

Bettina Mahlert

Neoinstitutionalism and Inequality

Discussion paper for workshop 1A: Conceptualizing global inequality.
IC-R02 Conference “Inequality beyond Globalization”, University of Neuchâtel, June 26-28,
2008

This presentation deals with the neo-institutionalist approach to global social phenomena proposed by John W. Meyer and his Stanford School. This school’s research program as well as the associated theory of the modern world polity are commonly not regarded as a contribution to the issue of global inequality. Yet, I will argue, neo-institutionalism encourages common theoretical approaches, namely world-systems theories¹, to throw a fresh look at global processes of distribution and to advance their theoretical conceptualization. I will first recall the neo-institutionalist research program and theory, putting the main focus on its contribution to questions of global inequality/equality and distribution. In a second step I discuss how Meyer draws on center/periphery-distinction in his contributions. The third section presents some starting point for further research on global distribution processes which can be derived from the preceding considerations.

I

Roughly speaking, Meyer began his scientific career with an interest in inequality and ended up with equality as the main finding of his empirical research. Drawing on the common notion that social and economic „development” were highly interrelated, his initial research question was how different dimensions of development precisely worked together:

“Richer societies have more elaborated institutions, more extended states, more political participation, more “modern” cultures and individuals, and greatly expanded educational systems. Societies fall, by and large, on an evolutionary scale. What the engines of “progress” on this scale are, we do not know. We have the treasured theories which, when assembled, argue that everything causes everything else. Particular causal variables have devotees, but little evidentiary status” (Meyer/Hannan 1979: 4).

In order to identify those particular causal variables and to capture interdependences between social, political, economic, cultural factors in societal development, Meyer and his associates developed a new empirical research method. They combined quantitative cross-section analysis and time series analysis. This research method was especially designed to capture variations between nations over time. Surprisingly, its application brought forward strong structural similarities between nations. The modern world revealed increasing structural isomorphies between countries while at the same time there were large differences in income and economic welfare between these same countries. Worldwide synchronization of structural changes were discovered with regard to first to education, and then to political regimes, political incorporation of women, constitutions and cycles of colonization.²

¹ World system approaches here are roughly summarized as theories considering inequality the most salient feature of the modern world. Classical approaches embrace concepts like imperialism, hegemony, unequal change, vertical interaction, and are represented by writers like Wallerstein, Arrighi and Chase-Dunn. For an overview which includes Meyer’s approach as a contribution to world-systems theorizing see Chase-Dunn (2001).

² For an overview, see Meyer (2005).

The essential conclusion Meyer drew from these results was to apply diffusion models to explain worldwide processes of distribution. Thus, the tremendous, universal increase in education between 1950 and 1970, which Meyer first discovered, suggested that national educational systems had a self-generating character. To explain their expansion, it would not be adequate to look at interdependences between education and, say, economic variables. One would do better to assume that there are worldwide and autonomous processes of distribution, and to try to model these processes by applying ideas from diffusion research (Meyer et al. 1979: 40).

Within the context of sociological research on development, Meyer's turn to diffusion models presents a deviation from dominant, classical concepts of world-wide processes of distribution (So 1990). These concepts were at that time and are also today presented by world-system theories, which suggest that national development heavily depends on the position of a country within a global division of labor. The distribution processes which mediate relations between countries are elaborated by means of concepts like imperial penetration or unequal exchange. The central ideas behind these concepts are ultimately (economic) interests and power, which contrast to the epidemiological logic of diffusion models.

It thus might be consequent that Meyer not only turned to diffusion research, but also chose an alternative structural concept of the global system. He proposed that the structure of the global system was not primarily described in terms of center/periphery-relations, but as a world-polity consisting of nation states and integrated by modern world culture (Meyer 2005).

II

In the preceding section I have shown that, since the late 1970s, Meyer chose a line of research that in many respects deviates from the classical world-systems paradigm – with an empirical research program looking for isomorphies between countries (instead of inequality); with diffusion models (instead of unequal exchange); and with the concept of world polity. Against this background I now have to point out that Meyer didn't carry out this turn completely. Quite contrary, he continues to use the concept of center and periphery very heavily.

On the one hand, Meyer criticizes world-system approaches with regard to empirical findings and their explanations. Thus, he points out that education in dependent countries does not expand more slowly than in the center, as world-systems theorist predict (Meyer et al. 1979). On the other hand he presupposes that there *is* a center and a periphery in the modern world-polity.

“Of course, new models of the nation state originate from countries in the center, from their organizations and their intellectuals. This is a consequence of their superior resources and their central position in the system. But it doesn't follow that those new models are solely an expression of the interests or attributes of the central states in their role as great powers of the system (...). Cultural hegemony takes hold by different processes than just superior power. One of these processes is the definition of nation-state identity” (Meyer 2005: 147).

“Undoubtedly, nation states try to influence each other pursuing their own interest by applying mechanisms of exchange and power. But I want to address a different process by which they present themselves as models for each other or are presented as such by some agents” (Meyer 2005: 144).

As these phrases indicate, it seems to be evident for Meyer that there is a differentiation of center and periphery in the modern world-polity, and that there is cultural hegemony. But he never elaborates what attributes constitute a center or a periphery. Quite contrary, in terms of the concept of world polity it is not understandable why there should be a center and a periphery and why there should be hegemony in the modern world polity. The theory rather predicts that there should be no such structure. For modern culture, as Meyer describes it, is essentially egalitarian. It delegitimizes not only inequality between individuals but also stresses equality between nation states. If the world-polity is integrated by modern culture, and if its organizational structure is an institutional product of this culture, as Meyer suggests, why should there be hegemonic powers in this system?

It can therefore be concluded that the concepts of center and periphery are not covered by Meyer's own approach; but still he seems not to be able to do without them.

III

Inequality between countries seems to be an external factor to neo-institutionalism. It serves as a reference to highlight isomorphies in national structures, but as such it remains unexplained. Still, the findings of this research program are too robust and too far reaching to be ignored by theoretical efforts to understand global inequality. We should know more precisely just how diffusion processes, as documented by neo-institutionalism, and mechanisms like unequal exchange work together in today's highly integrated world-system to produce the patterns of inequality that figure so prominently in this system. In the remaining section I therefore suggest some starting points for further theoretical efforts to answer these questions. In doing so, I draw on some arguments that were elaborated by Galtung (1971).

One adequate point of departure might be the idea of redundancy which stems from communication theory. Redundancy of information within a system results from the fact that the sender does not lose the information when transmitting it to the receiver. Quite obviously, this mechanism underlies the cultural diffusion processes in the modern world system which Meyer and his associates describe. So it might be helpful to begin by distinguishing distribution processes with regard to how the receiver is left after the transmission: The sender can "lose" the item when transmitting it to the receiver (a); he can retain the item while transmitting it to the receiver (b). To this, a third type can be added which was especially put forward by Johan Galtung (1971): The sender can gain something different by providing the item to the receiver (c).

It is obvious that the first two outcomes depend on what kind of items or resources are transferred. Thus, economic goods roughly fall in category (a) while cultural goods fall in category (b). In this respect, economic transactions lead to inequality (which might then be counterbalanced, when both actors take both role and enter into an exchange), whereas cultural transmissions produce equality. It is not surprising then that the neo-institutionalist approach, which highlights trends to homogenization between countries, does not deal with economic processes of distribution but only with transmissions of type (b), like the spread of models for education, nation state identity and so on.

Before I turn to case (c) I want to further discuss this point, using the field of science as an example. Meyer rightly points out that modern scientific institutions and organizations spread all over the world. In any country we find roughly the same type of scientific organizations; there are similar research institutes and universities with increasingly similar curricula. This spread clearly seems to follow a diffusion logic. But quite obviously, there are

many asymmetries built into these institutions and into global communication processes in science – asymmetries with which Meyer is not concerned. We may point to three types of asymmetries:

First, there are the complementary roles of teacher and learner. As was early argued by Galtung (Galtung 1971: 93), these roles are not distributed equally around the globe, but scientists of the centre act as teachers toward scientists of the peripheral countries.

Second, Galtung also points out that there is a vertical division of labor in science, very similar to economic division of labor: “The pattern of scientific teams from the Center who go to Periphery nations to collect data (raw material) in the form of deposits, sediments, flora, fauna, archeological findings, attitudes, behavioural patterns and so on for data processing, data analysis and theory formation (processing, in general) in the Center universities (factories), so as to be able to send the finished product, a journal, a book (manufactured goods) back for consumption in the center of the Periphery” (Galtung 1971: 93).

Third, there is an asymmetrical structure of visibility in global scientific discourse. Scientific contributions which stem from peripheral countries are much less prominent in the scientific reputation order than contributions from the center. Thus, to attract attention within global sociology, one is well advised to get a paper published in the *American Journal of Sociology*.

The research question which can be derived from these considerations is just what precisely are the *mechanisms* that underlie this different *forms* of cultural hegemony: How exactly are these asymmetries established and reproduced in a system that is characterized by quick and uncontrollable dissemination of information via electronic media; that has an organizationally decentral structure (- there is no formal hierarchy of scientific organizations -), and that has universalistic norms (- every one can publish in the *American Journal of Sociology* if he passes the peer review)?

I want to conclude with a short glance at case (c) from above – a transmission process in which the sender gains something different by providing an item to the receiver. Galtung (1971) has accentuated this point by reflecting the intra-actor effects of economic changes between nation states. Nations that export processed goods do not only profit in terms of the exchange values they get. The production of these goods is in itself advantageous because it induces internal processes of development in different societal fields. Production of items with high processing level needs research; research needs organizational infrastructure, cultural basis in universities, leads to spill over in social (mobility), political and military domains. This argument holds not only for economic products like sun collectors which may be provided “gratis” to developmental countries. It also holds for cultural models of societal development, which are elaborated and communicated by especially trained professional actors. Thus, developmental aid is at least profitable for the countries that provide them.

References

Chase-Dunn, Christopher (2001), World-Systems Theorizing, in: Jonathan Turner (Hrsg.), Handbook of Sociological Theory. New York: Plenum. Internet-Dokument <http://www.irows.ucr.edu/cd/theory/cdtheorytoc.htm>, 22 pages, download 15/01/2008.

Galtung, Johan (1971), A Structural Theory of Imperialism, in: Journal of Peace Research 1971/8: 81-117.

Meyer, John W. (2005), Weltkultur. Wie die westlichen Prinzipien die Welt durchdringen. Frankfurt: Suhrkamp.

Meyer, John W./Boli-Bennett, John/Chase-Dunn, Christopher (1975), Convergence and divergence in development, in: Annual Review of Sociology 1: 223-246.

Meyer, John W./Hannan, Michael (1979), Introduction. In: John Meyer, Michael T. Hannan, National Development and the World System. Education, Economic, and Political Change, 1950-1970, Chicago: University of Chicago Press, 3-17.

Meyer, John W./Hannan, Michael T./Rubinson, Richard/Thomas, George W. (1979), National Economic Development, 1950-1970: Social and Political Factors, in: John Meyer, Michael T. Hannan, National Development and the World System. Education, Economic, and Political Change, 1950-1970, Chicago: University of Chicago Press, 85-116.

So, Alvin (1990), Social Change and Development. Modernization, Dependency and World-System Theories, Newbury Park: Sage.