

Cutting Edge Debates in Comparative Capitalisms Research*

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*Ebenau, Matthias – Bruff, Ian – May, Christian (Eds.):
New Directions in Comparative Capitalisms Research: Critical and Global
Perspectives. International Political Economy Series, Palgrave Macmillan,
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Fifteen years have passed since the seminal work of Hall and Soskice (2001) on Varieties of Capitalism (VoC), and extensive literature has emerged since then, which can be structured into three (possibly four) generations. The first, called the *classic school of VoC*, mostly relates to Hall and Soskice's work (see also Amable, 2003) and the differentiation of the liberal market economies (LME) (such as the USA, UK, Canada, Australia, New Zealand, Ireland) and the coordinated market economies (CME) (such as Germany, Japan, Sweden, Austria). The second generation is generally called *post-VoC* literature and aims at developing further types of capitalist models, mainly related to different regions or groups of countries. In this regard, the dependent market economy model (Nölke – Vliegenthart, 2009) can be highlighted, but also the work of the Hungarian scholar Beáta Farkas (2011), who analysed the Central and Eastern European (CEE) countries in this framework. The third generation of VoC literature is called *critical comparative capitalism* (CC) and mainly deals with more critical, global approaches, and most current issues such as international economic integration (e.g. *Eurozone crisis*) and tries to incorporate the demand side of the analysis. The book reviewed here with the title "New Directions in Comparative Capitalisms Research: Critical and Global Perspectives" is excellent at summarising how the different models and varieties of capitalism are undergoing rapid change and are the consequence of several interwoven processes. Accordingly, it provides an overview of the cutting-edge debates in the most recent strands of VoC literature.

* The views expressed in this paper are those of the author(s) and do not necessarily reflect the official view of the Magyar Nemzeti Bank.

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For the sake of being comprehensive, a fourth generation of VoC research might also be mentioned, although still rather on a speculative basis. There are some works and signs showing that VoC analysis has recently (since the publication of this volume) moved towards intertemporal (instead of international) comparisons aiming to define and characterise historical phases, rather than simply building valid models for certain countries or world regions.¹

Edited by Matthias Ebenau (*IG Metall's Training Centre*), Ian Bruff (*University of Manchester*), and Christian May (*Goethe University, Frankfurt am Main*), the book brings together almost all of the relevant authors² in 21st century VoC research (altogether seventeen authors from all over the world from Brazil via Ireland to Austria).

The book represents a final volume and main results of a larger international research project – Comparison, Analysis, Critique: Perspectives on the Diversity of Contemporary Capitalism(s) – conducted in 2011–2014. The book's main objective is to “document a variety of novel and thus relatively less well-known ways of thinking about diversity within capitalism” (p. 2). This goal is achieved excellently by showing a wide diversity of alternative and critical materialist approaches.

The second main objective of the book is to intensify the dialogue between and across approaches related to VoC and CC research fields. In this regard however I felt that it was only able to partially succeed, as the book remains very closely connected to the more leftist approaches, and does so intentionally as it explicitly refers to Coates's statement (2005:21) regarding left-institutionalism and neo-Marxism, as providing the majority of best pieces on capitalist diversity. The context of the global crisis and its social consequences might justify this approach, but a more balanced selection of approaches and papers may have provided a more balanced, comprehensive view on CC research (or at least open the way for further volumes).

The third objective of the authors was to expand the understanding of varieties of capitalism in different geographic settings and different economic centres, thus looking at regions and countries which were mostly neglected by previous

¹ Andreas Nölke draw attention to these most recent developments in VoC research in his presentation at the international conference on “The Role of State in Varieties of Capitalism (SVOC) Achievements and challenges for Central and Eastern Europe and the emerging markets”, organised by the Institute of World Economics (IWE), Centre for Economic and Regional Studies (Hungarian Academy of Sciences) and the Center for EU Enlargement Studies (CENS, Central European University) on 26–27 November 2015, Budapest.

² Renato Boschi (Rio de Janeiro State University); David Coates (Wake Forest University in North Carolina); Jan Drahokoupil (University of Mannheim, European Trade Union Institute in Brussels); Flavio Gaitán (Federal University of Latin American Integration); Bob Jessop (Lancaster University); Julia Lux (University of Tübingen); Terrence McDonough (National University of Ireland); Martin Myant (European Trade Union Institute); Andreas Nölke (Goethe University Frankfurt am Main); Nadia Pessina (Catholic University of Córdoba); Lucía Suau Arinci (University of Kassel); Lisa Tilley (University of Warwick, Université Libre de Bruxelles); Ingrid Wehr (Heinrich Boell Foundation Cono Sur); Stefanie Wöhl (University of Vienna).

generations of VoC. The contribution of the book in this regard cannot be denied, on the contrary it provides excellent added value for all readers who are interested in the real varieties of capitalism on a global scale.

In our time-constrained and informationally overloaded world, readers can obtain an excellent overview of the book, by looking at the introductory and concluding chapters that purposefully highlight most important trains of thought and most relevant messages (agreements and also disagreements among the authors). However, for a deeper understanding of how and why, it is highly recommended to deal more thoroughly with the volume.

The main text of the book is divided into three parts. The first part, *Comparing Capitalism in the Global Political Economy*, introduces in three chapters the most important processes of changes that have led to the emergence of the third generation of VoC or rather CC literature: 1. internal and external critiques of the classic VoC categories (the underestimation of diversity of varieties of capitalism); 2. moving away from firm-level analysis, to include more widely defined institutions; 3. the expansion of geographical scope (including Central and Eastern Europe, Latin America and also extending to large emerging economies, such as BRICS).

The second part of the book, *Critical Perspectives and Debates*, consists of five chapters, each of them presenting alternative theoretical outlooks, often disagreeing with each other, and mainly serving as food for thought for readers to draw their own conclusions or form alternative perspectives. To just selectively highlight some pieces from the wide-ranging issues tackled, it is enough to refer to the critical institutionalist approach of May and Nölke, the application of the gender approach in capitalist diversity research by Lux and Wöhl, or Wehr's attempt to overcome the shortcomings of the new 'patrimonial' models of capitalism in the Global South.

In the third part, *Global Perspectives and Debates*, the authors explicitly look at the development of different varieties (or models) of capitalism in world regions, typically neglected by earlier generations of VoC literature. These chapters illustrate excellently how to expand the scope of analysis of capitalism to different spatial and developmental contexts. The example of the transition economies such as Russia, Eastern Europe and Central Asia (by Drahekoupil and Myant), and Latin America (by Gaitán and Boschi), but also Tilley's analysis on (among others) the East Asian experience highlight numerous previously underestimated specificities. Just to highlight one such specificity is the underestimation (and under-investigation) of the role of the state in a (semi-) peripheral context.

Finally, the editors of the book conclude by summing up some common points of the chapters and also drawing attentions to disagreements and main areas of remaining debates, while also highlighting some further directions for research. Once again

just a selective list would include (for a comprehensive overview on prospective new directions in CC, see *pages 225–231*): the interconnected issues of capitalist dynamics, crises and institutional change; investigations of ‘national’ diversity and relational, cross-border character of global capitalism; and the politics (both the re-appreciation of classic thoughts and the more modern approach) of CC research.

And finally for us (and hopefully for other – Hungarian – readers) one of the main messages of this book is that the direction of research in comparative capitalism should be fundamentally reoriented and take a global focus, if it aims to remain or become relevant in a global sense and on a global level.

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