, that is, where groups live alongside each other without being organized into a higher unity’. In this situation of anarchy, a security dilemma becomes inevitable:

Groups or individuals living in such an anarchic society must be, and usually are concerned about their security from being attacked, subjected, dominated, or annihilated by other groups and individuals. Striving to attain security from such attack, they are driven to acquire more and more power in order to escape the impact of the power of others. This, in turn, renders the others more insecure and compels them to prepare for the worst. Since none can ever feel entirely secure in such a world of competing units, power competition ensues, and the vicious circle of security and power accumulation is on.

Thus, according to Herz, states construct themselves as a ‘unit of protection’—‘fortifications and fortresses’ encircling an ‘expanse of territory’.

This picture of a ‘fortress state’, engendered by the security dilemma, is painted against the familiar background of a formal and self-generating sovereignty. The ability of a state to implement the ‘hard shell’ of impenetrability suggested by the metaphor of ‘fortress’ depends on its own efforts—on ‘self-help’. The ‘hard shell’ is the ‘material basis’ for what, then, can be acknowledged by other states as

55 Herz, International Politics, pp. 13 and 40.
‘independence, external power, sovereign jurisdiction’. Thus, sovereignty, as a status within international society, is treated as a merely formal recognition of the ‘hard shell’ that must be self-generated, independently or privately.

However, Herz’s reading of the security dilemma is narrow, assuming a picture we have already challenged. Treating threats to the security of a state as a matter of the literal survival of the nation-state takes the extreme case as the norm. Even Herz argues that the collapse of the ‘fortress’ in the event of attack does not ‘ordinarily presage the destruction of the unit as such or of the “way of life” of its inhabitants.’ Rather, the preservation of units has been given increasing weight, not only as an international legal principle, but as central to state practice. However, if we take ‘survival’ to refer to a sense of ‘self’, the community or state’s image of itself as a source of its own projects, we get closer to what is at stake. In a much later work, Herz gestures in this direction. He identifies what he calls a ‘new territoriality’, linked less to defensive perimeters than to the identity of the national group, including its safety and well-being. We might replace an understanding of the state as a ‘unit of production’ with a broader conception of the state as a ‘unit of meaning’.

We can recast the security dilemma in this new light. Interactions between communities may always involve some threat to the valued way of life of each community, as each provides a potential evaluation of and alternative to the other. This threat may lead communities to attempt to use their boundaries to mediate contact, communication, and exchange with the outside. The necessity of such cultural protectionism is a much debated issue, beyond the scope of this essay. For our present purposes, we can answer that the historical evolution of the global division of labour suggests the social interpenetration and co-construction of all communities by all others and all states by all others. This co-construction directly confronts the image of a sovereign community generating itself, including the self-images and purposes motivating the community within a space demarcated by national boundaries. The distinction between the ‘inside’ and the ‘outside’ becomes blurred and the threat from outsiders indistinguishable from internal fears.

Central to the argument of this paper is the idea that the ability to acquire wealth is crucial to a state’s ability to act as a ‘unit of meaning’. The ‘hard shell’ limits the state’s ability to realize and defend itself as a ‘unit of meaning’ only to its own resources, or what it can acquire by violating the ‘hard shell’ of some other state. Those states with less access may threaten those with greater capacities within their borders. Those with greater capacities may be tempted to use their greater access to wealth as a tool for pillaging those less favoured. Thus, the threat posed by other ‘independent producers’ may compel each community to organize as a ‘fortress’ in order to deflect such threats to its capacity to function as a ‘unit of meaning’. In this way, sovereignty, as a demarcation of unequal capacities to realize sovereignty, constructs a political economy of mutual vulnerability.

---

56 International Politics, p. 41.
57 International Politics, pp. 61, 71–5.
60 Blaney and Inayatullah, ‘Prélude to a Conversation of Cultures’. See also Ashis Nandy, Traditions, Tyranny and Utopias (Delhi, Oxford, 1987).
61 Levine, Fortress and Market, p. 39.
The point is that where states are socially constructed as a-social entities, the state seems to arise as a ‘fortress’ in relation to other communities. Where access to wealth is secured as a right, transforming the meaning of boundaries, the motivation for the state to imagine itself as a ‘fortress’ might be lessened. This lessening of threat is a consequence of a mitigation of the condition of ‘anarchy’. A self-generating sovereignty, of ‘hard shells’ and ‘absolute boundaries’, is replaced by a relational notion, where the capacity to operate as a ‘unit of meaning’ is a function of social responsibility and action, not of a pre- or a-social competition. To put it differently, we replace a world of socially constructed competition for sovereignty with one in which sovereignty is realized as a right. Thus, interstate conflict can be attributed, in part, not simply to the operation of sovereignty, but to our confusions about how to realize sovereignty within the global division of labour.

The impact of these reformulations is to transform sovereignty beyond our current conception. Rather than independent, self-generating entities, sovereign communities become co-constructed ‘units of meaning’. But, while the boundaries carving up economic life are substantially weakened, other boundaries, such as those demarcating cultural life, may be strengthened. On the one hand, the community narrows; the ‘right to wealth’ guarantees the subsistence of particular state projects, supporting the process by which cultures project and realize difference in relation to others. On the other hand, the community widens; cultural particularity receives its support from the collective production of states, establishing the global division of labour as a broader community of interests and obligations. Thus, the familiar distinctions between ‘self’ and ‘other’ that we have associated with sovereignty are disturbed as the shape of the community to which one belongs is both narrowed and widened.

Sovereignty is a crucial category of a capitalist world political economy, but one which destabilizes that political economy. It appears as an aspiration and one only problematically achieved within the very system which engenders it. Securing sovereignty within that system seems to destabilize the boundaries on which it rests and the principle of wealth acquisition which motivates the global production of wealth. Thus, realizing sovereignty appears, at once, as the fulfilment of an aspiration and the transcendence of the system constructing that aspiration.