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The production of hegemonic policy discourses: ‘competitiveness’ as a knowledge brand and its (re-)contextualizations

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‘Competitiveness’ has become a transnational policy buzzword in a globalized world and this invites us to examine critically ‘competitiveness’ discourses and their manifestations in the policy-consultancy circuit. This article adopts a ‘cultural political economy’ approach to the rise to hegemonic ‘knowledge brand’ status since the mid-1990s of the influential account of Michael E. Porter and his Harvard Business School associates. This account of competitiveness has since been recontextualized from the national to the urban, regional and global scales. The article interweaves theoretical and empirical arguments in five steps. Firstly, it outlines the bases of cultural political economy as a discursive as well as material account of the remaking and reproduction of social relations. Secondly, it presents three stages in the development of ‘competitiveness’ discourses from theoretical paradigm to knowledge brand. Thirdly, it explores how this knowledge brand has been recontextualized through knowledge apparatuses, such as indices and metaphors, as well as through related technologies of power at the global level and the regional-national scale of East Asia. Fourthly, and conversely, it shows how this hegemonic logic of competitiveness is being challenged and negotiated in the wake of the 2008 financial crisis. Fifthly, it offers some concluding comments on knowledge brands and on how cultural political economy can contribute to a critical understanding of policy-making.

Keywords: hegemony; competitiveness; knowledge brand; technologies of power; Michael Porter

‘Competitiveness’ has long been a concern for policy-makers but its significance has expanded rapidly in the past two decades in a globalized world organized increasingly along neoliberal lines. Media headlines, policy speeches, official documents, consultancy reports and (inter-)national outlooks deploy this buzzword in imagining alternative economic futures. This makes it important to examine critically ‘competitiveness’ discourses and their manifestations in the policy-consultancy circuit. This article focuses on an especially influential account, that of Michael E. Porter and his Harvard Business School (HBS) associates, examining how their model has become a hegemonic ‘knowledge brand’ since the mid-1990s. My analysis draws on a ‘cultural political economy’ (hereafter CPE) approach (Sum 2004, Jessop and Sum 2006, Sum and Jessop 2010) that takes a ‘cultural-discursive’ turn in the study of political economy without abandoning the key concepts and insights of the latter. The analysis interweaves theoretical and empirical arguments in five steps. The first outlines the theoretical bases of CPE’s approach to the discursive as well as material moments in the remaking and reproduction of social relations. One aspect of this, of particular concern here, is the role of ‘economic

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imaginaries’ in defining objects of economic calculation, management, governance, etc. A second step presents three stages in the development of discourses about one such imagined object, namely, ‘competitiveness’, over the last 30–40 years. It focuses on the emergence of the Porterian model as a nodal imaginary and its development as a ‘knowledge brand’ that circulates widely in shaping neoliberal economic strategies and policies. Third, the article explores how this knowledge brand has been rolled out and recontextualized on different scales via knowledge apparatuses (e.g., benchmarking reports, indices and metaphors) and related technologies of power and, in particular, how it is being recontextualized in East Asia by regional/national/local actors. Fourth, and conversely, it shows how this hegemonic logic of competitiveness is being challenged and negotiated in a conjuncture marked by the financial crisis that first became evident in mid-2007 and has since deepened and broadened. Finally, it concludes with some comments on the rise of knowledge brand and the potential contributions of CPE to an understanding of policy-making in the remaking of neoliberal capitalism.

1. What is a cultural political economy approach?

The CPE approach is a broad theoretical current in the social sciences that takes the ‘cultural turn’ (i.e., a concern with semiosis or discourse) seriously and combines it with critical political economy. It has been applied in different fields and to different theoretical and empirical objects (e.g., Jones 2008, Dannestam 2008). This article explores one aspect of the broader CPE agenda, namely, the strategic-discursive moments in the ‘production of hegemony’ as this affects the (re-)making of capitalist social relations (Sum 2004). Thus CPE asks not only how subjectivities and identities are constituted but also how ‘economic imaginaries’ are created, re-contextualized, and contested; and, equally importantly, who and what is involved in these twin processes. It starts from the claim that these processes are typically mediated through selections of particular ‘economic imaginaries’ by diverse networks of actors with unequal access to power and resources. Interactively constructing, contesting, and negotiating alternative imaginaries, these actors simplify a complex reality by selectively defining the ‘economy’ as an object of calculation, management and governance. A major site of such discursive-material struggles is ‘competitiveness’, which plays a key role in the remaking of neoliberal capitalism.

In examining ‘competitiveness’ as a complex object of economic governance, CPE combines (neo-)Foucauldian and (neo-)Gramscian insights with arguments from critical political economy. On the one hand, the work of Foucault, especially as interpreted in the field of governmentality studies (e.g., Dean 1999, Miller and Rose 2008), addresses the how question of object/subject construction and the micro-physics of power involved in subjectification. On the other hand, Gramsci and neo-Gramscian work directly address the issue of hegemony and hegemonic negotiations (e.g., Sassoon 1982, Cox 1983) and enable us to explore the dialectically related discursive-material moments of the who and what questions in the production of hegemony. There are tensions1 and resonances between these two bodies of work, prompting some scholars to claim that they are irreconcilable (e.g., Barnett 2005); but others have emphasized the scope for productive dialogue (e.g., Marsden 1999, Sum 2004, Ekers and Loftus 2008, Sum and Jessop 2010).

In the latter spirit CPE seeks to moderate the tensions by showing how the two approaches can be creatively combined. It interweaves Foucauldian concerns with discourse, discipline, and governmentality and Gramscian concerns with language, domination, and hegemony. It argues that neo-Foucauldian governmentality studies tend to focus on surface phenomena (or the ‘actual’) in a detailed but rather one-sided manner and would therefore benefit from greater attention to the ‘real’ mechanisms, tendencies, and
counter-tendencies that interact to produce the processes and events at the level of the actual (cf. Frauley 2007; and, for readings that suggest that this deeper concern can also be found in Foucault, see Marsden 1999 and Paolucci 2003). These latter concerns are more typical of the historical materialist tradition within which Gramsci operates (cf. Martin 1988, Morera 1990). In this regard, CPE’s task is to develop a theoretical approach that takes not only the discursive and extra-discursive dimensions of Foucauldian and Gramscian analyses seriously; but also integrates their respective strengths into a broader historical materialist framework influenced by Marx and Gramsci.

Thus, CPE seeks to ‘Gramscianize Foucault’ by: (1) using Gramsci (and neo-Gramscian work) as the lens for studying how hegemony is produced and reproduced in class-divided and otherwise inegalitarian social formations; (2) using Foucault (and neo-Foucauldian work) as an entry-point into the discursive aspects of subject formation and techniques of subjectivation; and (3) integrating these (neo-)Foucauldian insights into a broadly Gramscian approach whilst avoiding eclecticism through commensuration of their respective concepts for analyzing the discursive moments of social relations (for details, see Sum 2004). This enables CPE to examine the relationship between the micro-dynamics of disciplinary-governmental power relations and their strategic codification to produce specific hegemonic effects at more encompassing levels of social reality (Sum 2004). Specifically, CPE conceptualizes hegemonic projects as efforts to produce and reproduce political, intellectual, moral, and self-leadership within specific populations in all their personal, institutional, and organizational complexities.

Adopting this approach facilitates a deeper examination of the discursive features of capitalist social relations and how they are mutually implicated with structural features in the production of hegemony. The latter can then be explored via questions such as: (1) where do particular policy ideas and their related discursive networks originate; (2) which actors, individual and collective, get involved in the policy discursive networks that construct objects of economic governance; (3) what ideas (or knowledge brands) are selected and drawn upon to recontextualize the referents of these objects; (4) how do these ideas enter policy discourses and everyday practices; (5) how do these modes of thought discipline and/or governmentalize the organization of spaces, policies and diverse populations; (6) how do they become part of the hegemonic logics and challenge by diverse social forces; and (7) how are they challenged and negotiated to maintain unstable equilibria of compromise?

2. Production of hegemonic policy discourses: ‘competitiveness’ as a knowledge brand

The production and promotion of policy discourses have a long history. Examples from the modern period include the promotion of Adam Smith’s allegedly laissez-faire policies to colonial regimes (Crowder 1978) and of modernization theories to Cold War policy establishments (Latham 2000). Nonetheless the translation of theoretical and policy paradigms into ‘knowledge brands’ is more recent; it is linked to the demand for fast policy in a globalized era of space-time compression and acceleration. There are many complementary and competing ‘knowledge brands’ (e.g., Sen’s capability paradigm in development; Gereffi’s ‘global commodity chain’ in globalization of production; and Florida’s ‘creative class’ in urban regeneration) in the current policy market. This section focuses on the rise of one among many ‘competitiveness’ discourses and its development as a knowledge brand in three overlapping stages.

Discourses on ‘competitiveness’ date back centuries and have been linked to very different economic imaginaries at different times and in different contexts (cf. Reinert
1994, Lodge and Vogel 1987, Hämäläinen 2003). This article tracks the development of ‘competitiveness’ discourses from the 1960s and shows how it has evolved through three overlapping stages from theoretical to policy paradigms and then to knowledge brand (see Table 1). Stage one saw the development of the theoretical paradigm that underpins the neoliberal competitiveness imaginary. This paradigm draws in part on a Schumpeterian body of knowledge that emphasizes the creatively destructive nature of innovation and the virtues of entrepreneurial competition as well as the neoliberal emphasis on the role of market forces as the key driver in competition (Schumpeter 1934). With the end of the post-WW2 boom and the emergence of major new technologies (especially information and communication technologies), his theory was used to highlight technological change and innovation as central to long-run economic dynamics. In this stage competitiveness was largely framed in terms of academic accounts of technological and organizational innovation, R&D in enterprises, the role of patents, competitiveness and trade policy (e.g., Posner 1961, Vernon 1966, Freeman 1982).

These theoretical accounts were translated into policy discourses around questions of national geo-economic competitiveness at the second stage. Policies were narrated in terms of innovation- and technology-driven growth corresponding to a competitiveness framework (for two overviews of this development, see Dosi and Soete 1988, and Fagerberg 1996). This occurred in a conjuncture when the USA and UK were experiencing low growth, rising unemployment, high inflation and techno-economic decline vis-à-vis Japan and East Asia (d’Andrea Tyson 1988, Krugman 1994) in the 1980s. These economic changes were seen in terms of a ‘loss of competitiveness’ compared to faster growing economies in Europe and the East. The Reagan administration responded in 1983 by establishing the Commission on Industrial Competitiveness, followed in 1988 by the Council on Competitiveness. Both bodies comprised industrial, labor and academic leaders and placed national competitiveness at the centre of national policy discourses and public consciousness. A parallel trend characterized the Organisation of Economic Cooperation and
Development (OECD), which is a service-oriented think tank for its member states, on the importance of science and technology. This theme was first raised as early as 1962 (OECD 1962), but the OECD intensified its engagement therewith in the 1980s and 1990s, producing detailed policy data and analyses on technology, productivity and economic growth (e.g., OECD 1991). Narrated more in the languages of ‘technology policy’ and ‘national system of innovation’ (see Miettinen 2002), this gradual move from theoretical to policy paradigm was reinforced by the reorientation of the European Union (EU) on the same lines with the publication of the European Commission’s *White Paper on Growth Competitiveness and Employment* (1994), *Green Paper on Innovation* (1995), *Lisbon Strategy for Competitiveness* (2000), and so on.

This rise of Schumpeterian-inspired accounts of competitiveness as a major policy paradigm was reinforced and supported by parallel developments in management theories and business studies. This can be seen as being stage three, when the new policy paradigm was translated into management/consultancy knowledge of ‘getting the competitiveness right’. The latter was articulated by experts such as business school professors (e.g., Michael E. Porter), consultancy firms and think tanks. These had become an important part of the transnational knowledge-policy circuit and constructed ‘saleable’ meaning-making models bundled with claims to problem-solving competencies. Porter’s account is an exemplary case of the development of a knowledge brand (others, albeit less pervasive, in the field of competitiveness include Thurow 1992 and Reich 1991).²

As a Harvard Business School professor and consultant with an established reputation for his analyses of the competitiveness of firms and industries (Porter 1980, 1985), Porter’s work won early attention in the policy field (e.g., he was a member of Reagan’s first Commission) and he later applied his firm-level approach to national and regional case studies. His best-selling 1990 book, *The Competitive Advantage of Nations*, studied the industries of 10 nations³ to explain both why a nation might succeed in some industries but not all and why some industries were more competitive in some nations than others. On this basis, he constructed the interactive ‘diamond model’ (see Figure 1) based on four factors conducive to the development of competitiveness: demand conditions; factor conditions; firm strategy, structure and rivalry; and related and supporting industries; which were reinforced by ‘chance’ and the ‘government’ as additional, but not decisive, considerations. For Porter, the co-evolution of these factors creates the ‘microeconomic foundations of prosperity’ that enable national firms to gain and sustain competitive advantages. He added that these micro-foundations would be strongest when they formed

![Figure 1. Porter’s diamond model of national advantage.](https://example.com/diamond-model.png)

Source: Amended from Porter (1990, p. 127).
a ‘cluster’. The latter was indicated by Porter (1990) and was enriched later to mean ‘geographic concentrations of interconnected companies, specialized suppliers, service providers, firms in related industries, and associated institutions’ (Porter 2000, p. 15). Such concentration enhances interaction among the four factors in Porter’s diamond to boost productivity, growth, employment and, hence, competitiveness.

Porter’s model has provoked debates, criticisms and support. Some business and management scholars (e.g., Gary 1991, Stopford and Strange 1991) criticized it for lack of formal modeling, while others (e.g., Thurow 1990, Rugman 1991, Dunning 1992) challenged its originality. Several scholars recommend extending it to interlinked double or multiple diamonds (Rugman and D’Cruz 1993, O’Malley and Van Egeraat 2000) especially regarding the insertion of small open economy diamonds into more encompassing sets of factors. Porter’s ‘cluster’ concept has also been criticized in regional studies as chaotic, loose and imprecise, making it hard to deploy for concrete public intervention (Martin and Sunley 2003). Nonetheless the cluster approach is often discussed as one of the main strands in the ‘spatial agglomeration’ and ‘industrial district’ literature (e.g., MacKinnon et al. 2002) and has often been repeated within the policy circuit as one of the leading ideas that frame regional development and proposals for local development. For example, the UK government’s Improvement and Development Agency for local government (IDeA) has a special website page on Porter’s ideas, noting that ‘despite (the) plethora of competing but similar ideas, Porter’s theory became, for some time, the established “industry standard”’.5

This status as an ‘industry standard’ can partly be explained by: (1) the cliché and quality guarantee that comes with Harvard University and the HBS; (2) the generality, simplicity, and flexibility of ‘competitiveness’ which allows diverse interpretations, frequent renewal, and building of possible alliances among actors involved in economic strategies (Thomas 2003); (3) the promotion and circulation of this body of knowledge by diverse institutions across the global, regional, national and local scales (see Table 2); (4) the accumulation of credibility as it echoes within and across idea-policy networks – especially when backed by celebrity-guru academics (e.g., Porter) and high-profile conferences, business media and journals;6 (5) the offer of ready-made policy advice (e.g., cluster-based strategies) as national/regional re-engineering solutions in the face of growing pressures for fast policy and the fear of economic restructuring in a global information age; (6) the high-paid careers possible in consultancy-policy work; and (7) the popularization of the ‘cluster approach’ by Harvard-related institutions (on the consultancy-guru industry, see Hyczynski 1996, Collins 2000, Jackson 2001, Clark and Fincham 2002).

The popularization (and commercialization) of this approach dated back to Porter’s appointment on Reagan’s Council of Competitiveness in 1988 and was reflected in the establishment at Harvard Business School in 2001 of the Institute for Strategy and Competitiveness. The Institute is headed by Porter and focuses its research on the strategic implications of competitive forces for firms as well as nations, regions and cities (Snowdon and Stonehouse 2006, p. 163). Its website7 declares that this international research Institute ‘is dedicated to extending the research pioneered by Professor Porter and disseminating it to scholars and practitioners on a global basis’. This concern with extending and disseminating Porter’s model is reflected in, and facilitated by, the setting up of HBS-associated institutions (e.g., the Institute for Competitiveness in Barcelona and the Asia Competitiveness Institute in Singapore) and of associated strategy firms (e.g., Monitor Group and ontheFRONTIER Group). Through their joint claims to expertise and efforts, Porter’s cluster-based strategy is flexibly applied to quite different countries (e.g., Canada, Denmark, New Zealand, Portugal, Sweden, and Switzerland) and regions/cities (e.g., Atlanta, Rhône-Alpes, Baltic Sea, Singapore, and Hong Kong/Pearl River Delta).
Strategy firms like ontheFRONTIER Group have also adapted it to so-called ‘emerging markets’ (e.g., Mexico, Peru, Bolivia, and Rwanda).  

Apart from the Harvard-associated organizations, this knowledge brand – albeit not always purely Porterian in content – has also been adopted/adapted on different scales by international authorities (e.g., World Economic Forum and United Nations Industrial Development Organization), regional banks (e.g., Asian Development Bank), national agencies (e.g., United States Agency for International Development and Asia Competitiveness Institute) and city governments/development agencies (for example, see Table 2). Complementary sites in these knowledge networks include other business schools, consultancy firms, chambers of commerce, think tanks, research institutes, business and mass media, town hall meetings, luncheon gatherings and public performances (e.g., conferences and speeches). The presence of celebrity consultant-gurus magnifies the impact of such media and events (Huzynski 1996, Jackson 2001). In turn this body of management knowledge circulates widely and resonates strongly in policy networks in developed and developing countries, gaining credibility from its promotion by idea entrepreneurs, strategists and consultants, opinion-forming journalists, leading policy makers and executives who recontextualize, package and market related discourses. Key apparatuses here include reports, indices, scoreboards, databases, development outlooks, cluster plans, best practices, training courses, etc. (see Tables 2 and 3). These institutions, agencies, and actors have quite heterogeneous motives and may produce contrary or contradictory substantive effects. Any coherence they may have in contributing to the circulation of competitiveness as a set of neoliberal discourses and practices is the product of contingent convergence, structural coupling and skilful recontextualization rather than

<table>
<thead>
<tr>
<th>Scales</th>
<th>Examples of institutions involved</th>
<th>Examples of competitiveness discourses/instruments</th>
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<tbody>
<tr>
<td>Global/International</td>
<td>World Economic Forum</td>
<td>• Global Competitiveness Report and Global Competitiveness Index</td>
</tr>
<tr>
<td></td>
<td>Institute for Management Development</td>
<td>• World Competitiveness Yearbook and World Competitiveness Scoreboard</td>
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<td></td>
<td>The Competitiveness Institute</td>
<td>• The Cluster Initiative Database The Cluster Initiative Greenbook 2003</td>
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<tr>
<td></td>
<td>United Nations Industrial Development Organization (UNIDO)</td>
<td>• Clusters and Networks Development Programme 2005</td>
</tr>
<tr>
<td>Regional</td>
<td>Asian Development Bank</td>
<td>• Asian Development Outlook 2003: III Competitiveness in Developing Countries</td>
</tr>
<tr>
<td></td>
<td>African Union</td>
<td>• Pan African Competitiveness Forum 2008</td>
</tr>
<tr>
<td></td>
<td>Inter-American Development Bank</td>
<td>• Competitiveness of Small Enterprises: Cluster and Local Development 2007</td>
</tr>
<tr>
<td>National</td>
<td>United States Agency for International Development (USAID)</td>
<td>• African Global Competitiveness Initiative 2006</td>
</tr>
<tr>
<td></td>
<td>Japan International Cooperation Agency (JICA)</td>
<td>• Strategic Investment Action Plan (Competitiveness/SME) 2005</td>
</tr>
<tr>
<td>Local/City</td>
<td>Numerous (inter-)city competitiveness projects and plans</td>
<td>• The Hong Kong Advantage 1997</td>
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<tr>
<td></td>
<td></td>
<td>• OECD’s International Conference on City Competitiveness 2005</td>
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<td></td>
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<td>• Remaking Singapore 2008</td>
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Source: Author’s own compilation based on website information of these institutions (see note 9).
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Given their ‘coherence’ and pervasiveness across different scales and sites, Porter-inspired ideas about competitiveness gradually acquired brand status in policy-consultancy circuits. Like commercial brands (Lury 2004, Schroeder and Morling 2005), knowledge brands address the rational and irrational aspects of human nature. Cognitively, a brand like Porter’s competitiveness ‘diamond’/’cluster’ model is rationalized and legitimated by its association with HBS, its circulation among policy elites, its distinctive policy advice, re-engineering solutions and individual career benefits. Emotionally, it addresses pride, anxieties, threats, and social tensions linked to growth or decline, development, and the intense pressures of economic restructuring in globalized information age. These rational and irrational effects shape struggles to make a brand hegemonic. In this context, a knowledge brand can be defined as a resonant hegemonic meaning-making device promoted by ‘world-class’ guru-academic consultants who claim unique knowledge of the economic world and pragmatically translate this into transnational policy recipes and tool kits that address social tensions, contradictions, and dilemmas and also appeal to pride, threats, and anxieties about socio-economic restructuring.

3. Developing and recontextualizing the knowledge brand: reports, indices, clusters and chains

In circulating transnationally, such brands offer stable but flexible templates that can be developed and recontextualized to changing global, regional, national and local conditions. The concept of ‘recontextualization’ was introduced by Bernstein in his research on how ideology operates in the educational field. He suggests that agents selectively appropriate, relocate, refocus and recombine pedagogic discourses in applying them to other discursive fields in ways that both fit and reaffirm existing social relations (1996, p. 47). This is facilitated through general regulative principles and specific rules about what statements are valid in different contexts (Bernstein 1996, pp. 116–117). Drawing on Bernstein, this article now examines the recontextualization of the ‘competitiveness’ brand in two sites and scales. The first is the construction of benchmarking reports and

<table>
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<tr>
<th>Knowledge apparatuses/ instruments</th>
<th>Knowledge technologies in meaning-making</th>
<th>Major institutional sites/actors</th>
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<tbody>
<tr>
<td>Benchmarking reports and indices constructed in:</td>
<td>Technologies of performance and judgement</td>
<td>World Economic Forum</td>
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<tr>
<td>Global Competitiveness Report</td>
<td></td>
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<tr>
<td>Growth and Business Competitiveness Indices and Global Competitiveness Index</td>
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<tr>
<td>Cluster-and-chain metaphors constructed in:</td>
<td>Technologies of agency (see Table 7)</td>
<td>Asian Development Bank</td>
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<td>Asian Development Outlook 2003: III Competitiveness in Developing Countries</td>
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<tr>
<td>Other reports (see Table 6)</td>
<td></td>
<td>Other institutions (see Table 6)</td>
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Source: Author’s own compilation.
indices by the World Economic Forum for global application; the second is the use of metaphors such as ‘clusters’ and ‘chains’ in economic outlooks/commissioned reports in the Asian region. Each of these knowledge apparatuses has its own evaluative–regulative rules and micro-technologies of power that discipline individuals and governmentalize countries and their population (see Tables 3 and 7).

3.1. On a global scale: construction of benchmarking reports and indices

In line with and as part of the rise of global managerialism (Murphy 2008) and global benchmarking (Larner and Le Heron 2004, pp. 212–232), ‘competitiveness’ narratives are linked to the development of knowledging apparatuses such as benchmarking reports and indices. The two best-known series of reports, which have been published since the 1990s, come from international private authorities (Cutler \textit{et al.} 1999). The \textit{Global Competitiveness Report} is issued by the World Economic Forum (WEF) in Geneva and the \textit{World Competitiveness Yearbook} is published by the Institute for Management Development (IMD) in Lausanne. The \textit{Global Competitiveness Report} produces the Global Competitiveness Index, which is connected to Porter (and associates); whereas the \textit{World Competitiveness Yearbook} forwards the World Competitiveness Scoreboard. After cooperating to produce the \textit{World Competitiveness Report} in 1989, these bodies published separate reports after 1995. This article concentrates on the WEF not only because of its connection with Harvard Business School but also because of its wide influence. From a CPE viewpoint, this report functions as a discursive apparatus that frames the understandings of ‘competitiveness’. Its 2004–5 version of the World Economic Forum report was presented by its publisher (Macmillan) as a ‘unique benchmarking tool in identifying obstacles to economic growth and assist [sic] in the design of better economic policies’.\textsuperscript{11} It achieves this partly through its use of knowledging instruments such as ‘indices’ and ‘best practices’ that construct countries as competing market actors. These instruments combine disciplinary and governmental power in one set of evaluative-performance discourses.

More specifically, instruments such as indices are dominated by the principles and language of competition. In 2000, the WEF constructed the Business Competitiveness Index (BCI) and the Growth Competitiveness Index based on the work of Porter, Sachs and others in 2000. The former is premised on Porter’s micro-economic factors of competitiveness and the latter was based on the Sachs-McArthur theory of sustainable economic growth process (see Table 4). Between 2004 and 2009, the WEF model was twice updated to integrate the latest thinking on the drivers of competitiveness (see Table 4). In 2004, Xavier Sala-i-Martin was asked to add macro-factors to the micro-elements to form a new the Global Competitiveness Index (GCI); this replaced the Business and Growth Competitiveness Indices. In 2008, the GCI was revised in turn by a team assembled by Porter to produce a single measure called the New Global Competitiveness Index, which aggregates four broad sets of competitiveness drivers, i.e., productivity, endowments, macroeconomic competitiveness and micro-competitiveness (for details, see \textit{Global Competitiveness Report} 2008–09, pp. 43–64).

Despite the increasing sophistication in index construction, this knowledge apparatus still relies on assigning numbers to countries. It ranks and scores countries in terms of evaluative rules scoring the presence/absence of certain factors of competitiveness (see Tables 4 and 5). Notwithstanding their relatively short history, these indices are becoming part of a global statistical instrumentarium produced by international private authority. This does not mean that they are not questioned (Krugman 1994, Lall 2001, Kaplan 2003) but their circulation and recognition in the policy-consultancy world reinforce their hegemonic potential within and across many economic and political spaces. As a largely exogenous and
constraining body of economic discourse, it is dominated by the language of competition in and through which indices serve to benchmark countries by visibilizing their competitive strengths and weaknesses. Countries are located in a number order which then operates as a disciplinary tool (or paper panopticon) with surveillance capacities over them. Its draws (more and more) countries into its number order and countries are compared in terms of economic performance to each other and/or over time (see Table 5). It deploys numbers and tables to rank them. Annual revisions create a cyclical disciplinary art of country surveillance


<table>
<thead>
<tr>
<th>Year</th>
<th>Major developers</th>
<th>Name of index</th>
<th>Framing of index</th>
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<tbody>
<tr>
<td>2000–4</td>
<td>Michael Porter from Harvard Business School</td>
<td>Business Competitiveness Index (BCI)&lt;sup&gt;a&lt;/sup&gt;</td>
<td>• Micro-drivers of prosperity based on the ‘diamond’ model</td>
</tr>
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<td></td>
<td>Jeffrey Sachs and John McArthur from Harvard University</td>
<td>Growth Competitiveness Index</td>
<td>• Sustainable economic growth theory based on productivity (e.g., technology)</td>
</tr>
<tr>
<td>2005–8</td>
<td>Michael Porter assisted by Xavier Sala-in-Martin of Columbia University</td>
<td>Global Competitiveness Index (GCI)</td>
<td>• Broadening to include micro and macro factors of competitiveness (e.g., institutions, macro stability, technological readiness, security etc.)</td>
</tr>
<tr>
<td>2008–</td>
<td>Michael Porter assembling a team including Mercedes Delgado, Christian Ketels and Scott Stern</td>
<td>New Global Competitiveness Index</td>
<td>• Replace the GCI • Broadening to include productivity, endowments, macro and micro factors of competitiveness</td>
</tr>
</tbody>
</table>

Note: <sup>a</sup>The Business Competitiveness Index was called the Microeconomic Competitiveness Index until 2002 and was called the Current Competitiveness Index even earlier.


Table 5. World Economic Forum and its Global Competitiveness Rankings of the USA and selected Asian countries 2004–8.

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>United States</td>
<td>5.74</td>
<td>1</td>
<td>2</td>
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<tr>
<td>Singapore</td>
<td>5.53</td>
<td>5</td>
<td>7</td>
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<tr>
<td>Japan</td>
<td>5.38</td>
<td>9</td>
<td>9</td>
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<tr>
<td>Hong Kong</td>
<td>5.33</td>
<td>11</td>
<td>29</td>
</tr>
<tr>
<td>South Korea</td>
<td>5.28</td>
<td>13</td>
<td>21</td>
</tr>
<tr>
<td>Taiwan, China</td>
<td>5.22</td>
<td>17</td>
<td>4</td>
</tr>
<tr>
<td>Malaysia</td>
<td>5.04</td>
<td>21</td>
<td>31</td>
</tr>
<tr>
<td>China</td>
<td>4.47</td>
<td>30</td>
<td>46</td>
</tr>
<tr>
<td>India</td>
<td>4.33</td>
<td>50</td>
<td>55</td>
</tr>
<tr>
<td>Indonesia</td>
<td>4.25</td>
<td>55</td>
<td>69</td>
</tr>
</tbody>
</table>

that institutionalizes a continuous gaze through numbers that depicts countries’ performance via changing rank and score orders. Its power operates through the hierarchization of countries and their division into high/rising and low/falling economies in the competitive race.

As Table 3 above showed, such performance and judgment technologies are used to subject countries to the treadmill of competitiveness and open them to pressures to change economic and social policies in line with specific recommendations and ‘best practices’. Countries with a low or slipping position in the rank order are visibilized and targeted to become more competitive. Such ranking discourses are frequently used by government officials, think tanks and journalists to communicate pride, needs, desires and even panics over economic restructuring. For example, actors may narrate a fall within this index order as threatening and/or a sign of ‘hollowing out’. This generates pressures on governments, firms, communities and, indeed, some individuals to refashion themselves to become competitive subjects and economic categories (e.g., entrepreneurs and catch-up economies) in the race to aspire to a world-class ranking or, at least, do better than their immediate comparators.

There is more to this discourse, however, than its disciplinary power. Cox et al. (1997, pp. 290–291) distinguish benchmarking (as competition) from benchmarking (as collaboration) and argue that, whereas the former is more externally imposed and top-down, the latter is more joint and responsive. But the notion of benchmarking in this report is ambivalent insofar as it combines both aspects. On the one hand, the benchmarking elements of the discourse on indices disciplines countries in terms of an annual number order; on the other, its benchmarking qualities see countries as sharing some ‘bench’ space with others and each country acts upon its own conditions of competitiveness in the hope of enhancing them and acquiring greater capacities for self-guidance. Thus, in terms of technologies of power, the WEF’s benchmarking report combines disciplinary and governmental power in that countries are externally regulated by indices and also shepherded into becoming more competitive by building clusters, enhancing foreign direct investment (FDI), promoting small- and medium-sized enterprises (SMEs)/education/sustainable development, etc. (see Tables 6 and 7).

### 3.2 On regional–local scales: framed by catch-up, cluster, and chain metaphors

On the regional scale of economic organization, there are efforts to combine ‘competitiveness’ and ‘development’ discourses have increased since the early 2000s. Notable examples include the USAID’s African Global Competitiveness Initiative, the Inter-American Development Bank (IADB)’s Multilateral Investment Fund for SME competitiveness, and the Asian Development Bank on Asian Development Outlook 2003. This article focuses on Asia and discusses briefly two ways in which the competitiveness discourses have been recontextualized by regional actors like the Asian Development Bank (ADB), the Asian Institute for Competitiveness (ACI) in Singapore and strategy firms (see Tables 3 and 6). The first is the idea of ‘catch-up competitiveness’ and the second draws on ‘clusters and chains’ metaphors and related practices.

The ADB, which is a regional counterpart of the World Bank, recontextualized ‘competitiveness’ in ‘developmental’ terms. Section 3 of its Asian Development Outlook 2003 narrates Porter-inspired ideas in terms of successive stages of technological and innovation development. Accordingly, Asian newly-industrializing economies (NIEs) are seen as engaging in original equipment manufacturing (OEM) which produces standard and simple goods for export to developed countries. The recommended path is to imitate and ‘catch up’ with the developed countries via the development of own design manufacturing (ODM) and own-brand manufacturing (OBM). With the electronics sector as its shining example, the term ‘catch-up competitiveness’ was coined and was narrated thus:
The nature of catch-up competitiveness in the NIEs contrasts sharply with the traditional definition of technological innovation, namely the production of new (or improved) products, based on R&D.

Furthermore, the stages model captures the fact that innovation occurs, not just in technological terms but also, and very importantly, in institutional terms. The technological change which took place in East Asia in electronics probably could not have occurred with such rapidity without the OEM and, later, ODM systems.\(^\text{12}\)
‘Catch-up competitiveness’ deploys ‘path and journey’ metaphors to frame goals and visions for the future. The ‘path’ metaphor structures movements of the East Asian NIEs and normalizes them as ‘laggards’ (with their own internal hierarchy) moving forward. Accordingly, their future trajectory is seen in terms of development through the promotion of technological innovation and market-friendly institutions. Taking Singapore as a paradigmatic case of the export-oriented, multinational corporations (MNC)-led and FDI-driven growth model propelled by industrial clusters, the building of Porterian clusters is normalized for other parts of Asia (e.g., the ‘computer disk-drive’ cluster in Thailand) as follows:

The exploitation of MNC investment began in Singapore (Goh 1996) and was imitated by other countries wishing to export to OECD countries. Although FDI occurred prior to 1960s, the electronics industry brought with it a huge expansion of FDI in Southeast Asia, leading to the development of several industrial clusters. For example, the computer disk-drive cluster in Thailand is the largest of its kind in the world. Similarly, in Penang, Malaysia, the semiconductor assembly and testing cluster is the largest exporter of semiconductors worldwide.13

These themed clusters are then connected in the same section of the Outlook to the global market through the conceptual bridge of ‘global value chains’ (GVCs). This is another common term in the study of global capitalism (Gereffi and Korzeniewicz 1994). No mention is made here of the uneven power relations between subcontractors/suppliers and global buyers and the term is invoked to indicate how the resulting market opportunities create the following advantages for Asian firms and ‘clusters’:

GVCs can enable firms to enter global production networks more easily, allowing them to benefit from globalization, climb the technology ladder, and gain wider access to international markets. GVCs provide firms with a wide spectrum of options to operate in global markets with a view to staying competitive. . . . Entry into GVCs is easiest when an agglomeration of local buyers and manufacturers already exists, so that newcomers can learn from the established players. Sometimes, new entrants emerge as spin-offs from existing local firms or from MNC subsidiaries with whom they establish a new GVC linkage. For countries and groups of firms outside successful clusters, accessing GVCs can be difficult.14

Framed as ‘beneficial’ and offering ‘opportunities’, participation in ‘GVCs’ is said to offer ‘clusters’ and firms access to global markets and chances to ‘climb the technology ladder’. This way of re-imagining how Asia might compete within the world market deploys a ‘nodes and links’ metaphor in framing the relationship between ‘clusters’ and the ‘global chains’. More specifically, ‘clusters’ are presented as ‘nodes’ that can become drivers of development when ‘linked’ into ‘GVCs’.

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Table 7. Technology of agency that organize regional spaces, policies and populations.

<table>
<thead>
<tr>
<th>Sites of organizing agency</th>
<th>Ways of controlling/mapping agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional space</td>
<td>• Market- and foreign direct investment-promotion</td>
</tr>
<tr>
<td></td>
<td>• Export-oriented clusters link with MNCs through subcontracting</td>
</tr>
<tr>
<td></td>
<td>• Themed clusters tied to global value chains</td>
</tr>
<tr>
<td>Policies</td>
<td>• Governments playing catalytic or supply-side roles</td>
</tr>
<tr>
<td></td>
<td>• Promotion of technology, innovation, education and training</td>
</tr>
<tr>
<td>Population</td>
<td>• Competitive, entrepreneurial and self-responsibilized individuals for ‘catch-up competitiveness’</td>
</tr>
</tbody>
</table>

Source: Author’s own compilation.
This combination of the ‘path-journey’ and ‘node-link’ metaphors in the 2003 Outlook constructs a regional identity and trajectory based on ‘catch-up competitiveness’. This has implications not only for national policy but also for everyday life. Implicit in the ‘path’ metaphor is movement towards a goal (goal attainment) and this in turn implies the use of ‘intervention tools’ to guide cluster development. In line with the World Bank’s self-description as a ‘knowledge bank’, the ADB, especially through its management arm operating as the ADB Institute (ADBI), organizes the building of capacity in the region. ‘Capacity building’ can be seen as a governmental tool that involves a body of training-assistance knowledge that targets specific objects and locations (cf. Eade 1997, Cornwall 2007). The ADBI, in conjunction with other policy institutes, local governments, strategy firms, and service-oriented non-governmental organizations, co-constructs this body of knowledge that targets cluster building via discursive practices such as cluster programs, strategic plans, pilot projects, technical assistance schemes, policy workshops and training courses. More specifically, Table 6 illustrates some of these institutions and related discourses, practices and spatial foci on cluster building. For example, the ADBI focuses on the ‘transition economies’ (e.g., China, Vietnam and Cambodia), the Asia Competitiveness Institute targets ASEAN countries, and strategy firms such as Enright, Scott and Associate Ltd. concentrates on Hong Kong/Pearl River Delta. In the case of Vietnam, the ADBI entered into partnership with local development agencies (e.g., Institute for Industrial Development and Strategy in Vietnam) and, with financial support from international organizations (e.g., UNIDO), promoted cluster building assistance (e.g., the 2006 Cluster-Based Industrial Development Workshop). The latter provided seminars/training courses for senior officials to learn to evaluate the potentials of industrial clusters and make strategic action plans for the maximization of their potentials in specific locations (see Table 6).

It is beyond the scope of this article to examine the details of cluster-based programs and related best practices; but the discursive practices of cluster training recall what neo-Foucauldians term the technology of agency (Cruikshank 1999), which combines participation and capacity-building in the processes of governing as well as controlling the exercise of agency. This array of discourses and practices on regional development produce ‘participatory’ actors equipped to perform their constructed but eventually self-guided role in promoting catch-up competitiveness. Despite their capacitating aspects, they also control the organization of regional space, the policy for exercising agency and types of agency (see Tables 3 and 7).

With regard to this knowing technology, actors are encouraged to treat regional spaces as (potential) clusters in which firms, suppliers, service providers, and associated institutions interact to form export-led production- and/or service-oriented nodes (e.g., fruit, transport and logistics, finance, electrical/electronic products, etc.) that are opened to foreign direct investment and multinational-dominated global value chains. It also self-responsibilizes public and private agencies to become competitive, entrepreneurial and world-market oriented in their journey towards ‘catch-up competitiveness’. Depending on their locations and related interests, individual subjects may reorganize themselves through training and affective-pragmatic identification with the competitiveness project; whilst others are ambivalent and even resistant in the institutional and everyday life of catch-up developmentalism (Birkenholtz 2009).

4. The 2008 financial crisis and reinvention of competitiveness

The preceding sections examine the circulation and recontextualizations of the Harvard-based knowledge brand across different sites and scales. Though it is influential, regional
and local actors act as sites of translation and centers of policy persuasion in diverse global–regional–local construction relays. The resultant production of hegemony (or hegemonies) involves the circulation and suturing of heterogeneous knowing technologies and apparatuses (e.g., the technologies of performance/judgment to apparatuses such as benchmarking reports, indices, numbers, clusters and chains) across different scales and sites. Where these diagrams of power and related crystallizations of global value chains, clusters and other local institutions are supportive, we can find successful cases (e.g., Dongguan’s electronics cluster in southern China). But even here sub-standard labor conditions and environmental degradation provide a source of continuing challenge to the reproduction of the relevant cluster-chain complex (e.g., Sum and Pun 2005, Sum 2009). The resulting struggles allow for continuous negotiations and shifting compromises when these MNCs, firms, and local government, etc., face challenges from labor unions and social movements related to minimum wage legislations, corporate social responsibility and environmental stewardship.

With the onset of the 2008 financial crisis (Blackburn 2008, Gowan 2009), export-oriented clusters in East Asia are suffering from export sluggishness, production downturns, factory closures, unemployment, credit crunch, and even social unrests (Klein 2008). This has heightened fears about worldwide depression and ‘loss of competitiveness’. Accordingly there is a clamor to refix the global economy and the ‘international financial architecture’ (e.g., the Stiglitz Commission). Competitiveness discourses remain flexibly stable and are currently undergoing another round of recontextualization and reinvention of enhanced neoliberalism. New economic imaginaries, which range from ‘responsible competitiveness’ (Zadek 2005, 2009) to the ‘Green New Deal’, are circulating in the transnational policy arenas. The former involves discursive networks such as AccountAbility, the UN Global Compact, the Kennedy School of Government, and UNIDO, etc., in building on and creating genre chain that links corporate social responsibility and competitiveness. For example, UNIDO has introduced an ethical dimension into cluster-building by chaining enterprise development, poverty reduction and corporate social responsibility. In turn, ‘Green New Deals’ are promoted and resonated by a network comprising green groups, the United Nations Environment Programme, and a European-funded Green Economy Initiative. It involves a Keynesian-inspired creation of green investment and jobs to revive the world economy and avert environmental disaster in a time of deep financial crisis. Given the adaptability of the competitiveness discourse, it is currently being (re-)negotiated and ideas that gathered around ‘responsible’ and ‘green competitiveness’ are adding another layer to this hegemonic brand (e.g., Yang and Chen 2009, Sachs 2009). Such thickening is conducive to the remaking of hegemony and reorganization of bloc building at this conjuncture.

5. Concluding remarks
Two sets of remarks are in order to highlight the implications of this analysis for critical policy studies. Firstly, theoretically, this article develops a particular version of the CPE approach to open up the discursive-material dimensions in the study of policy-making. It does so by creatively combining Gramsci and Foucault (and scholars inspired by one or other). More specifically, it Gramscianizes Foucault and suggests a series of what, who and how questions in the examining the making of hegemony. It focuses on: (1) what kind of policy ideas and economic imaginaries are selected and how they develop; (2) who gets involved in the discursive networks that cut across diverse institutional orders and civil society (e.g., business schools, strategy firms, think tanks, international organizations, private authorities, regional organizations, aid agencies, business press, etc.); (3) how policy
ideas are being turned into transnational knowledge brands; (4) how the brands are being recontextualized at every sites and scales; (5) how and through what mechanisms (e.g., knowledge apparatuses and technologies) are they (re-)produced as part of the hegemonic logics; (6) how they (re-)organize the spaces, policies and populations; (7) how this hegemonic constellation of policy discourses and practices come to be challenged and (re-)negotiated in specific conjunctures; and (8) how these mediate the rebuilding of social relations. This necessarily brief article can only give a glimpse of the richness and potential of CPE. In a fuller analysis, the CPE approach would examine the interaction among policy discourses, governmentalities and structure in the production of hegemonic policy discourses and practices. The concept of ‘knowledge brand’ is just one illustration of how CPE scholars approach the challenge of moving between actual events and processes and real, underlying mechanisms in order to develop a critical understanding of hegemony and its production. For a knowledge brand can be seen as a transnational manifestation and condensation of institutional, organizational and discursive power in the knowledge-consultancy policy circuits. In this regard, knowledge is at the same time diffused and condensed along specific nodal points, the location of which is materially as well as discursively conditioned. While this article has focused on the production and the recontextualization of the Harvard-related knowledge brand, a fuller CPE account would analyze its material preconditions and effects. These include the capacities to construct, select and recontextualize these discourses; the specific structural (and agential) selectivities that are involved in hegemony making; the ways how these changes mediate alliance-building in particular sites, their uneven impact on class, gender, place, and nature (e.g., sweatshops that exploit migrant women workers, environmental damage, land use favoring particular clusters/groups, etc.) are also the major concern of this approach in critical policy studies.

Secondly, empirically, the paper focuses on the Harvard-related knowledge brand and illustrates the emergence and importance of this brand as well as the ways how it was produced and recontextualized at different scales and sites by diverse discursive networks. Under neoliberalism, such discourses pervade the (trans-)national policy fields and everyday life. Mundane and everyday practices help make competitive subjects and common sense through the working of knowledge apparatuses (e.g., benchmarking reports, indices, numbers, charts, best practices, outlooks, pilot projects, policy seminars, training) and related technologies of power (performance, judgment and agency). Such constellations of hegemonic discourses are not unique to a given site or scale but are typically circulated, developed and recontextualized at different sites and scales in relation to different regional, national and local conjunctures. Constructions ranging from the Global Competitiveness Report/Global Competitiveness Index of the WEF to cluster development programs promoted by the Asian Development Bank, research institutes, think tanks, strategy firms and business media. Their knowledge apparatuses and technologies are sutured together in the ongoing production of neoliberal policies across sites and scales. These involve the intermingling of different disciplinary and governmental technologies sustained by articulation of different elements of reports, indices, numbers, clusters and chains. These technologies, especially those promoted as development policies, help to remake common sense and everyday rationalities/consciousness related to the (re-)organization of space, policies and populations. In the East Asian contexts of ‘catch-up’ developmentalism, these spaces, policies and people are decomposed into factors of competitiveness that are governed through export-promotion, FDI, MNCs, development aids, competitive clusters, and global chains to enable them to integrate into the world market. Such narrations and formations also marginalize some groups; and, unsurprisingly, provoke resistance from labor organizations, social movements, place-based communal
groups, and consumer activism that demand greater equality and protection for local communities and the environment, and respect for the body politics of workers and families. The maturing of the current financial crisis has aggravated pre-existing tensions through its impact on the financial and real economies around the world. At the time of writing, competitiveness policy discourses and practices are being reinvented yet again as struggles continue over the future of a (post-)Washington Consensus world (dis-)order.

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Notes
1. For example, whereas Gramsci concentrates on structured inequalities in social relations as the basis for attempts to build hegemony, Foucault focuses on transferable technologies of power and subjectivation in structuring subjectivities and experiences, framing truth regimes, and defining a ‘diagram’ of society.
2. On the three versions of competitiveness, see Harris and Watson (1993).
3. These were Denmark, Germany, Italy, Japan, Sweden, Switzerland, the United Kingdom, the United States, South Korea and Singapore.
4. Clusters are made visible via the technique of ‘cluster charts’ which identify local industries based on export statistics and use the diamond model to test selected cases to establish a pool of unique clusters.

10. On an extended discussion on Bernstein and recontextualization of management thinking, see Thomas (2003).


15. For details on the case of Hong Kong and Pearl River Delta, see Sum (2010) and available from the author on request.


17. In the case of India, resistance is rampant especially when cluster-building initiatives (e.g., Special Economic Zones) involve the appropriation of land that affects the livelihood of farmers.


References


