

Book Review

Dynamics Among Nations: The Evolution of Legitimacy and Development in Modern States, by Hilton L. Root. Cambridge, MA: MIT Press, 2013. Hardcover: ISBN 978-0-262-01970-5, \$29.95, xiii+332 pages.

Hilton L. Root examines the institutional consequences of the ongoing redistribution of economic (and political) power between developed and developing countries from the perspective of the evolutionary theory of complexity. The difference between “merely complicated” (e.g., a watch) and “complex” (e.g., the economy) systems is his point of departure (p. 20). The parts of the former do not change/adapt in response to changes in other parts. So, if a part is removed or damaged, the system either malfunctions or shuts down. But complex systems do not collapse under similar conditions because the rest of the parts adapt and the system self-organizes. Conventional social sciences, which treat systems as mechanical aggregates of their sub-components, are inadequate for understanding complex systems as they cannot explain emergent system-level properties (e.g., social change and economic development).¹

After the USSR’s dissolution, most countries introduced elections and/or opened up their markets. But, as Root points out, Western norms spread unevenly among and within countries leaving behind half-baked democracies and markets. The end of the Cold War bipolarity and economic success allowed leaders of developing countries greater freedom to exercise parochial preferences in a globalizing world. Moreover, South-South trade networks, which expanded during this period at the cost of ties between the West and developing countries, have also emerged as conduits for arms, loans, and techno-political systems. Consequently, international trade, defense, and diplomacy networks are no longer neatly aligned, leading to the breakdown of the West’s hierarchical dominance and the emergence of a networked international system wherein the West is no longer insulated from developments elsewhere. This shift took place, even as the West was celebrating the end of history and the twilight of sovereignty in a flattened world.

¹ This reminds of how economics first reduces multidimensional goods to their characteristics and then mechanically aggregates the characteristics without giving much thought to their interrelationships.

Root argues that the 9/11 terror attacks and the possible emergence of a few developing countries as sources of norms, particularly China, finally forced the revision of the view that the end of the Cold War marked both the triumph of free markets and liberal democracy as well as the end of ideological competition. The post-Berlin triumphalism has, in fact, given way to the fear that in a networked world coevolution of democracy and autocracy can adversely affect democracy's survival rate and limit global cooperation based on shared values. (But even otherwise, the liberal order seems to be under threat as both population growth and trade flows are concentrated increasingly in illiberal regimes, whose economic success both arouses and makes affordable the quest for authenticity.) Root suggests that deep ideological and theoretical biases blinded Western policymakers and academia alike to the consequences of the ongoing redistribution of global economic power, which would not have been difficult to prefigure if sufficient attention was paid to the growing complexity of the global society. The combined influence of *modernization theory* (MT) and *liberal internationalism* (LI) on U.S. foreign policy and social sciences explains this oversight.

LI assumes that economic reforms will integrate countries into the global economy and will change "other societal structures and expedite a socio-political convergence toward global cooperation" (p. 1). (We can add that the assumption rests on three subsidiary assumptions. First, economic globalization can force convergence of material preferences. Second, material and non-material preferences are interlinked, and changes in one will force the other to change. Third, it is easier to begin change at the material end of the problem.) This optimism, coupled with the assumption that shared norms make countries "more reliable allies," explains the conflation between the desirability and possibility of international normative convergence. MT that underwrites LI can explain neither the disjuncture between the rates of techno-economic and socio-cultural changes, which allowed the socio-political institutions in developing countries greater degrees of freedom than assumed, nor the growing complexity of the global political economy. Root also tears through the new institutional economics (NIE) that shares the weaknesses of MT and neo-classical theories of growth. He argues that identifying the final building blocks of a system, which is what NIE effectively does, is not the same as understanding its origin, its replicability, and what holds it together.

Root explains why the much expected socio-political normative convergence is increasingly unlikely. It might be true that smaller economies adopt values of larger trading partners. But the West is no longer the focal point of the international economy. Both its normative appeal, which was instrumentally linked to superior economic outcomes, and economic dominance are being eroded by the economic success of illiberal regimes and the growing South-South connections. Likewise, it might be true that the middle class was the agent of change in the West. But the middle class need not have the same normative orientation in all contexts. For instance, the Third World middle classes are often beholden to the state.

Also, it was wrongly assumed that developing countries are passive recipients of Western advice and that their response to the advice does not affect the West. Authoritarian regimes introduced limited reforms to unleash economic potential and

bribe potential opponents to entrench themselves. Orthodox groups selectively subscribed to democracy to capture power and rewind the modernization clock. Nationalists adopted limited reforms as a defense against external threats. Because of this selective approach, a remarkable convergence of family structures and consumer tastes across the world coexists with deep differences over regime legitimacy and limits to sovereignty. Also, the domestic diversity of developing countries was often overlooked. Uneven exposure to globalization in developing countries has resulted in economic polarization and a backlash against Western values promoted by the elite.

Furthermore, contrary to historical and contemporary evidence, it was assumed that technological determinism and global economic competition eliminate degrees of freedom, compelling the adoption of Western socio-political structures as autocracy and closed economy are ill-suited to sustained economic growth. And, the recent correlation between free markets and democracy was either misinterpreted in causal terms with autonomous free markets being “*replicators* (vehicles) that transfer liberal values to the rest of the polity” (p. 9), or the two were assumed to be part of a naturally occurring whole. As a result it was believed that selective adoption of Western norms was unsustainable and would eventually yield to full-scale imitation. But even a cursory familiarity with European history suggests the assumption of inevitability is flawed.

Root also discusses why conventional approaches within – say – economics are incapable of dealing with choice problems in complex systems that are not amenable to optimization. In such systems, agents adapt to their immediate landscape, which coevolves with them, and they “cannot predict the future path of the environment, being part of the prediction that is made” (p. 17). So, outcomes are emergent rather than being known to optimizers beforehand. Moreover, because of the importance of initial conditions, path-dependence, and opportunity cost in the search for new norms, often what is attainable depends less on the agent’s attributes than on his/her location on the landscape and the nature of that landscape. Yet, the conventional approaches assume both the existence and attainability of a unique global optimum. But in reality, no single attractor exists and agents try to attain their local optima, which may explain the resilience of seemingly suboptimal institutions. (Countries like China and India are fortunate that their local peak is also the global peak.) Local adaptation of agents located on interacting landscapes leads to differentiation and novelty rather than mimicry.

At the end of this fascinating book, one feels that the author tries to do too many things: introducing complex adaptive systems; exposing the limits of conventional social sciences; visualizing the world as a complex adaptive system; and explaining major changes therein, such as the great divergence between the East and West and the recent economic resurgence of the former. This results in inadequate attention to details. Also, there are long stretches where the three agendas are loosely connected. So, for example, the insightful comparisons between pre-modern China and Europe and contemporary China and India contain minimal discussion on complexity. Thus, while the book is able to convey that social sciences are sinking, we do not know how to jump into the safe embrace of complexity.

The book suffers from a number of other shortcomings. First, the book's justified criticism of conventional social sciences is incomplete. For instance, it overlooks the fact that even a simple game-theoretic assessment is sufficient to expose the gross mismatch between the assumptions and predictions of LI. So, factors other than theoretical shortcomings of social sciences explain the persistent faith in LI. Second, in some places, the historical contexts of non-European countries like China, India, Pakistan, and Turkey are incompletely or incorrectly described. Third, while internal diversity of pre-twentieth-century Western countries receives well-deserved attention, the contemporary West is treated like a "black box." Fourth, it is wrongly assumed that regime types did not matter in pre-modern international systems and that outsiders refrained from interfering in others' domestic affairs. Ancient Indian classics, such as Kautilya's *Arthashastra*, exhort empire-builders to exploit existing as well as create new domestic fault lines in rival states, particularly those ruled by unpopular kings. Fifth, overemphasis on the role of economic forces in acquisition and propagation of international normative influence and neglect of the factors governing international demand for norms results in the neglect of the possible disjuncture between normative and political/economic influence of emerging powers and the limits to their normative attractiveness. This perhaps explains the book's failure to prefigure emergent system-level political developments in Sri Lanka, leading to assertion of autonomy vis-à-vis China and renewed interest in "Western" values.

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