GLOBALIZATION OF ECONOMIC SURVEILLANCE: 
THE INTERNATIONAL MONETARY FUND 
AS MODERN PRIEST 

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Politics of Discursive Neutrality and Principle of One Dollar, One Vote

Many academic fields, have experienced a wave of development critiques, colonial discourse analyses, and other approaches that try to come to grips with the encounters of the European Man with his Others. Some of the “new” themes may not seem so novel to critical anthropologists, feminist historians, or students of Third World literature. Within the discipline of international relations there are, however, more reasons to claim that the waves of discourse-oriented studies of otherness are bringing genuinely new insights. The same applies, a fortiori, to international political economy.

In my analysis of one basic theme of international political economy, the international financial institutions and especially the International Monetary Fund (IMF), I shall argue that a politics-of-knowledge approach can be particularly useful. Producing knowledge about other cultures has always been a companion of colonial domination. One of the most powerful ways of justifying domination has been declaring one’s knowledge neutral and universally true. The global politics of truth creation still includes discursive strategies similar to the colonial politics of half a millennium ago, even though there have been important institutional changes in the disciplinary control of the world-system.

The motivation for paying attention to the discursive aspects of the IMF is not purely contemplative. It is also related to a project of opening up new political spaces in the supposedly apolitical arena of the international economy. A basic element of the strategy of discursive neutralization is the claim that the IMF deals with strictly economic issues and that economic issues are outside politics. Outside politics translates to outside public discussion, out of the reaches of human debates. The knowledge produced by the IMF is made to seem so natural that possibilities of changing any of its basic tenets would appear to be impossible. Accordingly, the possibility of any substantial change in the system of global governance dominated by institutions like the IMF is supposedly beyond of the agenda.
One possible change in the system of global governance would be to make the IMF more democratic. A more democratic IMF need not imply that its operational decisions would be made through complicated democratic procedures, but rather that the everyday decision-makers would bear at least some accountability to a more democratically representative body than at present. Since the founding of the IMF in Bretton Woods in 1944, the daily business of the fund has been controlled by an Executive Board, consisting of Executive Directors and chaired by the Managing Director. The twenty-four Executive Directors are appointed and elected by the member states of the IMF through a mechanism where the voting power of a member state is determined by its quota. The quota broadly reflects the economic and financial position of the member in the world. For example, India, Bangladesh, Bhutan, and Sri Lanka, four countries with a little over a thousand million inhabitants, have a total of 2.6 percent of the votes of the IMF, whereas the United States, with a little over 250 million inhabitants, has 17.8 percent.¹

It is, prima facie, obvious that the decision-making system of the IMF violates the basic norms of the contemporary Western democratic tradition. “One dollar, one vote” is not in the glossary of democratic representation. Therefore, it seems contradictory that a decision-making system constructed and controlled by people who come from the “democratic world” can be so undemocratic. Whether a more democratic decision-making system should be based on the principle of “one country, one vote,” on the relative populations of countries, or on some more complicated procedure can be debated. The point is, many decision-making models exist that are significantly more democratic than the one used in the IMF.

The dominant attempt to resolve the contradiction is to deny the validity of democratic claims in the IMF. According to this argument, democracy belongs only to the political arena, and the IMF is outside politics. The above-mentioned doctrine of economic neutrality is one of the most important strategies of claiming to be outside politics. My main hypothesis is that the doctrine of economic neutrality is at least partly misleading, and clinging to it is not a theoretically consistent justification for maintaining the undemocratic structure of the IMF. I shall also examine how the doctrine has worked in the Latin American debt crises of the 1920s and 1930s and the 1970s and 1980s.

I shall then reflect on whether any other powerful discursive constructions support the claim that the IMF is outside politics: in other words, whether there are any other ways, consistent with democratic