

A Cultural Political Economy of Competitiveness: (Beyond) Knowledge Brands and Knowledging Technologies

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Outline

- **What is Cultural Political Economy?**
- **Production of Hegemony: Construction of 'Competitiveness' as a Knowledge Brand**
- **Recontextualizing the Knowledge Brand: Numbers and Clusters**
- **Three levels: Global, Regional and Local**
- **Conclusion**

What is Cultural Political Economy (CPE)?

- **Takes the 'cultural' turn seriously but combines it with the study of the material tendencies of capital accumulation**
- **Studies the production of hegemony (as opposed to hegemony of production) across different sites and scales**
- **Examines role of 'economic imaginaries' in defining 'economy' as object of calculation, management, governance, etc.**
 - **E.g., the construction of 'competitiveness' as new economic imaginaries/objects of governance in neo-liberal capitalism**
 - **'Competitiveness' as a body of knowledge with meaning-making power in mediating the restructuring of social relations**
- **Focuses on discursive moment in remaking social relations**

Production of Hegemony: Construction of 'Competitiveness' as a Knowledge Brand

- **What?**

- Context is neo-liberal economic restructuring - new ideas on growth and wealth creation emerged in the knowledge circuits
- Construction of 'competitiveness' – the culture and knowledge of business schools, consultancies, think tanks, etc.
- Emergence of knowledge brands (e.g., Porter's *Competitive Advantage*)

- **Who?**

- Mediated by knowledge retailers who market and package knowledge that claim to have problem-solving competencies
- Involved institutions in (international) civil society and leading university professors (e.g., Porter), business schools (e.g., Harvard), consultancy/strategy firms (e.g., *McKinsey, Bain, Boston Consulting Group, and Monitor Group*), research institutes, think tanks, commercial publishers, business press, government agencies, international organizations (e.g., *World Economic Forum, World Bank*), etc.

Michael Porter's Competitive Advantage Model (1980, 1990, 1995)

- Introduced the 'Diamond model' with four interacting factors:
 1. Demand conditions
 2. Factor conditions
 3. Context for firm strategy and rivalry
 4. Related and supporting industries
- This self-reinforcing system is mapped by the metaphor of 'cluster' of firms – framed as the 'microeconomic foundations of prosperity'
- A body of management knowledge that becomes a brand

– **It becomes a knowledge brand**

- **bundled with claims to problem-solving competencies**
- **comes with quality guarantee of *Harvard Business School* (HBS)**
- **filled with methodologies (guidelines, best practices) that are marketed by associated Harvard colleagues and related strategy firms (e.g., *McKinsey, Bain, Boston Consulting Group, and Monitor Group*)**
- **popularized through the business press, reports and public performances (e.g., conferences and speeches)**
- **picked up and circulated by idea entrepreneurs from think tanks, top government advisors, research institutes, international organizations, etc.**
- **appeal to the fear and anxieties related to economic restructuring**

Knowledge brand can be defined as hegemonic meaning-making device promoted by “world-class” guru-academic-consultants who claim unique understanding of the economic world and translate this into pragmatic policy recipes and methodologies that address social contradictions and also appeal to pride and anxieties of subjects in the process of socio-economic changes.

Recontextualizing the Knowledge Brand: Numbers and Clusters

- **This brand is crucial because of its discursive impact upon meaning making and mapping the courses of restructuring**
- **It is being recontextualized in different sites/scales/ways**

Three Levels: Global, regional and local scales

- **At different scales - diverse knowledge apparatuses and technologies**
- **On global level: e.g., World Economic Forum**
 - **Translated into ‘indexes’ and numbers**

<i>International Organization or Institution</i>	<i>Examples of Knowledge Products</i>
World Economic Forum	<ul style="list-style-type: none"> • Global Competitiveness Report • Business Competitiveness Index
Competitiveness Institute	<ul style="list-style-type: none"> • Competitiveness Partnership • Cluster initiatives database
United Nations Industrial Development Organization (UNIDO)	<ul style="list-style-type: none"> • UNIDO Cluster/Network Development Programme • Economic Policy Reform and Competitiveness Project
United States Agency for International Development (USAID)	<ul style="list-style-type: none"> • The Competitiveness Programme • Competitiveness Support Fund • The African Global Competitiveness Initiative •
World Bank Institute	<ul style="list-style-type: none"> • Knowledge-Based Growth and Competitiveness
Asian Development Bank (ADB)	<ul style="list-style-type: none"> • Asian Development Outlook 2003 – Competitiveness in Developing Asia • Cluster-Based Industrial Development Programme

Examples of knowledging apparatuses and knowledging technologies in the production of competitiveness logics

Major actors involved	<u>Knowledge apparatuses</u>	<u>Knowledging technologies in meaning making</u>
World Economic Forum	Global Competitiveness Index	Technologies of performance and judgement
UNIDO USAID	The UNIDO Cluster/ Network Development programme The competitiveness programme	Technologies of agency (e.g., clusters as capacity building)

WORLD ECONOMIC FORUM
AN INTERNATIONAL INSTITUTE FOR STRATEGIC STUDIES

The Global Competitiveness Report 2006-2007

Creating an Improved Business Environment

Report by: Klaus Schwab, President
Michael E. Porter, Senior Lecturer
David Foray, Senior Lecturer
David Foray, Senior Lecturer

Country/Economy	ECI 2008 Rank	ECI 2008 Score	ECI 2008 Rank	Country/Economy	ECI 2008 Rank	ECI 2008 Score	ECI 2008 Rank
Switzerland	1	5.81	4	Azerbaijan	64	4.08	82
Finland	2	5.78	2	Colombia	65	4.04	58
Sweden	3	5.74	7	Brazil	66	4.03	57
Denmark	4	5.70	3	Trinidad and Tobago	67	4.03	66
Singapore	5	5.63	5	Romania	68	4.02	67
United States	6	5.61	1	Argentina	69	4.01	54
Japan	7	5.60	10	Morocco	70	4.01	76
Germany	8	5.58	6	Philippines	71	4.00	73
Netherlands	9	5.55	11	Bulgaria	72	3.96	61
United Kingdom	10	5.54	9	Uruguay	73	3.96	70
Hong Kong SAR	11	5.46	14	Paru	74	3.94	77
Norway	12	5.42	17	Guatemala	75	3.91	95
Taiwan, China	13	5.41	8	Algeria	76	3.90	82
Iceland	14	5.40	16	Vietnam	77	3.89	74
Israel	15	5.38	23	Ukraine	78	3.89	68
Canada	16	5.37	13	Sri Lanka	79	3.87	80
Austria	17	5.32	15	Macronesia, F/R	80	3.86	75
France	18	5.31	12	Botswana	81	3.79	72
Australia	19	5.29	18	Armenia	82	3.75	81
Belgium	20	5.27	20	Dominican Republic	83	3.75	91
Ireland	21	5.21	21	Namibia	84	3.74	79
Luxembourg	22	5.16	24	Georgia	85	3.73	86
New Zealand	23	5.15	22	Moldova	86	3.71	89
Korea, Rep.	24	5.13	19	Serbia and Montenegro	87	3.69	85
Estonia	25	5.12	26	Venezuela	88	3.69	84
Malaysia	26	5.11	25	Bosnia and Herzegovina	89	3.67	88
Chile	27	4.85	27	Ecuador	90	3.67	87
Spain	28	4.77	28	Pakistan	91	3.66	94
Czech Republic	29	4.74	29	Mongolia	92	3.60	90
Tunisia	30	4.71	37	Honduras	93	3.58	97
Barbados	31	4.70	—	Kenya	94	3.57	83
United Arab Emirates	32	4.66	32	Nicaragua	95	3.52	96
Slovenia	33	4.64	30	Tajikistan	96	3.50	92
Portugal	34	4.60	31	Bolivia	97	3.48	101
Thailand	35	4.56	33	Albania	98	3.48	100
Latvia	36	4.57	39	Bangladesh	99	3.46	98
Slovak Republic	37	4.55	36	Suriname	100	3.45	—
Qatar	38	4.55	46	Nigeria	101	3.45	83
Mali	39	4.54	44	Gambia	102	3.43	109
Lithuania	40	4.53	34	Cambodia	103	3.39	111
Hungary	41	4.52	35	Tanzania	104	3.39	105
Italy	42	4.46	38	Benin	105	3.37	106
India	43	4.44	45	Paraguay	106	3.33	102
Kuwait	44	4.41	49	Kyrgyz Republic	107	3.31	104
South Africa	45	4.36	40	Cameroon	108	3.30	89
Cyprus	46	4.36	41	Madagascar	109	3.27	107
Greece	47	4.33	47	Nepal	110	3.26	—
Poland	48	4.30	43	Ghana	111	3.24	108
Bahrain	49	4.28	50	Luxembourg	112	3.22	—
Indonesia	50	4.26	69	Uganda	113	3.19	103
Croatia	51	4.26	64	Mauritania	114	3.17	—
Jordan	52	4.25	42	Zambia	115	3.16	—
Costa Rica	53	4.25	56	Burkina Faso	116	3.07	—
China	54	4.24	48	Malawi	117	3.07	114
Mauritius	55	4.20	55	Mali	118	3.02	115
Kazakhstan	56	4.19	51	Zimbabwe	119	3.01	110
Panama	57	4.18	65	Ethiopia	120	2.99	116
Mexico	58	4.18	59	Mozambique	121	2.94	112
Turkey	59	4.14	71	Timor-Leste	122	2.90	113
Jamaica	60	4.10	63	Chad	123	2.61	117
El Salvador	61	4.09	60	Burundi	124	2.59	—
Russian Federation	62	4.08	53	Angola	125	2.50	—

Executive Summary

WEF & Global Competitiveness Index: Disciplining by Numbers and Ranks

- Technologies of performance and judgements**
 - Visibilizing the world through rank order – disciplinary gaze of numbers**
 - Power operates through the hierarchization of countries**
 - Targeting countries, especially with declining or low rankings, to take certain (market-friendly) steps to become more competitive;**
 - Normalizing the treadmill of competitiveness and the imperative of growth in policy paradigms and everyday mindsets**
 - Refashioning regions, localities, institutions and individuals as new competitive subjects and economic categories – repeated by policy-makers, journalists, business schools, etc.**
 - Filtering into micro-sites (education, employment, regional policy, etc.) and everyday life – normalize as common sense**
 - Aligning social forces**

Regional/National Scales

- Asia – USAID, Asian Development Bank, central/provincial/ city governments, think tanks, business leaders and academic entrepreneurs
- Deploying the ‘cluster’ metaphor
 - Cluster metaphor as an expression of the changing logic of development and competitiveness
 - cluster mapping of space (e.g., USAID’s Vietnam Competitiveness Initiative - ICT, fruits and home furnishing clusters)
 - Cluster facilitation of development - change the business culture, improve entrepreneurial (and later learning) attitudes, and the interaction between firms and the infrastructure
 - Focus on bottom-up and ‘indigenous capacity’ of development

Cluster building as a technology of agency

- **‘Cluster’ to describe and capacitate economy and population**
- **Echoes technology of agency – a mix of participation, capacity and control**
- **Bringing forth agency but also specifying**
 - **Sites for exercising agency (e.g., ICT, fruit and home furnishing clusters in Vietnam) and**
 - **Types of agency (production- and global-market-oriented agencies)**
- **These competitive agencies are constituted through strategic plans, training courses, manuals, best practices, etc.**

(Beyond) Knowledge Brands and Knowledging Technologies

- **As CPE argues, knowledging technologies (e.g., of competitiveness) are not just discursive**
- **They have major material preconditions and material effects that may not be visible and/or accessible to some or all relevant actors**
- **Key tasks of CPE are to explore interaction among**
 - **extra-discursive (material) structures, processes and mechanisms,**
 - **discourse and discursive practices**
- **and to examine the effects of this interaction on material and discursive realities**
- **DEMOLOGOS Framework 6 – HK/Pearl River Delta**

Local-Urban Scale: Hong Kong

- **‘Competitiveness’ brand recontextualized to Hong Kong via discursive networks based on local intellectual entrepreneurs, think tanks, state managers, trade councils, etc.**
- **These sponsored the Hong Kong Advantage Report**
- **Transferred and recontextualized ‘cluster’ metaphor in mid-90s**
- **Narrating HK as metropolitan ‘servicing economy’ with 5 clusters**
 - **business and financial services**
 - **transport and logistics,**
 - **light manufacturing and trading**
 - **property and construction**
 - **Tourism**
- **Emergence as a service-competitiveness regime of truth through time – a mix of apparatuses and technologies**

Production of Service-Competitiveness Regime of Truth

	Major Actors Involved	Examples of Knowledge Apparatuses	Knowledging Techniques in Meaning Making/ Stabilization	Examples of (Re-) Invented Symbols
<i>First Stage</i> 1998-2005	Financial Secretary, economic leaders, Hong Kong Coalition of Service Industries, think tank, academic-consultants, Trade Development Council	Speeches in conference, commissioned reports, policy papers, blueprint	Technique of repetition Technique of marginalization (discursive closure) Technique of agency Technique of chaining	'Metropolitan economy' with a service orientation 'Technology as a means' 'Technology to follow (not lead) business' 'Tripartite', 'Quad' and 'Penta' Forums 'Quality of Life' sectors 'Management Consultancy' sector 'Asia's World City' 'Cultural Industries'
<i>Second Stage</i> 2000-6	Economic leaders, Hong Kong Coalition of Service Industries, think tank, Trade Development Council, InvestHK, academic-consultants	Study report, policy documents; commissioned reports	Technique of chaining Technique of rescaling Technique of calculated complementarity	'CEPA' 'Service metropolis' 'Greater Pearl River Delta' 'Combined advantages' 'Greater PRD as Regional Powerhouse' Synergetic 'clusters'

PRD Stage 1, Contd

- **Competitiveness discourse became part of Hong Kong's policy lexicon – 6.25 time in CE policy speeches between 1997-2005**
- **Used in civil-society sites (e.g., newspapers, business press, education, advertisements, etc.)**
- **South China Morning Post – 'ADVANTAGE hk' website**
- **Self-regulation by citizens (e.g., students)**
- **Competitiveness is filtered to the fine grains when agencies repeat and mimic these frames routinely (whilst others are ambivalent and indifferent)**
- **Closing gaps between intellectuals & masses – a temporary, heterogeneous service bloc with overlapping interests**
- **Mediated by cultural glue of service-competitiveness that sees Hong Kong as global-metropolitan space rooted in colonial governmentality of laissez-faire/positive-non-intervention**

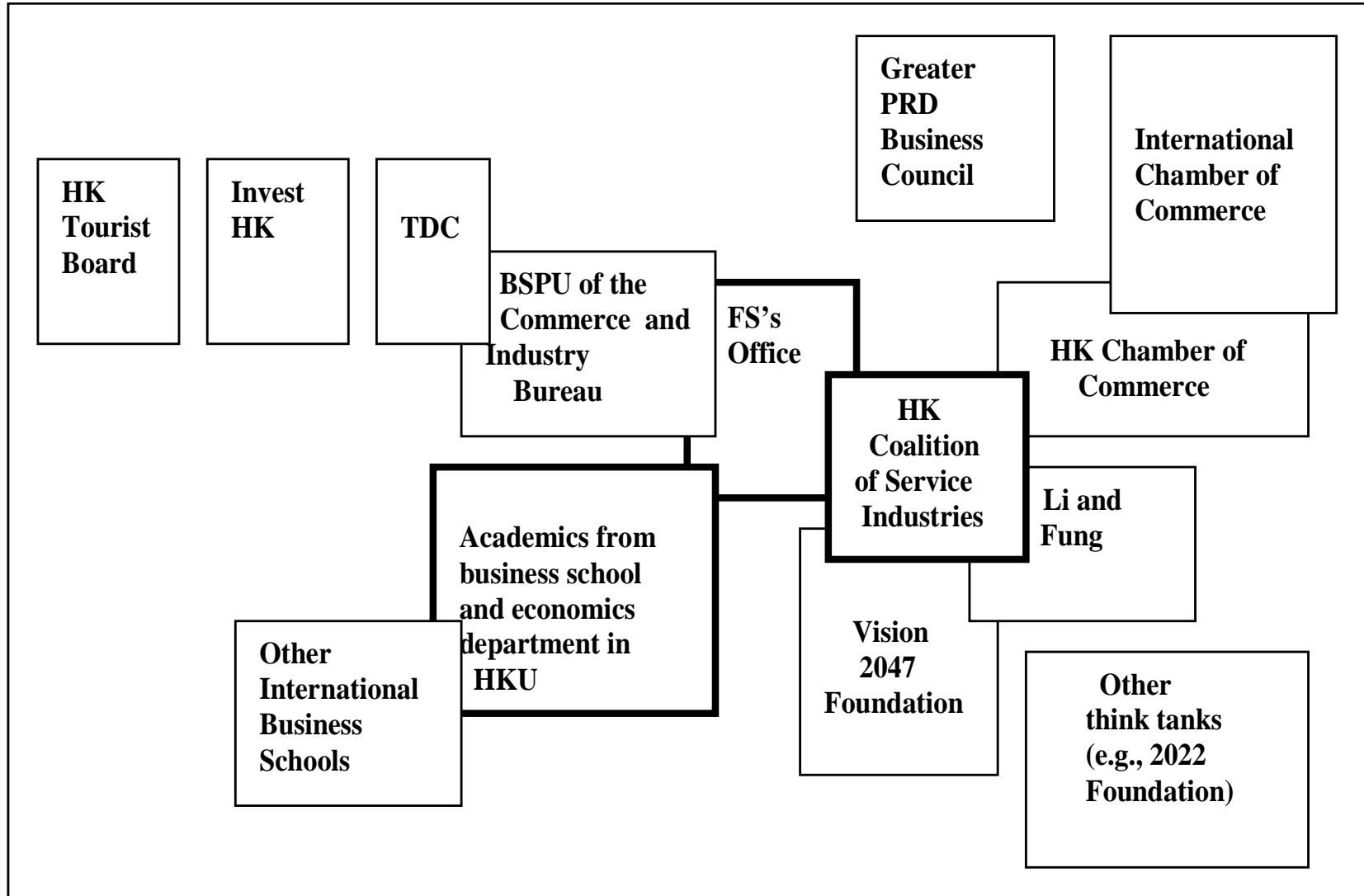
- *'Hong Kong is an international business and financial centre. In an era of hi-tech developments and globalization, we face keen competition from countries around the world. ... According to the recent global competitiveness report from the World Economic Forum, Hong Kong has fallen to eighth place. The younger generation can help make Hong Kong more competitiveness.*

It is important to have computer knowledge, as the Internet is playing an increasingly significant role in our life. We write e-mail instead of letters, chat with friends on ICQ instead of on the telephone and get our news from Web sites instead of newspapers. We use computers to do paperwork, keep our accounts and even order goods. ...

In the past, employers wanted graduates who were industrious and responsible whereas now they are looking for candidates who are creative and innovative.'

(South China Morning Post, 12th December 2000)

Competitiveness-Service Bloc: Global Metropolitanism



- **Challenged by an alternative brand – MIT – Industrial development and technology**
- **Service vs. Industry – struggles for hegemony and the building of an alternative bloc**
- **Negotiation between blocs**

Conclusion

- Taking 'cultural turn' in study of political economy
- CPE – production of economic hegemony
 - interaction of discourses, governmentalities and structure in producing/stabilizing this hegemony
- What are the objects of governance? Construction and recontextualization of competitiveness on different scales?
- Who is involved in the construction of these discourses and transferring of knowledge brands?
- How are they translated into common sense and effective social practices of individuals, organizations, and institutions? – via knowledge brands, knowledge apparatuses, and knowledging technologies of control

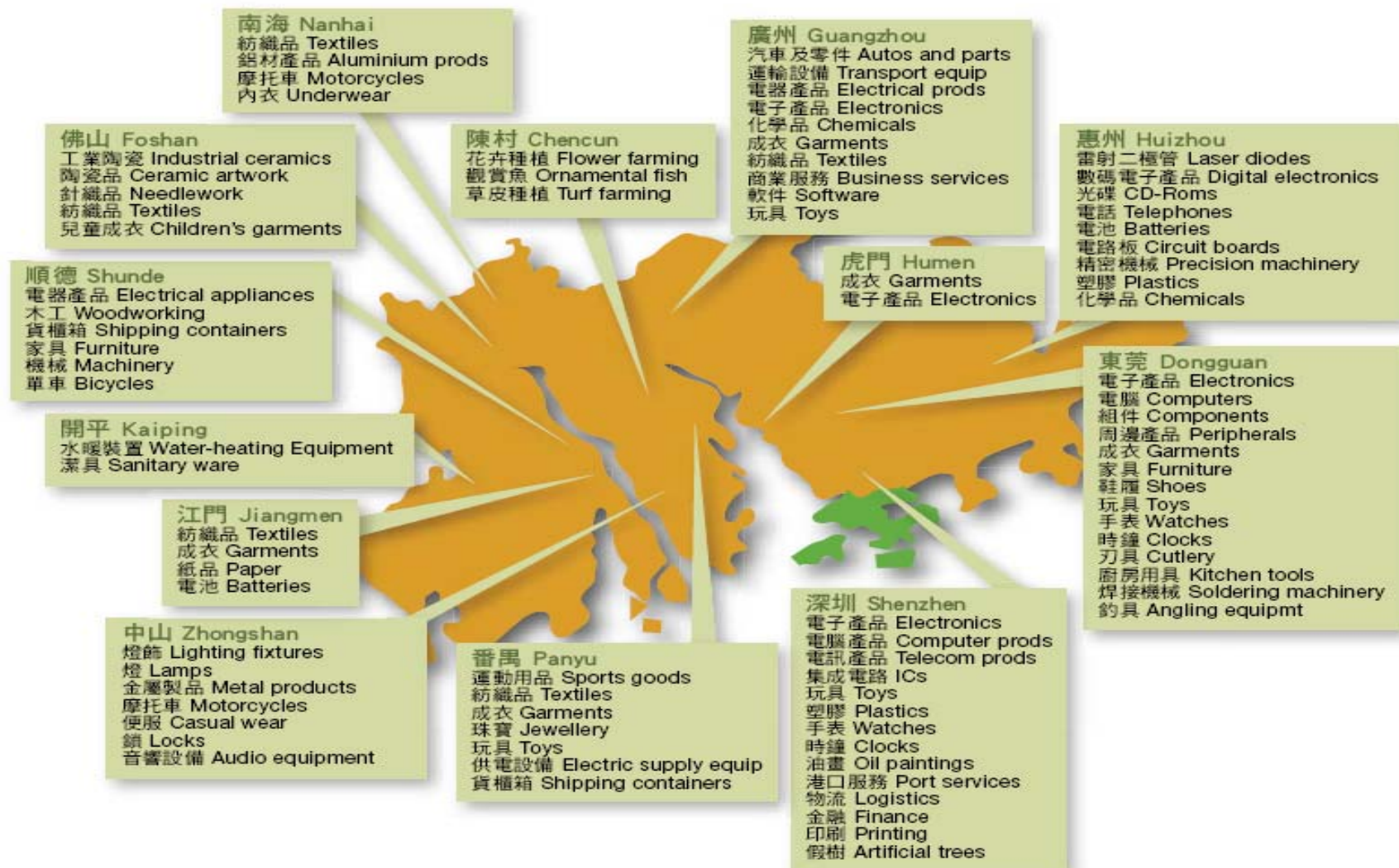
- **Mundane and everyday practices contributed to making competitive subjects and common sense through apparatuses (e.g., indexes, programmes, initiatives and reports) and related technologies of power (performance, judgement and agency)**
- **Apparatuses and technologies varied on diverse scales (numbers, indexes, metaphors)**
- **Beyond brands and technologies – they are not only discursive – they have material preconditions and effects**

- **Mediates the building of hegemonic bloc with uneven impact upon factions, class, gender and nature**
- **Resisted by alternative projects from other factions and social movements**
- **Meanings of competitiveness are being changed and redirected with 'social and environmental-orientations' (e.g., green competitiveness, corporate social responsibility, poverty reduction)**
- **Emergence of new apparatuses and technologies in the changing cultures of competitiveness in the stage of 'roll-out' neo-liberalism**

The End
Thank You!

圖表4：珠三角的地區工業

Exhibit 4: Localised Industries in the Pearl River Delta Region



資料來源：《香港與珠江三角洲：經濟互動》，恩萊特等著，2003年

Source: "Hong Kong and the Pearl River Delta: the Economic Interaction", M. Enright et al., 2003.

**Table 3: SME Capacity Building Components of
the Vietnam Competitiveness Initiative**

<i>SME Capacity Building Components</i>	<i>Ways to Enhance Capacity Building</i>
Cluster activities	<ul style="list-style-type: none"> * Facilitating and building trust between cluster members * Identifying weaknesses in competitiveness for the industry (diagnostics) * Formulating common objectives and activities through strategy development * Designing and implementing strategy-based, high impact strategic activities
Strategic activities	<ul style="list-style-type: none"> * Training and technical assistance * Policy and regulatory constraints * Market research * International standard development * Application of new technologies

(Source: <http://www.vnci.org/default.asp?act=Content&ID=19>)

Production of Hegemony

- **Mechanisms**

- that secure hegemony in and across different institutional orders and civil society

- **Mediation**

- by discourses, discursive chains and discursive construction of economic ideas in various sites and scales

- **Modality**

- Micro-technologies of control that
 - regulate thoughts, aspirations, and common sense, and
 - constitute the institutional field

Producing hegemony is difficult, there are variable understandings, ambivalence and resistance