

Box 4.2

Timothy J. Sinclair - Not being deterred by the ultimate taboo

I attribute my analytical eclecticism – and I happily accept the label – to growing up in a society slowly becoming unhinged by economic decline. My initial response was to embrace Marx as so many have before me, and I know some readers see this influence clearly in *The New Masters*. This interest in unpeeling the mechanisms of capitalism is important because something has to explain the resistance to criticism characteristic of the credit rating agencies. Their resistance is structural - the agencies are in a ‘useful’ position. They seem to ‘fit.’ But there was a detached quality to the Marxist analysis I encountered. Serving as a junior analyst in the New Zealand Treasury forced me – it was not something I sought – to acquire the outlook of a beat cop or private investigator, trying to understand where money was being made and spent, and how an activity could be done more efficiently (or not at all). This is how I got my feet wet in research. Arriving subsequently in Toronto, I met Robert W. Cox and Stephen Gill and started developing an approach which combined empirical investigation, specification of mechanisms, and the political management of institutions.

Rating agencies were a concern of Robert Muldoon, New Zealand’s prime minister between the late 1970s and mid-1980s, and an inspiration to me. I thought them important too, but I came to think that the rationalism of Marx or Samuelson did not capture the way their outputs helped constitute the securities markets, when traders spoke of ‘AAA’ or ‘BBB’ bonds, without thinking. Few had read Keynes recently, so not many scholars were interested in these insights at first. Instead, panel audiences wanted to know how the agencies ‘wielded power.’ But the more I investigated the more I concluded that their role in making markets was crucial. Rationalism identified a resilient ‘function’ for the agencies but not the real consequences. Answers to this question had to come from elsewhere.

I never set out to be eclectic – it was the ultimate taboo in graduate school after all - but I could not find a solution to my puzzle using just one paradigm. The important thing I learnt from this journey is that once I am interested in a puzzle I should not worry much what others think. Instead, I should pursue my interest until I have a cogent solution, even if that challenges established paradigms.

This text appears on page 124 of Peter Katzenstein and Rudra Sil. *Beyond Paradigms: Analytic Eclecticism in the Study of World Politics*. London and New York: Palgrave-Macmillan, 2010. The book examines my approach on pages 118-125.