

WORKSHOP ICS-ULISBOA | INCT-PPED

THE THIRD WAVE OF STATE CAPITALISM?

DIFFERENTIAL
ADJUSTMENTS TO
GLOBALIZATION IN
ADVANCED
INDUSTRIALIZED AND
EMERGING ECONOMIES

ESSAYS IN MEMORY OF
UWE BECKER



16 DECEMBER 2014

INSTITUTE OF SOCIAL SCIENCES
UNIVERSITY OF LISBON

THE THIRD WAVE OF STATE CAPITALISM?

DIFFERENTIAL ADJUSTMENTS TO GLOBALIZATION IN
ADVANCED INDUSTRIALIZED AND EMERGING ECONOMIES

PROGRAMME

9H00 [POLIVALENT ROOM]

IN MEMORY OF UWE BECKER: SCHOLAR, COLLEAGUE,
FRIEND, FAMILY, JOY AND POSITIVE ENERGY

UWE BECKER'S GREAT CONTRIBUTIONS TO COMPARATIVE
POLITICAL ECONOMY: OPENING THE VARIETIES OF
CAPITALISM RESEARCH AGENDA: THE BRICS AND EMERGING
ECONOMIES IN COMPARATIVE PERSPECTIVE; THE CHANGING
POLITICAL ECONOMIES OF SMALL WESTERN EUROPEAN
COUNTRIES



JOSÉ LUÍS CARDOSO - DIRECTOR, ICS-ULISBOA

RENATO BOSCHI - IESP/UERJ; INCT-PPED

VIVIEN A. SCHMIDT - BOSTON UNIVERSITY

ALEXANDRA VASILEVA - UNIVERSITY OF AMSTERDAM

SURAJIT MAZUMDAR - JAWAHARLAL NEHRU UNIVERSITY

CHRISTIAN MAY - GOETHE UNIVERSITÄT

JANNEKE OLDENBURGER - FAMILY

ANA MARIA EVANS - ICS-ULISBOA

SMALL COFFEE WARM UP

10H00 [POLIVALENT ROOM]

OPENING COMPARATIVE SESSION

VIVIEN A. SCHMIDT,

DEPARTMENT OF POLITICAL SCIENCE AND CENTER FOR THE STUDY
OF EUROPE, BOSTON UNIVERSITY

WORK PRESENTATIONS

10H40 [POLIVALENT ROOM]

MECHANISMS OF COORDINATION AND STATE PERMEATION IN LARGE EMERGING ECONOMIES

CHRISTIAN MAY AND ANDREAS NOLKE,

INSTITUTE FOR POLITICAL SCIENCE, GOETHE UNIVERSITÄT, FRANKFURT.

[ABSTRACT]

Different modes of coordination between economic actors have been central aspects of Comparative Capitalisms (CC) research. However, this question has hitherto been inadequately addressed with regard to capitalism in large emerging economies and the BRICS. Regularly, state-business relations are depicted as instances of "crony" or "patrimonial capitalism", based on corruption and clientelism. Yet, this gives rise to the puzzle why large emerging economies could produce considerable growth over a decade despite these coordination "failures". Arguing from a Polanyian perspective, we find much support for a mode of coordination based on reciprocity in emerging Southern capitalisms. This 'soft' or 'social' mode of coordination might help to explain an unexpected degree of institutional coherence of capitalism in countries such as Brazil, India and China. Moreover, it complements a new form of coordination by the state that changed from a dirigiste mode of state control towards a more flexible and selective form of state involvement that permeates (rather than steers) the economy.

11H20 [POLIVALENT ROOM]

FACING CYCLICAL CRISES: POLITICAL RESPONSES OF STATE DEVELOPMENTALISM IN BRAZIL (2008-2014)

RENATO BOSCHI AND CARLOS EDUARDO SANTOS PINHO

INSTITUTE OF SOCIAL AND POLITICAL STUDIES, RIO DE JANEIRO STATE UNIVERSITY /
NATIONAL INSTITUTE OF SCIENCE AND TECHNOLOGY ON PUBLIC POLICIES AND DEVELOPMENT STRATEGIES.

[ABSTRACT]

As contrasted to the USA and the European countries, which were hit hard by the systemic financial 2008/2009 crisis of global capitalism, some emerging state capitalist countries were able to surpass its immediate negative impacts. While the crisis in central countries implied the curtailment of social benefits, widespread unemployment and an overall deconstruction of the welfare state, in the Latin American region, for example, inequality was reducing, at the same time that unemployment showed some of the smallest figures ever. This is certainly the case of Brazil which has adopted, since the early

- 2000's, a series of developmental policies, in particular, programs of income redistribution assuring social inclusion and, therefore, the possibility of expanding economically towards the internal market. This paper discusses the virtues and limits of such political strategies. Despite the early adoption of counter-cyclical measures and previously-established financial regulation and even the gradual emergence of a social democratic trend more recently, such changes occurred in a scenario of resilient neo-liberal macro-economic policies, combined with lower levels of growth in recent years. We argue that in terms of facing longer term effects of the crisis, a shift from a model predominantly based on social inclusion towards an investment scenario is also necessary so as to allow the consolidation of this type of developmental state capitalism. We conclude with a brief reflection on the need of categorizing in a more specific way the broader variety of state-led capitalism, taking into account characteristics of some Latin American cases.

12H00 [POLIVALENT ROOM]

THE POLITICAL ECONOMY OF THE TRANSITION FROM 'EMERGENCE' TO CRISIS:
INDIA IN THE 21ST CENTURY

SURAJIT MAZUMDAR

CENTRE FOR ECONOMIC STUDIES AND PLANNING, SCHOOL OF SOCIAL SCIENCES, JAWAHARLAL
NEHRU UNIVERSITY, NEW DELHI.

[ABSTRACT]

The last decade has seen India experience first an economic boom unprecedented in her history and then a subsequent post global crisis transition to a phase of crisis which has been the most severe since the foreign exchange crisis of 1991 triggered the process of opening up and deregulation. Of the three general elections during this period, two - the first right at the beginning of the high growth phase and the most recent one in the midst of crisis - led to defeats of the incumbent governments with the losing political formation in 2004 returning to power with a big bang ten years later. If the 2004 elections appeared to reflect a rejection of the slogan of 'Shining India' championed by the then ruling formation, its replacement, namely 'Inclusive Growth', appears to have cut no ice either in 2014. This paper will analyse the mutual interaction between the economic developments of this period, the political changes seen in it and the dynamics of economic policy-making and the rhetoric surrounding it. It shall argue that there has been an essential continuity to this period, the observed instabilities being reflections of that continuity, but the de facto unequal social equilibrium of Indian capitalism implied in it may come under increasing strain in the context of crisis.

LUNCH BREAK

14H00 [POLIVALENT ROOM]

UNDERSTANDING RUSSIA'S STATIST-PATRIMONIAL CAPITALIST MODEL THROUGH
THE ANALYSIS OF STATE-BUSINESS POWER RELATIONS

ALEXANDRA VASILEVA,

AMSTERDAM INSTITUTE FOR SOCIAL SCIENCE RESEARCH, UNIVERSITY OF AMSTERDAM

[ABSTRACT]

Russia's economic recovery after the economic crisis of 2008/09 was largely due to the bouncing back of the oil price, rather than growth-promoting policies. Today, with global commodity prices declining and the EU and US economic sanctions taking effect, grim prospects for growth reveal the weakness of Russia's model of capitalism. This paper argues that Russia's capitalism, having de-liberalised in the decade that preceded the crisis, is characterised by a distinct mixture of statism and patrimonialism. The latter is expressed in the prominence of state interventions in the economy on the basis of particularistic gains and is characterised by clientelism and corruption. This paper seeks to understand the specificity of the Russian patrimonial-statist model through the analysis of power relations underlying the state-economy nexus. In particular, it explores the power resources that enable the Russian bureaucrats to interfere with private business for personal enrichment, thus rendering property rights insecure and ultimately undermining economic growth.

14H40 [POLIVALENT ROOM]

EXCLUSIVE STATISM, INSTITUTIONAL KEYHOLDERS AND STRUCTURAL
ASYMMETRIES: THE RESILIENCE OF UNCOORDINATED CAPITALISM IN PORTUGAL

ANA MARIA EVANS,

INSTITUTE OF SOCIAL SCIENCES, UNIVERSITY OF LISBON

[ABSTRACT]

When institutions are formally restructured under the force of common and homogenizing external directives as happens in the case of the European Union and - less evidently - in other regional markets, what happens with the pre-existing informal incorporation of economic interests in the national policy sphere? What are the mechanisms that explain continuities and breaks in patterns of policy capture and power relations at times of formal institutional reform? Finding adequate answers to these questions increases our capacity to understand the conditions that affect adjustment and the prospects for sustainable socio-economic development in integrating markets. The paper expects to make a contribution to fill meet this analytical goal. It develops a longitudinal account of state-economy

relations in Portugal, tracing the continuity of core elements of statism along major economic and political change in the course of democratization, regional economic integration, membership in the European Monetary Union and, more recently, external intervention by the Troika. The study claims that the character of informal network ties that developed between political party elites, business groups and public administrators in the early days of economic liberalization has kept the logic of economic governance static and conditioned the outcomes of policy intervention and institutional change, explaining persistent failures in the course of adjustment.

15H20 [POLIVALENT ROOM]

DISCUSSION

AMÍLCAR MOREIRA, ICS-ULISBOA

ANDRÉS MALAMUD, ICS-ULISBOA

ANTÓNIO COSTA PINTO, ICS-ULISBOA

GUSTAVO SAMPAIO, JOURNALIST AND BEST-SELLER AUTHOR

JOÃO MOURATO, ICS-ULISBOA

JOSÉ ANTÓNIO DE AZEVEDO PEREIRA, ISEG-ULISBOA & DIRECTOR-GENERAL
OF THE TAX ADMINISTRATION (2007-JULY 2014)

JOSEPH MARQUES, KING'S COLLEGE, LONDON

LUCIANO AMARAL, NOVA SCHOOL OF BUSINESS AND ECONOMICS

MICHAEL BAUM, LUSO-AMERICAN DEVELOPMENT FOUNDATION

MIGUEL GLATZER, LA SALLE UNIVERSITY

OLIVIA BINA, ICS-ULISBOA

PEDRO LAINS, ICS-ULISBOA

SUSANA COROADO, ICS-ULISBOA & TRANSPARÊNCIA E INTEGRIDADE
(ASSOCIAÇÃO CÍVICA)

ORGANISERS

INSTITUTO DE CIÊNCIAS SOCIAIS, UNIVERSIDADE DE LISBOA (ICS-ULISBOA)

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