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Re-thinking geoeconomics: Towards a political geography of economic geographies

Sami Moisio

Geoeconomics is a contested concept. What seems common to recent attempts to define the concept of geoeconomics is that it is almost invariably discussed with relation to geopolitics. In this paper, I seek to provide a reading of “geoeconomics” from political geography that both evaluates geoeconomic claims on their own terms and, moreover, avoids a political/economy binary that even some of the critical approaches tend to fall into. For this purpose, I provide a selective mapping of some of the ways in which geoeconomics has been scrutinized in IR and in human geography and defined with relation to the concept of geopolitics. I single out two main fields of scholarship. First, I introduce a foreign policy tradition that at least superficially draws from the realist tradition in IR. Second, I discuss various materialist and poststructuralist approaches in political geography that can be at least implicitly connected to the term geoeconomics. Third, I develop a reading of geoeconomics as political geographies of knowledge-intensive capitalism. This perspective turns attention to the geopolitical space economy of capitalism, draws from work in critical human geography, heterodox political economy, and urban studies, and seeks to overcome the separation between geoeconomics and geopolitics.

1 Introduction

Geoeconomics is a contested concept. Depending on the disciplinary perspective, it is understood and defined in different ways. In International Relations (IR) scholarship in particular, geoeconomics often refers to the foreign policy practices and strategies of inter-state competition. Indeed, since the 1990s, this state-centered emphasis on foreign policy, strategy and inter-state relations has firmly connected geoeconomics to IR realism and to the orthodox definition of geopolitics (see e.g. Gray, 1988).

What seems common to recent attempts to define the concept of geoeconomics is that it is almost invariably discussed with relation to geopolitics. But as much as the study of geopolitics

experienced a renaissance in human geography in the 1990s the same cannot be said about geoeconomics. In fact, most of the leading dictionaries, readers or encyclopedias of human geography do not include an entry on geoeconomics (see, e.g. Agnew et al., 2015).

In this paper, I seek to provide a reading of “geoeconomics” from political geography that both evaluates geoeconomic claims on their own terms and, moreover, avoids a political/economy binary that even some of the critical approaches tend to fall into. For this purpose, I provide a selective mapping of some of the ways in which geoeconomics has been scrutinized in IR and in human geography and defined with relation to the concept of geopolitics. I single out two main fields of scholarship. First, I introduce a foreign policy tradition that at least superficially draws from the realist tradition in IR. Second, I discuss various materialist and poststructuralist approaches in political geography that can be at least implicitly connected to the term geoeconomics. Third, I develop a reading of geoeconomics as political geographies of knowledge-intensive capitalism. Finally, I provide brief concluding remarks.

2 Geoeconomics as a state strategy: analyzing the strategic use of economic power

American strategy scholar Edward Luttwak (1990: 17), the “Machiavelli of Maryland”, argued famously in the early 1990 that the “the methods of commerce are displacing military methods – with disposable capital in lieu of firepower, civilian innovation in lieu of military-technical advancement, and market penetration in lieu of garrisons and bases”. Six years later, Daniel Bell referred to “geoeconomics as the continuation of war by other means” (Bell, 1996: 330). Today, these kind of definitions of the term geoeconomics are typical among journalists, policy pundits and debaters. They often use the concept of geoeconomics to refer to a “strategic” use of economic

power by governments that seek to manipulate inter-state relations. To illustrate, when writing about the Nord Stream 2 pipeline between Russia and Germany, *The Economist* argues how:

When a megaproject makes no commercial sense, there are two possibilities. Either its sponsors are fools, or they have other motives. Since Vladimir Putin is no fool, one must assume that his pet pipeline is not really a business venture [...] The project's real aims are political [...] Nord Stream 2 directly harms Poland and Ukraine, two countries that Mr Putin loathes and one of which he invaded in 2014. Currently, most Europe-bound Russian gas passes through Ukraine. Nord Stream 2 will make it easier for Russia to cut supplies to Ukraine without affecting Germany; it will stop Ukraine from dragging Germany into a dispute with Russia by interfering with the supply of gas; and it will deprive the Ukrainian government of transit fees. Without Nord Stream 2, there is a limit to how much mischief Russia can do in Ukraine before it endangers its own economy. (*The Economist* 2019: 10)

Today, the state-centric strategy approach to geoeconomics is visible in diverse fields such as international economics, different branches of strategic studies, as well as orthodox international political economy. It has also gained some ground among think tanks and foreign policy research institutes. Moreover, geoeconomics has become salient in policy analysis since the 1990s as commerce and trade are increasingly associated with and analyzed as national security and foreign policy issues.

In some of the recent literature, geoeconomics is conceptualized as a strategic use of economic power. Wigell and Vihma (2016), for instance, make a conceptual distinction between the differing strategic natures of geopolitics and geoeconomics. Accordingly, a geopolitical use of power refers to offensive foreign policy acts which are conducted by military means. The operational logic of

such power projection is “confrontation”, and it is by nature “covert”. Geoeconomic power projection, in turn, is conducted by “economic means” and its operational logic is “selective accommodation”. Accordingly, geoeconomics “can be used as a wedge strategy, attempting to divide a target country or coalition, and through that to weaken its balancing potential” (Wigell and Vihma, 2016: 611). The means, operational logics and effects of geoeconomic and geopolitical power projection thus differ. Geopolitics and geoeconomics hence represent different forms of geostrategy that are selectively applied by state governments in their efforts to defend their clearly defined strategic interests. In such a view, governments are rational geostrategic agents who operate in the world of “relative gains”, “cost-benefit calculation” and “counter reactions”. At least in an ideal situation, they select either geopolitical or geoeconomic strategies from their toolbox in order to manipulate their targets (state, countries or alliances/coalitions), and in so doing win relative gains. Geoeconomics thus denotes the application of economic means of power by states in order to realize certain strategic objectives (Scholvin and Wigell, 2018).

When one perceives world politics through such a strategic conceptualization of the concept, proof of the existence of geoeconomics is not in short supply. At least four kinds of geoeconomic events can be recognized. First, the state or several states can impose economic sanctions upon another state or a group of states. The power of these sanctions depend on the structural position of a state or states in the international financial system. The US- and EU-driven economic sanctions against Russia due to the annexation of Crimea are perhaps the most discussed recent example. Second, the state can launch trade policies that seriously threaten the purportedly geoeconomic interests of another state. It may, for instance pressure another state through levying extra taxes for commodities or resources originating from a certain state. Third, the state can tailor investments policies or leverage aid policies through which it expands its political influence beyond state borders. In such a view, China’s aid to Africa is an attempt to strengthen the international standing

of China, for instance, within international organizations. Urban mega-projects on the Malakan peninsula by Chinese companies could be similarly considered as a means to expand the power of China beyond its jurisdictions. Fourth, the state can use natural resources and related transport infrastructures such as gas or oil pipelines as “wicked” tools in their efforts to alter and maintain inter-state relations.

Given the nature of geoeconomics as a forms of analysis, it is not surprising that some approaches to geoeconomics are tailored to be highly “policy relevant”. Csurgay (2018), for instance, defines geoeconomics as “an interdisciplinary analysis that includes geopolitical factors, economic intelligence, strategic analysis and foresight and has the objective to provide a tool for states and businesses to develop and implement successful strategies to conquer markets, and protect strategic segments of the domestic economy, among other things”.

The increasing popularity of such approaches notwithstanding, the strategic approach to geoeconomics has not gained ground in human geography. Rather, it has been silenced as a form of theory. Given that critical scholarship pays notable attention to the relationship between theory and practice, the founders of critical geopolitics considered geoeconomics à la Edward Luttwak (1990) and his fellow travelers as a form of geopolitical reasoning with dubious political implications (see e.g. Ó Tuathail, 1996). Their message was that students of geopolitics should scrutinize such forms of geoeconomic statecraft rather than use these theories as their intellectual stimulus.

From the perspective of critical human geography, the strategic approach contains some problematic issues. First, it is premised on a narrow conceptualization of geopolitics as the use of military power. As a concept, geopolitics however inescapably denotes a much wider phenomenon: mastering different forms of space (territorial, relational) through various means and by various

actors who operate through different kinds of agency. Moreover, geopolitics and economy are inseparable: geopolitics refers to the production of territories of wealth, power and belonging.

Second, the strategic perspective on geoeconomics operates with a largely taken for granted conception of the state. In such a view, the state appears as a coherent agent, almost as a person operating rationally in the Hobbesian or Lockean world of anarchy through particular “operational geopolitical codes” (Gaddis, 1982; for a discussion, see Moisis, 2008). Third, the strategic definition of geoeconomics largely neglects the role of large business firms, consultant companies and many other similar actors as important “economizing” actors in the contemporary historical conjuncture. In a strategic view, firms embody actorness only as puppets or servants of governments. Finally, the strategic perspective on geoeconomics represents a kind of “fixed-form geopolitics” (Agnew and Corbridge, 1995: x) which assumes a direct impact of geographical location on state behavior.

3 Geoeconomics in human geography

In human geography, geoeconomics has received fairly little attention during the past decades, and it has been used to denote a number of things. Human geographers have nonetheless significantly contributed to geoeconomics, although in mostly implicit terms. Critique towards analyses in which the state is understood as a fixed territorial container, or the political is conceived according to an outside-inside or foreign-domestic binary, has been particularly important. These contributions demonstrate the ways in which critical human geography contributions to geoeconomics differ from the study of geoeconomics in strategy studies and in mainstream IR. The cross-cutting themes in the selected set of human geographical studies that I discuss below highlight 1) the geopolitical dimensions of capitalism, and 2) the coming together of the discursive and the material in international geopolitical economy.

3.1. Geopolitics of capitalism: the unity of the political with the economic

Strategic approaches to geoeconomics are premised on the binary of foreign and domestic policy, where foreign policy is about international relations and starkly separated from the ostensibly clear-cut field of internal politics. Human geographers have been at pains to overcome such form of methodological nationalism. One notable conceptual opening in this direction was undertaken by Peter J. Taylor (1982) already in the early 1980s. His work is premised on a materialist position in the social sciences, and it hence underscores the unity of the political with the economic. The inseparability of economic and political processes has been more recently examined, for instance, in insightful analysis dealing with China's Belt and Road Initiative (see Flint and Zhu 2019).

Thinking through the world-systems approach by Immanuel Wallerstein, as well as through the so-called relative autonomy of the state approach, Taylor (1982) went on to outline a spatial scale approach to the world economy. His was a critique of state-centered political geography. For Taylor, the materialist framework for analysis "directs us away from the state as our starting point and towards the fundamental political economy dynamic of capital accumulation" (ibid.: 20).

Taylor (1982) develops his perspective through the basic world-systems political economy concept. He first discusses the basic horizontal spatial structure of the world economy: the core, the periphery and the semi-periphery. Second, and more importantly, Taylor introduces another three-tier structure which organizes geographical scale vertically. In such a framework, the world economy is the "reality", the "global scale", and the "basic driving force of capitalism" (ibid.: 26). The state, in turn, is the scale of ideology that has an important function in the world economy. Finally, the urban is the scale of experience, that is the "scale at which we live our daily lives"

(ibid.: 29). Importantly, Taylor's framework did not bring together the urban, the nation-state and the world economy as pre-given levels of analysis, but rather conceptualized these as having specific characteristics and expressions in the process of capital accumulation.

David Harvey's (1985, reprinted in Harvey 2001) theory on the geopolitics of capitalism is an equally significant attempt to bring the political into the economic and vice versa. His is an advanced reading of Marx's theory of the capitalist mode of production, coupled with an effort to bring space more explicitly into the Marxian framework on societal change. Ultimately, Harvey's theory on the geopolitics of capitalism represents an attempt to make historical-geographical materialism relevant to an analysis of world politics. In Harvey's theory, geopolitics emanates from the internal political-economic dynamism of the capitalist mode of production in general and from the circulation of capital in particular: the capitalist mode of production is spatially constituted and has geopolitical consequences.

Capitalism constantly needs to absorb surpluses of both capital and labor in order to survive, and this process is therefore the elementary force behind geopolitics. Moreover, certain social and physical infrastructures are needed to support the circulation of capital. Because the circulation of capitals is unstable for a number of reasons (the contradiction between technological progress and growth, for instance), capitalism is periodically in a situation in which surpluses of both capital and labor cannot be absorbed. This causes a situation of crisis, a state of overaccumulation in which the various forms of capital (money, commodities, and productive capacity) are under devaluation.

Harvey (2001) explicates how the internal contradictions of capitalism can be resolved through both geographical expansion and (local) restructuring. He therefore turns attention to how the internal contradictions of capitalism prompt efforts to sustain accumulation and profit through geographical

shifts. In his view, capitalism is essentially a system characterized by both constant movement (relocating surpluses in the forms of exporting capital) and fixed and immobile spatial configurations and associated territorial forms of power.

The geopolitical paradox inherent in capitalism is that local or regional spatial formations are needed to actually facilitate the geographical mobility of capital, but this mobility results only in a chronic instability of existing regional configurations. The geopolitics of capitalism thus emanates from the very tension within the capitalist circulation process in space: the tension within the geography of accumulation between fixity and motion. Tensions emerge between relatively fixed regional spaces of production and consumption (and geographically-rooted class alliances), and capitalist geographical movement that, according to Harvey, undermines any “structured coherence” within a territory. The tension between the territorial and the capitalist logic of power is a pervasive one: “capitalism perpetually strives, therefore, to create social and physical landscape in its own image and requisite to its own needs at a particular point in time, only just as certainly to undermine, disrupt and even destroy that landscape at a later point in time” (Harvey, 2001: 333). Matthew Sparke (2018: 484) has more recently discussed Harvey’s paper on the geopolitics of capitalism and suggested that the external “dialectic of geopolitics and geoeconomics is best understood as an overdetermined expression of the ‘internal’ uneven development dialectic in capitalism between spatial fixity and spatial expansion”. In such a view, geopolitics and geoeconomics are distinct but “both reflect influential capitalist imperatives” (ibid.: 485).

In a materialist conceptualization, the geopolitical landscape of capitalism is characterized by constant processes of investment and disinvestment (cf. MacKinnon, 2012), and, thus, fierce inter-spatial competition. Surplus capital can be exported elsewhere, and new infrastructures and productive capacity can be thus be built in new locations as external resolutions to the region’s

problems. But then the viability of the new infrastructures built in these new locations, together with the formation of new regional class alliances in these locations, may end up producing powerful territorial rivals. For Harvey, the processes of crisis formation and their geographical resolution in capitalism therefore not only produce cycles of territorial transformation, but also potential “economic, political and military struggles between nation states” (Harvey, 2001: 338, also Smith, 2003).

3.2. International geopolitical economy and the nature of geoeconomic discourses

The materialist frameworks of the 1980s were followed by notable attempts by human geographers to conceptualize the increasingly neoliberal geopolitical context of the 1990s. The concept of “geopolitical economy” that was introduced in the work of John Agnew and Stuart Corbridge (1995) again highlight the unity of the political with the economic. This body of work follows the basic tenets of materialist international political economy scholarship, but pools this with a critical geopolitics approach that highlights the ways in which the spaces of international politics are produced discursively in ideas, reasonings, narratives, scripts and visions that also spatialize world economy into more and less important regions (see e.g. Morrissey, 2011). These discursive practices are central elements of mastering space as “a geographical process of disciplining, subjugating, exploiting and developing places” (Agnew and Corbridge, 1995: xi). In such a conceptualization, geopolitics refers to

the division of global space by institutions (states, firms, social movements, international organizations, armed forces, terrorist groups, etc.) into discrete territories and spheres of political-economic influence through which the international political economy is regulated

materially and represented intellectually as a natural order of ‘developed’ and ‘underdeveloped’, ‘friendly’ and ‘threatening’ areas”. (Agnew and Corbridge, 1995: 4–5).

From the perspective of geoeconomics, one of the most important qualities of the geopolitical economy approach is the explication of the constitution of transnational liberalism. By this Agnew and Corbridge (1995) refer to the decentering and de-territorializing world characterized by overlapping sovereignties and networks of power which is run by the new ideology of the market and of market access. This world is embedded in and reproduced by states, international institutions, and the circuits of capital themselves, and is characterized by the unravelling of the link between territory and state sovereignty. The projection of state sovereignty beyond its borders has been examined by Sellar et al. (2018), for instance, who argue that Italy’s investment promotion community *Informest* can be understood as an institutional mechanism not only to internationalize Italian firms but also to project Italy’s state sovereignty beyond its national borders. In sum, the rising hegemony of transnational liberalism as a network of overlapping powers and sovereignties “define the world of internationalizing state activities” (Agnew and Corbridge, 1995: 193). Agnew (2005) further explicates this latter theme in his Gramscian deciphering of the marketplace society as the contemporary form of hegemony.

The work on geopolitical economy has prompted few human geographers to conceptualize the relationship between geopolitics and geoeconomics. Cowen and Smith (2009), for instance, argue that these concepts denote different modalities of the social. In their reading, the geopolitical social can be understood as a means of acquiring territory towards a goal of accumulating wealth, and can be associated with nation-state building of the 20th century in particular. Geoeconomics, in turn, aims directly at the accumulation of wealth through market control, and can be associated with the more recent processes of neoliberal globalization. In the context of the latter, the acquisition or

control of territory is not irrelevant but is a “tactical option rather than a strategic necessity” (ibid.: 42). This distinction between the geopolitical and the geoeconomic bears a risk of comprehending geoeconomics as a sort of “new era”, a kind of self-evident successor of the geopolitical era of the 20th century (also Sparke, 2018).

Another attempt to chart the post-geopolitical world of neoliberalizing geoeconomics was provided by Matthew Sparke in the late 1990s. This approach, too, separates geoeconomics from geopolitics as if they represented different historic eras. By using the concept of geoeconomics, Sparke refers to a set of “quotidian assumptions and practices that emerge out of the context of free trade and the resulting force of borderless economic flows” (Sparke, 1998: 69–70). In such a view, geoeconomics represents the productive power of a discourse distinct from geopolitics: a particular non-militarist and market-centered way of envisioning the territories of global spaces of free trade, spaces that inescapably have what Sparke termed as transnational state effects. He tailors the concepts of anticipatory geographies of geoeconomics through which one could examine and understand the assumptions and logics behind ongoing and active region-building and the marketing of regions vis-à-vis the context of free trade. In so doing, Sparke seeks to capture both the re-territorializing (bordering) and de-territorializing (de-bordering) processes – including “best practices” of transnational governance – inherent in neoliberal globalization and associated spatial formations.

In his later work, Sparke (2007) takes a slightly different view on the relationship between geoeconomics and geopolitics. Here, these terms do not denote different historical geostrategic epochs but rather exist concomitantly. In his view, geoeconomics and geopolitics are different forms of geostrategic discourses which operate differently and shape the worldviews of security strategist and their audiences respectively (see also Domosh, 2013). These discourses also have ground-changing implications and at least potentially result in neoliberalization and militarization

respectively. By referring to American foreign policy discourse regarding the war in Iraq, Sparke claims that as forms of discourse geopolitics and geoeconomics are “envisioned” in different ways:

Simply put, the imaginative geographies of geoeconomics differ from those of geopolitics because they enable the imaginations of an expanding economic flatness rather than the sorts of political partitions and unevenness represented by visions of iron curtains, evil empires, and clashing civilization blocks. Geoeconomic visionaries tend as a result to anticipate capitalist inclusion rather than the expulsion or containment of evil others. Their focus is on networks not blocs, connections not walls, and transborder ties instead of national territories. Rather than reproduce geopolitical understanding of “us” and “them” that fetishize place, they tend instead to fantasize about connectivity and pace. (Sparke, 2007: 340)

This conceptual distinction between geoeconomics and geopolitics is fruitful as it highlights processes of capitalist expansion, and the associated ways in which the spaces that are not yet fully incorporated into the sphere of free market capitalism are constantly represented as potential playing fields to increase the global reach of capital. However, one may also pose a critical question whether such a distinction between geoeconomics and geopolitics narrows down the concept of geopolitics to refer solely to territorial spaces, fears, closure, national territory, threats and military conquest. Subordinating geopolitics and geoeconomics to geostrategy potentially estranges the meaning of the geopolitical from “mastering space” (Agnew and Corbridge, 1995) that inevitably brings together the territorial and the relational, the economy and the political, the national and the transnational, the to and fro movement of bordering and de-bordering, and hence the whole spectrum of political-economic processes related to the interplay of spatial closures and openness.

4 Towards a political geography of economic geographies: Some notes on the geopolitical reading of the knowledge-intensive form of capitalism

Materialist and poststructuralist work in political geography provide a strong springboard for a geopolitical examination of post-Fordism which is characterized by “the emergence of entirely new sectors of production, new ways of providing financial services, new markets, and, above all, greatly intensified rates of commercial, technological, and organizational innovation” (Harvey, 1990: 147). In the following pages, I elaborate on six nodal themes of the geopolitical perspective on knowledge-based economization. All of these themes highlight the unity of the political and the economic, as well as underscore the role of economizing imaginaries in the geopolitical constitution of the contemporary knowledge-intensive form of capitalism. One of the prerequisites for developing insightful geopolitical analysis on economization is to put political geography, urban geography and heterodox political economy literatures into dialogue. My proposed reading of geoeconomics as political geographies of knowledge-intensive capitalism is hence made possible by establishing these connections between debates that are often pursued in isolation from one another.

4.1. The dual nature of the contemporary geopolitical condition

One of the starting points of such an analysis is that the contemporary geopolitical condition is characterized by two processes and related imaginaries. The first is centered on issues of territorial power and the associated purportedly old-fashioned territorial power plays which take their motivation from military strategy, competition over natural resources and territorially rooted identity politics: territory, strategy and national identity politics have not ceased to be important factors. For instance, the recent rise of “nativist” or “revanchist” populist politics is also closely

connected to the image of territorially delineated nation-state as the ideal community of faith in the world of chaotic globalization (Lizotte, 2019). But nativist or revanchist populism is partly prompted by the second major constituent of the contemporary geopolitical condition: processes of the knowledge-intensive capitalism which has the capacity to place certain spaces at the epicenter of development and at the same time marginalize places and particular segments of the populace (cf. Essletzbichler et al., 2018; Rodríguez-Pose, 2018).

The transnational world of knowledge-intensive capitalism – whether this is called the cultural cognitive form of economy, the new economy, the knowledge-based economy, or the information economy etc. – is fundamentally structured around particular “hub and flow imaginaries” concerned with the state and world. It is problematic, however, to comprehend these hubs and flows as signaling a sort of post-geopolitical geoeconomic condition (Moisio, 2018b). This is irrespective of the fact that, when one observes recent developments, it becomes evident that many political-economic processes operate in and through peculiar space-economies and related economizing imaginaries and practices. But the space economy of knowledge-intensive capitalism can also be understood as a historically contingent process to produce territories of wealth, power and belonging.

4.2. The spatial flexibility of the state

In a geopolitical analysis of contemporary economizing spatial imaginaries and related processes, the state should be understood as a historically and spatially contingent ensemble of social practices and discourses. As such, state space is a relational social process rather than a static territorial frame or a “thing” (see, e.g. Jessop, 2002; Painter and Jeffrey, 2009). The space economy of knowledge-intensive capitalism is not characterized by the evaporation of the state, but rather its constant

qualitative transformation. It is equally important to notice that the gradual transformation of the state is not the result of already existing transnational capitalist processes. The qualitative transformation of the state is rather a key constitutive element of these processes.

The geopolitical constitution of the knowledge-based economy highlights the need to decipher and scrutinize the ways in which state governments as well as other authorities operating at various scales seek to re-territorialize and nationalize the relational spaces of contemporary transnationalizing capitalism and at the same time de-territorialize and “internationalize the state” (see e.g. Glassman, 1999) both in terms of territory and populace (Moisio 2018b). These increasingly selective strategies seek to connect the territorial state to the relational spaces of money capital, talent, innovations and ideas. Indeed, recent work in heterodox political economy has succinctly revealed the role of the “entrepreneurial state” as a crucial innovator, developer and risk investor, and thus, as an active agent in crafting the post-Fordist knowledge-intensive form of capitalism (see, in particular Mazzucato, 2013). There is equally strong evidence of the ways in which the shift from spatial Keynesianism towards neoliberalizing state spaces has been one of the key constitutive elements of the post-Fordist political-economies (e.g. Brenner, 2004).

The making of “international competitiveness” as the ultimate governmental problem and concern has since the late 1980s brought state actors closer to business and management mentalities, knowledges and rationalities. The ongoing attempts of state authorities, as well as local and regional authorities, to sell and market their locations as exceptionally innovative environments for extracting economic value is a testament of this process (see also Fougner, 2006). Even though current state spatial transformation is undoubtedly predicated upon management knowledge of various kinds, an analysis of this type of economizing reasoning, as well as its operation in state strategies, has been largely absent in human geography (Moisio and Paasi, 2013a).

Re- and de-territorializations of the state take place concomitantly, disclosing the particular spatial flexibility of the state as a form of social and geopolitical organization. Brenner (2004: 16) argues how “it is no longer capital that is to be molded into the territorially integrated geography of state space, but state space that is to be molded into the territorially differentiated geography of capital”. The spatial flexibility of the state is a phenomenon which is partly overlooked in much of the geopolitics of capitalism tradition which makes a sharp distinction between the capitalist logic of power (accumulation of capital and the associated motion and mobility of capital) and the territorial logic of power (an attempt to create configurations of power around the sovereign state in particular). In other words, irrespective of the fact that the actually existing capitalist economy operates within an arena larger than that which any political entity can totally control (Wallerstein, 1974: 230), nothing prevents state governments from constantly seeking to control capital to their “national” benefit. The back-and-forth movement between the de- and re-territorialization of the state occurs in these strategies of managing and controlling spatial mobility.

An analysis of the dynamics between de- and re-territorialization arguably provides insights on how the territorial and the relational come together in the contemporary political-economic context and how states are spatially transformed within such a process (Moisio and Paasi, 2013b). Global value chains, to mention only one example, can be understood as geopolitical spaces that bring together the capitalist and the territorial logics of power. State authorities constantly seek to re-work their territories so as to attract particular activities of multinational corporations that produce a lot of economic value, and in so doing position their economic territories in the upper echelons of the value chain. In other words, the global value chain epitomizes geopolitical space within which large firms and political communities interact and negotiate – often with the help of influential consultant companies – regulate each other, as well as co-produce economic value.

4.3. Dismantling the territorial/relational divide: The hubs and nodes of post-Fordism

An inquiry into the coming together of territorial and relational space enables one to unravel the theoretical binary between the global (or transnational) and the territorial, a dichotomy which is pervasive in both political liberalism and in many early sociological conceptualizations of globalization (Opitz and Tellman, 2012). To illustrate, different kinds of economic territories and associated economizing spatial imaginaries are obvious spatial expressions of post-Fordist capitalism. The knowledge-based economy is hence “made real” through particular spatial imaginaries of hubs and nodes and related construction of economic territories. The construction of these territories points to the ever-deepening spatial selectivity of the territorial state (Jones 1997). Growth corridors, technopoles, special economic zones, transborder regions, mega-regions (in the context of the EU in particular), innovation centres, smart cities, and start-up cities, to mention but a few, are politically construed economic territories that the state authorities hope will serve as territorial platforms or “spatial exceptions” (Ong, 2009) through which both economic and political success can be achieved. One may indeed argue that post-Fordist capitalist globalization, which is often but not inevitably characterized by a neoliberal mode of political regulation, gets spatially constituted in these exceptional spaces (cf. Sassen, 2006).

4.4. Inquiring into the geopolitical theories and associated calculative practices of post-Fordism

The ways in which various spatial elements of the post-Fordist geopolitical condition are scripted at present as a future-oriented strategic world in which political actors need to internalize particular types of principles of policy-making as well as to conform to certain types of spatial understandings in their action are crucial research topics in a geopolitical analysis of post-Fordism. This highlights

the need to inquire into the particular spatial theories and assumptions of knowledge-intensive capitalism – as well as the wider regimes of truth that these together constitute. This kind of geopolitical analysis of economizing spatial imaginaries and related theories is important because the regimes of truth dealing with inter-spatial competition, for instance, effectively guide policy-making and action in international politics more broadly.

The primacy of economic growth and competitiveness has major implications for policy-making and, thus, for the spatial transformation of the state. It is thus equally crucial to examine calculative socio-technical practices such as indices, mappings, analyses – as well as seminars, conferences and other events where these calculations are performed – through which states, cities, regions and even supranational polities are discursively reconstructed as economic territories of fierce global inter-spatial competition.

4.5. The geopolitical role of cities in the economizing imaginaries of post-Fordism

An inquiry into city/state relations is particularly pertinent for any geopolitical analysis of contemporary conditions. Economizing spatial imaginaries of knowledge-intensive capitalism are highly city-centered and growth oriented, and they often present cities as solutions to economic and political crises. In political debates in advanced capitalist states, as well in mainstream scholarly work in urban economics and in related fields, as well as in the work of all kinds of consultant companies and guru scholars, issues such as innovation, productivity, internationalization, growth and creativity are increasingly brought together and associated with large cities and their urban fabric. From the perspective of critical human geography, these debates are not only descriptive but also extremely prescriptive. Simultaneously, work by western guru urbanists demonstrates the ways in which cities are at the center of contemporary economization processes of the geopolitical and

associated state restructuring. Indeed, a geopolitical analysis of some of the most popular economizing spatial imaginaries by guru scholars and consultant companies regarding the role and functioning of cities as nodal spaces in contemporary capitalism is long overdue.

During the past two decades, we have not witnessed the re-birth of city-states but rather what can be understood as the urbanization of the state: the constantly strengthening imperative of urbanization. This imperative highlights the agency of large cities and dense urban spaces in particular in the re-working of capitalist states as economic territories of competition. As a result, the production of states as territories of wealth has gradually become more urban in nature. The imperative of urbanization hence manifests itself increasingly in the sometimes peculiar alliances between actors who articulate urban economic growth in terms of common national interest (Moisio, 2018c; see also Rossi, 2017).

The qualitative transformation of the state towards an entrepreneurial form characterized by supply-side policies, together with widely shared understanding of the role of the state as a facilitator of economy, has involved significant geopolitical dimensions. From this perspective, urban transformations are both constituents and expressions of broader processes of neoliberalization of space (cf. Brenner and Theodore, 2005). The shift in focus from an emphasis on national champion firms to national champion cities (Crouch and Le Galès, 2012) is a good example. One may indeed argue that the transformation of cities towards increasing entrepreneurialization (see Harvey, 1989) and the process of producing the state as an entrepreneurial social organization have been two sides of the same coin.

Growth-first based competitiveness reasoning – coupled with the imperative of inter-spatial competition – has not only touched upon changes in the ways in which states are governed and

organized spatially. Cities, too, are shifting from the entrepreneurialisation of governance (Harvey 1989) to an entrepreneurialisation of urban life (Rossi 2017; see also Hardt and Negri 2000). This form of entrepreneurialization seeks to harness urban social life for the extraction of value. As part of this geopolitical process, large cities, in particular, increasingly embody national competitiveness, and are all quite ironically becoming truly “capital cities”. Crouch and Le Galès (2012: 406) argue succinctly how

...states have shifted resources to invest massively in their capital cities and in urban infrastructures, from information technology to research, financial platforms to transport. Nothing can stop them developing national champion cities or regions, as competition policy is directed solely against favouring firms and industries, though in practice favoured locations are often associated with specific industries, even specific companies, and these can benefit from advantages being given by public policy to the geographical space. Such strategies constitute particularly literal examples of economic patriotism. Patriotism is associated with the defence and promotion of nations, lands, territories; in the strategies being discussed here, economic patriotism takes the form of advancing the interests of specific parts of the national territory.

4.6. The crafting of geopolitical subjects of knowledge-intensive capitalism

Harvey (1990: 121) explains how a consolidation of a regime of capital accumulation involves bringing the behaviors of people including economic and political agents “into some kind of configuration that will keep the regime of accumulation functioning”. This theme is particularly pertinent in the context of knowledge-based economization which is characterized by active attempt to generate new capitalist collective subjects – be they called “informational labor” (Castells, 1996),

the “creative class” (Florida, 2002), or “cognitive and cultural labor” (Scott, 2017). The crafting of geopolitical subjects of knowledge-intensive capitalism merits more attention in research, for the crafting of these subjects bring together relational-economizing spatial imaginaries and the territorial strategies of political units.

The crafting of geopolitical subjects of the knowledge-based economy discloses that knowledge-intensive capitalism not only needs people with certain skills, but it also requires “communicative, cooperative, and affective labor” (Hardt and Negri, 2000: xiii), and thus, particular subjectivities. The concept of the geopolitical subject therefore refers to an organized set of human figures, who are, from the perspective of political power, equipped with particular ideal skills, behaviors, orientations and “spatial mindsets” which can be harnessed in the production of territories of wealth and competition. As such, the process of knowledge-based economization involves not only the making of new business management politicians but also the re-working of labor’s conduct, perceptions, actions, motivations, vis-à-vis the purported requirements of global inter-spatial competition. A geopolitical analysis of knowledge-based economization thus seeks to understand the ways in which such economization involves manipulating and guiding bodies and lives spatially in the age of a conceived war over talent (Moisio, 2018b).

5 Concluding remarks

In this paper, I have outlined some of the ways in which the concept of geoeconomics is defined in and related to the concept of geopolitics in recent research. Both IR scholars and human geographers have sought to bring some light into this conceptual issue, in particular through understanding the concepts of geoeconomics and geopolitics as representing different forms of geostrategy, and thus different forms of political practice and discourse. This separation is

surprising when geopolitics is understood through the lens of critical social science and political economy which highlights the unity of the economic with the political. What is also notable is that many of the scholars in geopolitical economy in particular avoid using the term geoeconomics and in so doing basically deny its value as an analytic concept.

The geopolitical perspective on the analysis of knowledge-based economization which I outlined above seeks to overcome the separation between geoeconomics and geopolitics. This perspective turns attention to the geopolitical space economy of capitalism and draws from work in critical human geography, heterodox political economy, and urban studies. Arguably, cross-fertilization between these fields is one of the prerequisites for developing an insightful geopolitical analysis of economization. Such a perspective estranges the geographical study of the spaces of contemporary political economies from both orthodox strategy studies and IR that are characterized by a narrow understanding of 'foreign policy', as well as by treating the state as a spatially, socially and economically homogenous actor. Developing this kind of geopolitical approach to economization further also needs a closer dialogue with such approaches as ethnography, and various forms of feminist and post-colonial theory. Issues such as how the economizing geopolitical condition is experienced, enacted and resisted by different segments of population as well as territorially-rooted social movements and political groupings thus remain central research foci in the geopolitical analysis of economization.

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