Article

Competition & Change

Competition & Change
2016, Vol. 20(2) 122–144

DOI: 10.1177/1024529415623917
cch.sagepub.com

Competition states in the neoliberal era: Towards third-generation regulation theory

David Neilson
School of Social Sciences, University of Waikato, Hamilton, New Zealand

Thomas H Stubbs
Centre for Business Research, University of Cambridge, Cambridge, UK; School of Social Sciences, University of Waikato, Hamilton, New Zealand

Abstract

The Varieties of Capitalism approach envisages a process by which national capitalisms converge towards two distinct institutional formations. In contrast, it is argued here that countries singularly converge towards the regulatory bias of the prevailing model of development, but divergence exists within this convergence because unevenly developing countries respond contingently to the regulatory dilemmas of capitalism. This claim is empirically assessed for the neoliberal model of development. The findings show that countries prioritize competitiveness by pursuing differing mixes of neoliberal and non-neoliberal elements. This variation is mapped onto a six-pronged typology of 'competition states'. Overall, this revised regulation approach broadens and deepens insights into national regulatory dilemmas and responses to the prevailing model of development.

Keywords

Varieties of Capitalism, regulation, French Regulation School, neoliberal model of development, competition state, neoliberalization, diverging convergence

Introduction

The Varieties of Capitalism approach (see Campbell and Pedersen, 2007; Carney et al., 2009; Hall and Gingerich, 2009; Hall and Soskice, 2001; Hall and Thelen, 2009; Hancke, 2009; Hancke et al., 2007; Schneider, 2009; Thelen and van Wijnbergen, 2003) has been the subject of increasing contestation. Robert Boyer of the French Regulation School, though aligning

Corresponding author:
David Neilson, University of Waikato, Hamilton, New Zealand.
Email: poli1215@waikato.ac.nz

with the Varieties of Capitalism approach, has been critical of its bipolar framework of 'converging divergence' of national capitalisms, instead outlining multiple national trajectories in a post-Fordist world (Amable, 2003; Boyer, 2005). Neo-Marxist scholars have also opposed the Varieties of Capitalism approach for a purported methodological nationalism that systematically overlooks unidirectional convergence tendencies as a result of an exogenously conceived capitalism (Cox, 1986; Gill, 1995, 1998; Robinson, 2001, 2004). For them, theorising national capitalisms is futile without addressing the obvious elephant in the room – an adequate theory of capitalism *tout court* (Bohle and Greskovits, 2009; Bruff, 2011).

Linked with the decline of the Varieties of Capitalism approach is a growing literature situated between neo-Marxist convergence and Varieties of Capitalism converging divergence around the theme of 'varieties of neoliberalism', or what is referred to here as 'diverging convergence' (Becker and Jager, 2012; Brenner et al., 2010; Ebenau, 2012; Soederberg et al., 2005). For instance, critical economic geographers map a 'variegated neoliberalisation' across nation states that involves 'blending of neoliberal and non-neoliberal elements' (Brenner et al., 2010: 216) linked with 'inherited' variations in national forms (Peck et al., 2009: 54). Cerny and colleagues deploy the concept of the 'competition state' – whose priority is 'maintaining and promoting competitiveness in a world marketplace and multi-level political system' – to identify national convergence but with variations in the era of neoliberal globalization (Cerny, 1997, 2003, 2010: 6; Soederberg et al., 2005; also Hirsch, 1997; Jessop, 1994). This emerging body of research now includes a growing number of empirical studies (Baccaro and Howell, 2011; Becker, 2013; Peters, 2012; Schneider and Paunescu, 2012), which show continuing institutional differences on a broad range of indicators for Organization for Economic Co-operation and Development (OECD) and Eastern European nations within a context of functional convergence towards neoliberal institutions.

This article extends the diverging convergence perspective by detailing a systematic mid-range explanatory framework that is deployed empirically to identify national regulatory forms of competition states in the neoliberal era. In the first section, an alternative perspective is developed based on a critique of the Varieties of Capitalism approach and a reworking of core French Regulation School concepts. In the second section, this framework is operationalized to empirically examine the diverging convergence of competition states in the neoliberal era. The economic and political implications of this approach are discussed in the conclusion.

A critical overview: Varieties of Capitalism and Regulation School literature

This section provides a critical overview of Varieties of Capitalism and French Regulation School approaches to debates around national neoliberal trajectories. It begins by critiquing the Varieties of Capitalism approach for failing to recognize the contradictory structure of capitalism-in-itself. It then summarizes first- and second-generation French Regulation School before identifying shortcomings linked to the approach's inability to identify an era of regulation operating in the present.

The Varieties of Capitalism approach: The absence of capitalism-in-itself

The Varieties of Capitalism approach adopts a firm-centric framework of institutional form equated with 'national capitalism'. Two institutional configurations shaped by endogenously driven path-dependent national development are distinguished: the Liberal Market Economy, resonating with the neoliberal self-portrait of spontaneous market-driven economic stability and efficiency as long as markets operate with minimal state interference, and the Coordinated Market Economy, resembling the social democratic project of state-led economic coordination developed by northern European nations during the Fordist era. The long-term stability of these divergent national models is said to be driven by the presence of 'institutional complementarities' – an internal system coherence that provides for optimal levels of institutional efficiency (Hall and Soskice, 2001: 17). Further, it is claimed the two models offer comparative institutional advantages that provide firms with benefits for engaging in certain activities, ensuring an externally stable international environment of co-existing types that is ultimately viable, and little altered, in the face of globalization (Hall and Soskice, 2001: 37). Hybrid configurations are considered institutionally sub-optimal and are therefore expected to undergo a process of converging divergence towards one of the two optimal institutional configurations.

The Varieties of Capitalism argument of optimal models of institutional complementarity appears credible because capitalism-in-itself is absent from the analysis. Although only existing in a multiplicity of historical and geographical forms, capitalism as a concept underpinning this diversity is a 'rational abstraction' that identifies an invariant core and generic tendencies (Marx, 1973; see also Neilson, 2012: 163). In Marx's view, capitalism's invariant core is grounded in a relationship of exploitation and subordination between privately operating capitalists and free-waged labour – implying their conflicting interests – as well as a relationship of market competition amongst capitalists and the labouring population. This relational framework coheres as a profit-driven market-coordinated growth dynamic characterized by rapid accumulation interspersed with recurring accumulation crises.[1] In addition, capitalism's basic form generates a series of second-order instabilities, such as inequality driven by the centralization and concentration of capital and by the segmentation of the labouring population into a core labour force and relative surplus population, as well as a deepening of the contradictions between capitalist profitability, the employment needs of the relative surplus population and ecological degeneration (Neilson and Stubbs, 2011). Further instability arises from capitalism's 'territorial non-correspondence' with unevenly developing nation states that compete with each other to attract capital (Murray, 1971). This geo-political framework is a key source of capital's exogenous power over nation-states. While the expansive global logic of capitalism is capable of delivering growth and technical progress, it is also a socially destructive force that undermines the capacity of nation-states to pursue social progress (Aglietta, 1998a).

First- and second-generation Regulation Theory

A central dilemma is that although capital's basic relations and logic can drive rapid economic growth, it is economically and socially destabilising. According to Lipietz (1988b: 20) regulation 'contains the original conflictual nature of [capitalist] social relations'. For Aglietta (1998a: 53), regulation is founded in the political counterforce of democratic agency, which can make capital accumulation compatible with social progress. This concept of regulation is at the core of the first-generation French Regulation School toolkit that includes 'mode of regulation' and 'regime of accumulation', which together identify a model of development (Aglietta, 1979, 1998a; Boyer and Saillard, 2002; Lipietz, 1988a, 1988b). Derived from a comparison of national experiences across advanced capitalist countries in the post–World War II era, the French Regulation School's model of development is a composite ideal-type that identifies the mode of regulation and regime of accumulation of each nation-state and, as an aggregate, manifests as a pattern of diverging convergence. The Fordist era is defined as a model of development because modes of regulation across the advanced capitalist countries offset or counteracted capitalism's generic tendency towards economic and social instability, instead promoting stable accumulation and social progress for about a generation (Lipietz, 1986).

Boyer's second-generation approach casts the era after Fordism as 'out of regulation', that is, without a model of development. The two underlying arguments that underpin this position are disputed here. First, rather than diverging convergence, Boyer observes diverse national trajectories without convergence in the present era (Boyer, 2005; Neilson, 2012: 168–170). This argument is challenged by empirical analysis below. Second, because it is characterized by recurring economic crises, the after-Fordist era is inferred to be without regulation. This orthodox reading of regulation is, not only too narrowly grounded in the Fordist experience but is also at odds with the French Regulation School's Marxist inheritance, especially with Althusser's (1969) concept of 'overdetermination' from which 'regulation' is derived. According to Althusser, capitalism's economic base is always modified or overdetermined in historical practice by the independent causal efficacy of political and ideological institutions and discourses (see Neilson, 2012: 161). Even when it corresponds or aligns with capitalism's original conflictual nature, the political/ideological imprint – or 'mode of regulation' – has an independent causal effect on the economic structure.

Rethinking regulation theory: A conceptual framework

This section updates the first-generation French Regulation School conceptual toolkit to account for the present era. It begins by extending the regulation concept to include, not only forms of regulation that contain capitalism, but also those that facilitate capitalism. It then traces the historical evolution of these revised forms of regulation.

Proactive and counteractive regulation: A taxonomy

Containing the economically and socially destructive effects of capitalism's generic relations and logic identifies one direction of regulation, labelled 'counteractive regulation', while the reverse direction, which supports, promotes and intensifies capitalism's generic core, is referred to as 'proactive regulation' (Neilson, 2012). An additional sub-distinction is introduced between (pro- and counter-) market regulation and (pro- and counter-) capital regulation, generating four regulatory categories (see Table 1).

Pro-market regulation promotes capital accumulation by facilitating commodification, understood as the coordination of private production and consumption via price competition. Counter-market regulation, in contrast, promotes capital accumulation by deploying non-market regulatory mechanisms to counterbalance unstable market-led accumulation; and directly promotes firm profitability through state-led investment and coordination. Pro-capital regulation promotes the autonomous power of capital to flexibly organize itself and labour. Counter-capital regulation, in contrast, protects the labouring population from the socially destructive effects of capital's power and empowers labour by promoting its participation and representation.

Table 1. Forms of regulation.

Proactive regulation *(Neoliberal model of development)*	*Counteractive regulation* *(Fordist model of development)*
Pro-market regulation Activating market mechanisms that coordinate capital accumulation (i) External component: – Trade liberalization – Financial liberalization (ii) Domestic component: – Privatization – Market coordination of private enterprise	*Counter-market regulation* Counteracting market mechanisms to promote stable capital accumulation (i) External component: – Trade protectionism – Financial controls (ii) Domestic component: – Public investment – State coordination of private enterprise
Pro-capital regulation Facilitating capitalist power over labour in work and employment – Enterprise autonomy and flexible labour markets – Individual employment relations – Retrenched and commodified welfare	*Counter-capital regulation* Protecting labour from capitalist power in work and employment – Labour rights and participation in the workplace – Collective employment relations – Extended and de-commodified welfare

This extended framework broadens and deepens understanding of the regulatory dilemmas that political actors face at both transnational and national levels. In particular, the political agents of nation-states, conceived here as the embedded political form of capitalist societies (Hirsch and Kannankulam, 2010), all confront the same regulatory challenge of how to manage the conflicting priorities of economic growth and social cohesion. Proactive regulation can stimulate growth, but also provoke economic and social instability. Counteractive regulation can facilitate social progress, but also undermine the core structural and disciplinary drivers of capitalist growth. In practice, national modes of regulation comprise institutional mixes that incorporate – though in temporally uneven ways due to the bias of the prevailing model of development and in spatially uneven ways due to endogenous national factors – different elements of both proactive and counteractive regulation. Thus, in contrast to the Varieties of Capitalism approach, which conceives capitalism in terms of internally complementary national institutional formations, it is argued that nation-states adopt contingent mixes of both proactive and counteractive regulation in order to reconcile capitalism's inherent non-complementarity.

Proactive and counteractive regulation in historical perspective

The Fordist model of development's bias towards national counteractive regulation was centrally facilitated by externally oriented counter-market regulation, which insulated countries from exogenous capitalist forces (Keynesian-led autocentricity). In contrast, the neoliberal model's bias towards proactive regulation is centrally facilitated by external pro-market regulation which exposes countries to exogenous capitalist forces (neoliberal globalization). Although across nation-states a converging bias of regulation is promoted by the prevailing model of development, divergence also occurs because nation-states, in unevenly developing path-dependent situations, contingently adopt varying mixes of pro- and counter-regulation. This mix of regulatory forms implies slippage between the model of development's national template and actually existing modes of national regulation.

In the Fordist era, and following orthodox French Regulation School wisdom, industrially developed countries widely adopted productivity wages class compromises (Boyer, 1988, 2005). However, it is further argued here that national economic strategies were more or less faithful to Keynes' domestic-demand-led autocentric accumulation template which he presented at Bretton Woods in 1944. The allied countries that attended the Bretton Woods conference focused on class accommodations within versions of Keynes' demand-led autocentric accumulation template. Countries outside of this bloc, centrally including Japan, Germany and Scandinavian countries, focused their class compromises much more explicitly on a shared vision of national competitiveness.

The deepening instability of the Fordist model in the 1970s was centrally caused by 'Fordism weighing capitalism down' (Aglietta, 1998b), but was also linked to the rise of export-driven economic strategies amongst countries outside of the Bretton Woods-allied bloc who were more clearly focused on competitiveness; and by the 1970s, also included the Newly Industrialising Countries. Rather than being a source of domestic demand as per the Keynesian template, wages were becoming a dimension of export competitiveness. As more countries pursued export-led competitiveness, the Keynesian autocentric template became less viable in any one country and simultaneously pushed other countries to prioritize competitiveness. Widespread adoption of the neoliberal national template, leading towards the maximising of national exposure to global market forces or neoliberal globalization, has intensified this shift towards the prioritising of competitiveness. In fact, under neoliberal globalization competitiveness has become the universal national priority.

The original 1930s (neo)liberal vision of a global market civilization that would subordinate countries and labour to globally mobile capital had solidified by the late 1980s as an elite trans-Atlantic consensus that crystallized as the neoliberal model of development (Foucault, 2008; Gill, 1995; Harvey, 2005; Neilson, 2012; Robinson, 2004; Ryner, 1997). Central to the neoliberal model is its national regulatory template. The externally oriented component comprises the market liberalization of trade and finance. The domestically oriented component comprises pro-market regulation involving the privatization of state-owned enterprises and market coordination of private enterprise and pro-capital regulation replacing social protections for labour with reforms that flexibilize and subordinate labour to capital's requirements. Widespread adoption of this template's elements, especially the external component, has unleashed capital from national institutional impediments and exposed nation-states to global market norms and imperatives. In contest with other nation-states, the 'key to national prosperity' is to provide competitive economic conditions that can win 'business confidence' (Kalecki, 1943). In short, to remain economically viable, nation-states need to operate as 'competition states' contesting with each other to meet capital's needs by developing capital-friendly institutional environments (Cerny, 2010; Hirsch, 1997; Jessop, 1994).

However, nation-states are unequally equipped to compete or resist and innovate beyond the neoliberal template because of differences that include resource endowments, propinquity, stage of economic development, level of economic performance, political institutions and culture. In particular, the least competitive countries have been least able to resist the neoliberal national template, while more competitive countries have had considerable scope to develop more selective and innovative regulatory mixes. In sum, while national convergence in the form of competition states in the neoliberal era is expected, so are variations, which are explored in the next section.

Exploring diverging convergence

The degree of nation-state structural compliance to the prevailing model of development – expressed in terms of the types and extent of the selective range of contingent mixes of proactive and counteractive domestic regulation compatible with the transnational environment – varies depending on the design, and power of the agents, of the particular model of development being considered. At the same time, the extent of national conformity, resistance or innovation vis-à-vis the model's domestic template will vary depending on each nation-state's specific economic and political situation and creative will. This argument is now empirically explored in terms of the neoliberal experience.

Official data sources are employed to explore the extent to which nation-states – specifically those deemed to be 'competitive' – converge towards proactive regulation, but also diverge within this general tendency towards varying forms and mixes of proactive and counteractive regulation.[2] A two-stage exercise is undertaken. First, a typology of diverging national competition states is tentatively constructed.[3] Second, the extent to which these diverging national types are nonetheless converging unevenly towards the neoliberal regulatory template is empirically explored. Details on sources and descriptions of variables used are available in the Appendix 1.

Advanced and developing competition states: A typology

Three empirical steps were pursued in order to derive a typology of competition states that maps empirical national divergence in a way that is more nuanced and comprehensive than the Varieties of Capitalism dichotomy between Liberal Market Economies and Coordinated Market Economies. As a first step, countries from the data set deemed not to be competitive are culled, thus leaving only 'competition states'.[4] In the second step, developing and developed competition states are empirically distinguished. The less-than-ideal empirical information is then adapted to explore the extent to which divergence can be observed within each group of competition states according to different mixes of proactive and counteractive regulation. This methodology begins with an empirically derived distinction between developed and developing countries that indicates basic difference in national regulatory constraints and opportunities, before searching for regulatory divergence within the groups created. Uneven stages of capitalist economic development – associated with the level and extent of diffusion of technology, skill levels of the workforce, economic infrastructure and political–institutional stability – are indicated by comparing differences in national levels of growth and development. Using these variables, a distinction is drawn between developed competition states and developing competition states in Table 2.

Before combining into a summary table, differences in institutional form for developed and then developing competition states are separately explored. Specifically, institutional differences are examined in terms of variations of national mixes of proactive and counteractive capital regulation; and then the sub-groups thus derived are examined to see whether they coincide with national variations in mixes of proactive and counteractive market regulation.

Table 2. Advanced and developing competition states.

Advanced competition states = GDP per capita greater than 20,000 in 2009		*Developing competition states = GDP per capita greater than 7500 but less than 20,000 in 2009 OR = GDP per capita growth greater than 2000 but less than 20,000 in 2009 and average GDP per capita growth in the last 10 years greater than 3*			
Code	*Country*	*Code*	*Country*	*Code*	*Country*
AUS	Australia	ALB	Albania	POL	Poland
AUT	Austria	ARG	Argentina	ROM	Romania
BEL	Belgium	ARM	Armenia	SRB	Serbia
CAN	Canada	BLR	Belarus	SVK	Slovak Republic
CYP	Cyprus	BIH	Bosnia and Herzegovina	ZAF	South Africa
CZE	Czech Republic	BRA	Brazil	LKA	Sri Lanka
DNK	Denmark	BGR	Bulgaria	THA	Thailand
FIN	Finland	CHN	China	TUN	Tunisia
FRA	France	COL	Colombia	TUR	Turkey
DEU	Germany	CRI	Costa Rica	UKR	Ukraine
GRC	Greece	HRV	Croatia	URY	Uruguay
HKG	Hong Kong	DOM	Dominican Republic	VNM	Vietnam
IRL	Ireland	EST	Estonia		
ISR	Israel	GEO	Georgia		
ITA	Italy	HUN	Hungary		
JPN	Japan	IND	India		
KOR	Korea, Rep.	IDN	Indonesia		
NLD	Netherlands	JOR	Jordan		
NZL	New Zealand	LAO	Laos		
NOR	Norway	LVA	Latvia		
PRT	Portugal	LTU	Lithuania		
SGP	Singapore	MKD	Macedonia		
SVN	Slovenia	MYS	Malaysia		
ESP	Spain	MUS	Mauritius		
SWE	Sweden	MEX	Mexico		
CHE	Switzerland	MAR	Morocco		
GBR	United Kingdom	PAN	Panama		
USA	United States	PER	Peru		

Note: The criterion for advanced competition states captures those countries regarded by the development community as the most highly developed. For developing competition states, the first criterion captures nations that have reached a level of development where socio-political stability, infrastructure and human capital meet the most basic standards of viability for business to operate competitively, however broadly defined, within their borders. The second criterion captures high growth nations, but with a developmental floor to account for the artefact of high growth at very low levels of development in non-competitive nations (e.g. where GDP per capita increases in a given year from $200 to $220, 10% growth). Overall, the cutoff values adopted are based on our judgment. While we acknowledge that these thresholds are somewhat arbitrary, our intuition is that the countries identified reflect the rough number and makeup of actually existing advanced and developing competitive states.

Table 3. Varieties of competition states.

Exclusive advanced competition states		*Inclusive advanced competition states*		*Newly advanced competition states*	
Code	*Country*	*Code*	*Country*	*Code*	*Country*
AUS	Australia	AUT	Austria	HKG	Hong Kong
CAN	Canada	BEL	Belgium	KOR	Republic of Korea
CYP	Cyprus	CZE	Czech Republic	SGP	Singapore
GRC	Greece	DNK	Denmark		
IRL	Ireland	FIN	Finland		
ISR	Israel	FRA	France		
ITA	Italy	DEU	Germany		
NZL	New Zealand	JPN	Japan		
PRT	Portugal	NLD	Netherlands		
ESP	Spain	NOR	Norway		
GBR	United Kingdom	SVN	Slovenia		
USA	United States	SWE	Sweden		
		CHE	Switzerland		
Exclusive developing competition states		*Inclusive developing competition states*		*Newly developing competition states*	
Code	*Country*	*Code*	*Country*	*Code*	*Country*
ARG	Argentina	ALB	Albania	CHN	China
BRA	Brazil	ARM	Armenia	IND	India
COL	Colombia	BIH	Bosnia and Herzegovina	IDN	Indonesia
CRI	Costa Rica	BGR	Bulgaria	LAO	Laos
DOM	Dominican Republic	HRV	Croatia	MYS	Malaysia
JOR	Jordan	EST	Estonia	LKA	Sri Lanka
MUS	Mauritius	GEO	Georgia	THA	Thailand
MEX	Mexico	HUN	Hungary	VNM	Vietnam
MAR	Morocco	LVA	Latvia		
PAN	Panama	LTU	Lithuania		
PER	Peru	MKD	Macedonia		
ZAF	South Africa	SRB	Serbia		
TUR	Turkey	SVK	Slovak Republic		
URY	Uruguay	UKR	Ukraine		

Proactive and counteractive capital regulation

No available official data sources provided useful measures for *directly* comparing and differentiating proactive and counteractive capital regulation. This problem is addressed by adapting the core methodology of Bhaskar's (1989) 'critical realism' to argue that regulatory mixes can be inferred from their expected effects. The different forms of regulation of capitalism's basic contradictory structure – representing the overdetermined institutional form of capitalism considered as a 'generative mechanism' – are evidenced by considering whether expected empirical 'patterns or events' are observed. For example, the counteractive regulatory bias of the Fordist model, following this methodology, is evidenced by the socio-economic patterns expected by progressively countering capitalism's generic logic centrally including higher social equality, solidarity, stability and cohesion. Alternatively, the proactive regulatory bias of the neoliberal model is evidenced by the socio-economic patterns expected as a result of regulation that activates the capitalist dynamic, specifically including growing insecurity and inequality underpinned by increased wage dependence, labour market segmentation and labour redundancy.

Measures were deployed that compare the extent to which developed countries have such socio-economic patterns that indirectly indicate relative variations in the bias of the mix of pro-capital and counter-capital regulation. The variables investigated are as follows: Mosley collective labour rights index, which is a measure of labour market flexibility that assesses violations of core labour rights (higher values indicate better collective labour rights); the Gini index, which is a measure of inequality (higher values indicate greater inequality); and the vulnerable employed as a share of the relative surplus population, which is a measure of peripheral segmentation associated with capitalist development.[5]

The clearest result for developed competition states was achieved by plotting Mosley collective labour rights against the Gini index, which revealed three distinct clusters (see Figure 1). Cluster 1 is characterized by high- to very-high levels of inequality and very low collective labour rights (indicating most relative bias towards pro-capital regulation). Cluster 3 is characterized by low levels of inequality and moderate-to-high collective labour rights (indicating most relative bias towards counter-capital regulation). Cluster 2 is characterized

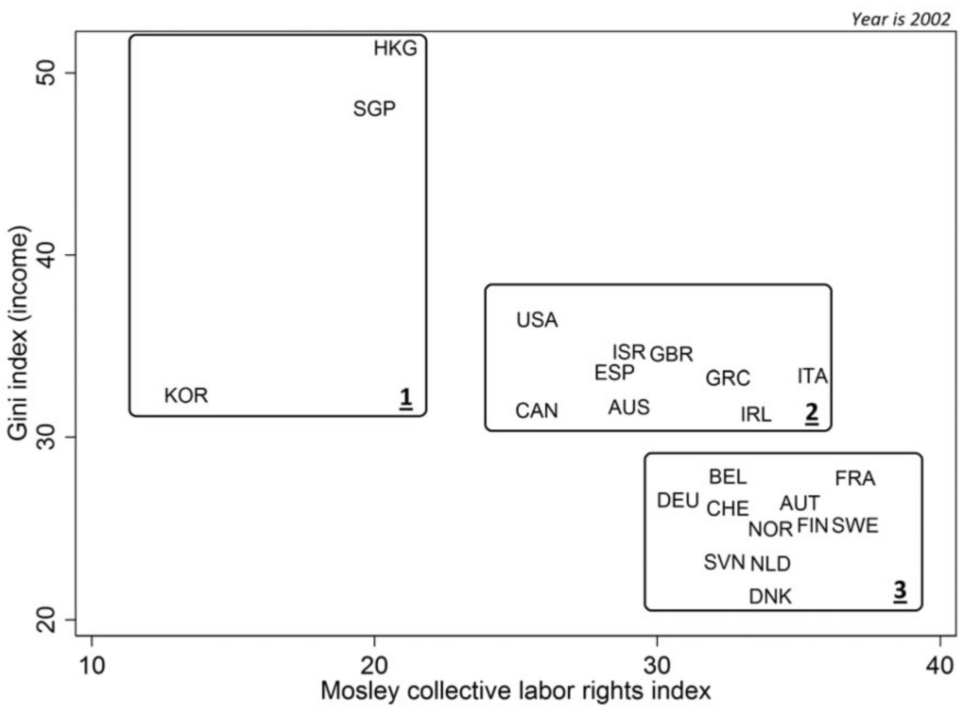

Figure 1. Divergence of proactive pro-capital and counteractive counter-capital regulation in advanced competition states.

by moderate-to-high levels of inequality and low-to-moderate collective labour rights (indicating a regulatory mix located between the other two relative poles).

For developing competition states, a similar range of exploratory analyses were deployed. The results using the bivariate plotting of the Mosley collective labour rights index and the Gini index best indicated three different regulatory clusters (aside from outliers Belarus, Poland, Romania and Tunisia). The high inequality and low collective labour rights of Cluster 1 (most pro-capital) are clearly distinguished from the low inequality and moderate-to-high collective labour rights of Cluster 3 (most counter-capital). Cluster 2 sits in the middle according to this measure, but the countries in this group also have the highest proportion of vulnerable employed[6] and therefore, although a distinct combination, are thus also considered to have high inequality and low collective labour rights at a level similar to Cluster 1.

Proactive and counteractive market regulation

A more circuitous analytical strategy was needed to indicate empirically existing variations in mixes of pro- and counter-market regulation, further distinguished according to external and domestic dimensions. In terms of external pro-market regulation, understood as a measure of national exposure to global market forces, high levels of similarity are observed across all competition states (see also below, under convergence). However, evidence concerning degrees of domestic pro- and counter-market regulation indicates a further regulatory component corresponding with clusters of nation-states identified by different mixes of pro- and counter-capital regulation in Figures 1 and 2.

First, for developed competition states, case study research falling under the Varieties of Capitalism rubric indicates that the initial groupings are also meaningfully consistent for identifying group variations in domestic pro- and counter-market regulation. Specifically, the Varieties of Capitalism grouping of Liberal Market Economy countries (that closely overlaps with countries falling into Cluster 2 in Figure 1) are characterized in the Varieties of Capitalism model as being more faithful to the neoliberal domestic template of state retrenchment and market discipline of firm behaviour (i.e. high pro-market domestic regulation). Similarly, the Varieties of Capitalism grouping of Coordinated Market Economy countries (that overlaps closely with countries falling into Cluster 3 in Figure 1) are seen to be characterized by state forms that directly facilitate the coordination and development of capitalist firms (i.e. counter-market regulation). Cluster 1 in Figure 1 solely comprises the Asian Tigers, first identified as Newly Industrialising Countries (NICs) towards the end of the Fordist era (see above). These countries have followed Japan's development model in which the state intervenes to directly support national firms in order to maximize their competitiveness (Amsden, 1991; Chang, 2002; Wade, 1990); that is to say, they are also characterized by a high degree of counter-market regulation.

Second, for developing competition states, results have been mixed. As case study research is less established for these countries, public gross fixed capital formation was plotted as a share of gross domestic product (GDP) against total gross fixed capital formation to try and elucidate any discernible patterns. High levels of public gross-fixed capital formation indicate high state involvement in the economy via infrastructural projects and state-owned enterprises, while high levels of total gross-fixed capital formation also suggest some state involvement in providing a climate where entrepreneurs have greater incentives to invest in the real rather than financial economy (such as through regulation of bank credit,

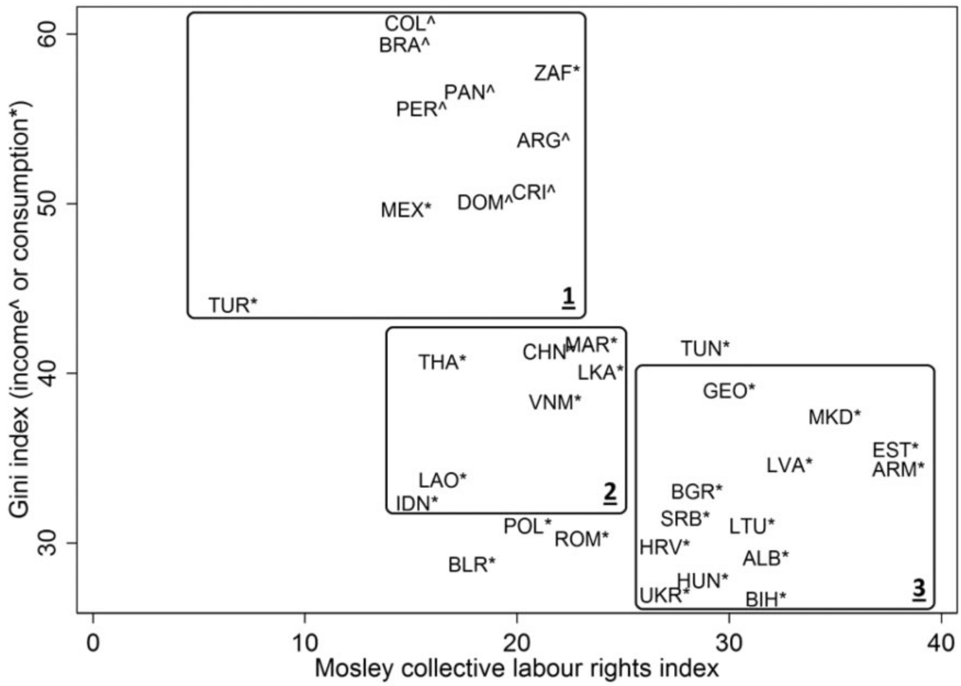

Figure 2. Divergence of proactive pro-capital and counteractive counter-capital regulation in developing competition states.

interest rates, currency rates, subsidies to minimize entrepreneurial risk, direct monitoring and disciplining of business activity and so on). Thus, this exercise provides a measure of government involvement in the productive sector of the economy that is taken as an indicator of counter-market regulation.

Consistent clustering effects are observed for the same group of countries, as in Cluster 2 in Figure 2. This group displays very high levels of public investment and moderate-to-high levels of total investment. However, no discernible clustering effects were observed for the remaining countries.

Summary of typology

By following a specific order of analysis, a typology of diverging national forms has been constructed. Competition states were split into developed and developing countries, and then for each sub-group, regulatory variations were identified: first, according to pro- and counter-capital regulation and then, relating to the initial clusters formed, for pro- and counter-market regulation. A basic three-group typology is arrived at for developed competition states: Exclusive Advanced Competition States characterized by a mix tending towards relatively high pro-capital regulation and high pro-market regulation, Inclusive Advanced Competition States characterized by a mix in which counter-capital and counter-market regulation figure more prominently and the Asian Tigers or Newly Advanced Competition States characterized by a hybrid mix of relatively high pro-capital regulation and relatively high counter-market regulation.

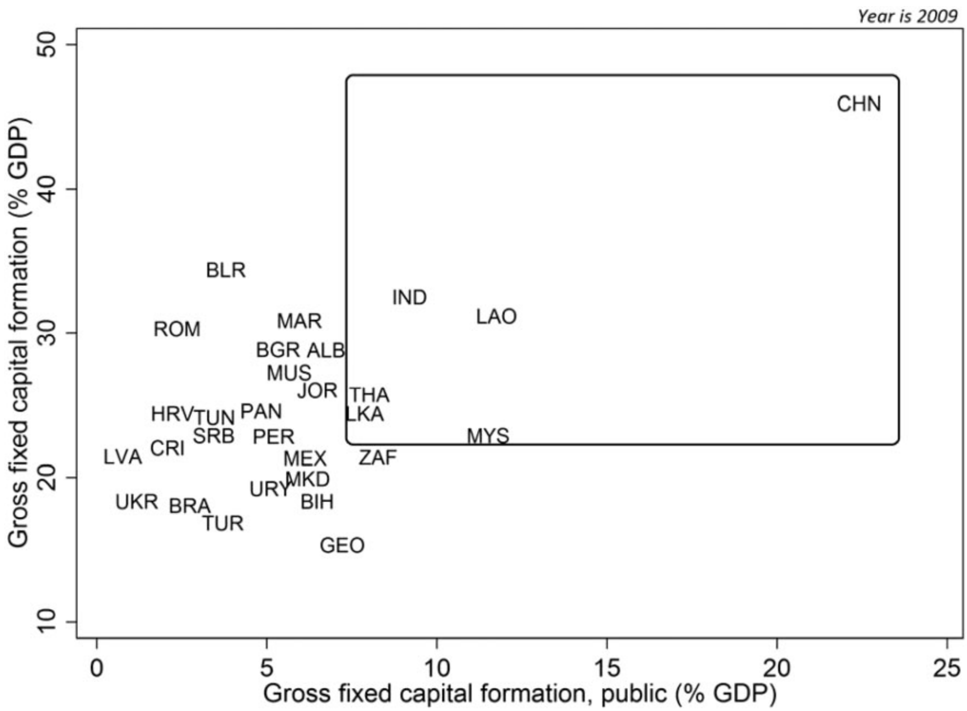

Figure 3. Divergence of counteractive counter-market regulation in developing competition states.

For developing countries, the overall picture is less clear and some of the inferences more tentative. Three initial groupings have been identified according to different mixes of pro- and counter-regulation. For the sake of schematic symmetry, they are labelled in the summary classification as; Exclusive Developing Competition States, Inclusive Developing Competition States and Newly Developing Competition States. However, only for Newly Developing Competition States did the initial Cluster 2 in Figure 2 also consistently display clear counter-market regulation tendencies, and that links them closely with the regulatory formations of Newly Advanced Competition States. For Exclusive Developing Competition States, it has been assumed that high pro-capital regulation indicates high pro-market regulation (as for the Exclusive Advanced Competition States and similarly for Inclusive Developing Competition States, it has been assumed that evidence of more counter-capital regulation indicates more counter-market regulation (as for Inclusive Advanced Competition States)). However, much more research needs to be done to unravel what appears at this stage – according to the available statistical evidence (see Figure 3) – to be a much more chaotic spread of pro-market and counter-market regulatory differences within and across 'Inclusive' and 'Exclusive Developing Competition States'.

Converging competition states

The claim of convergence is tested by comparing the trajectories of the six national types across time towards neoliberal institutional forms of economic regulation. Mean values of each type of competition state were calculated and plotted for each year on a series of variables. As problems of missing data featured throughout, a data point for a given year was plotted only if observations for over one-third of countries within the competition state were available. Although varying in extent according to national type, the argument proposed here is that all groups are expected to move over time towards the neoliberal template.

Results for proactive pro-capital regulation are presented in Figure 4. Only commented on are the trajectory of the six types over time rather than their divergence from each other (see previous sub-section). Four variables were analysed: the Mosley collective labour rights index, a labour market regulations index, which is a subjective indicator reliant on expert opinions – chosen because it had data available on most countries for several years – that indicates levels of labour market flexibility such as hiring and firing regulations and minimum employment conditions (higher values indicate more regulation, that is less flexibility); government consumption expenditure as a share of GDP; and labour income share, which is more clearly a socio-economic effect of proactive pro-capital regulation and the generic form of capitalism.[7]

In the first panel, collective labour rights show a fluctuating but overall decreasing trend across all groups since the late-80s except Inclusive Developing Competition States, where the trend occurs from the mid-90s. The second panel shows that counter-capital labour market regulation has decreased across all groups at least since the year 2000, with a particularly steep decline between years 2001 and 2002, though this may be an artefact of a methodological revision to the index. Government consumption expenditures, shown in the third panel, have surprisingly remained relatively stable at close to 1980 levels and have even increased slightly for Newly Advanced Competition States and Inclusive Advanced Competition States. Finally, labour income share exhibits a decreasing trend for the three types for which data were adequately available: Inclusive Developing Competition States, Exclusive Advanced Competition States and Inclusive Advanced Competition States. The overall picture drawn is that there has been convergence towards more proactive pro-capital regulation for all groups in one form or another, but that an element of counteractive counter-capital regulation has also been maintained, as evidenced by the trends observed for government consumption expenditure.

In Figure 5, convergence on external proactive pro-market regulation is measured by tracing the following four variables over time: the average tariff rate, which is a *de jure* measure of trade openness; trade as a share of GDP, which is a *de facto* measure of trade openness; the Chinn-Ito index of capital account openness, which is a *de jure* measure of financial openness; and foreign direct investment as a share of GDP, which is a *de facto* measure of financial openness. The first panel, which plots average tariff rates over time, shows that tariff rates have been maintained or decreased slightly for advanced competition states but that these were already at very low levels in 1980. In contrast, Newly Developing Competition States and Exclusive Developing Competition States display massive reductions in tariffs from the mid-80s to the mid-90s and, along with Inclusive Developing Competition States, modest reductions since then. In the second panel, five of the six types display steady but modest increases in trade as a portion of GDP since 1980, with Newly Advanced Competition States exhibiting a more substantial increase. For the Chinn-Ito index in the third panel, some fluctuations are apparent in the late 90s – possibly due to the Asian financial crisis – but otherwise for four of the six types capital account openness has generally been increasing since the mid-1980s. Newly Developing Competition States and Newly Advanced Competition States are the notable exceptions, where openness has

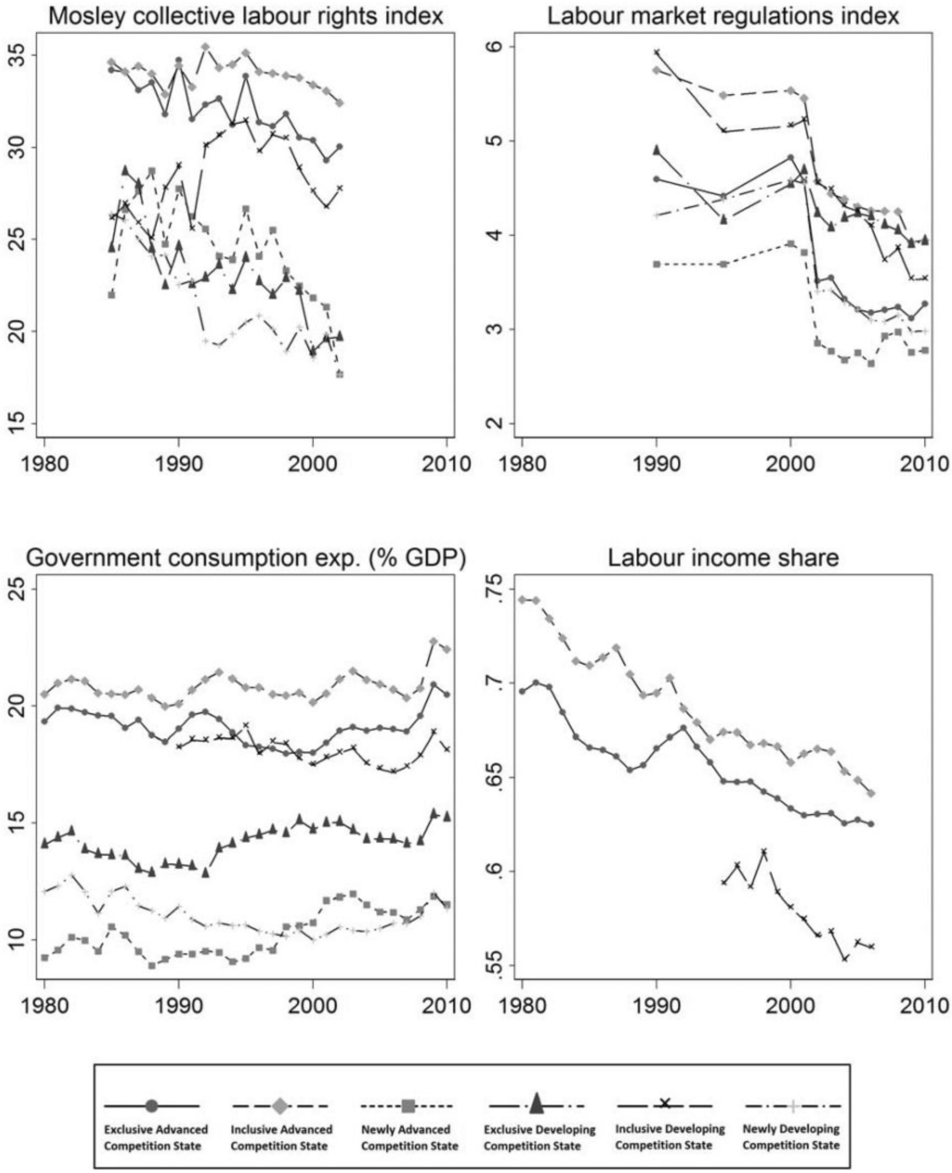

Figure 4. Convergence of proactive pro-capital and counteractive counter-capital regulation.

been maintained roughly at 1980 levels throughout. The final panel plots foreign direct investment as a share of GDP for only five of the six groups. Newly Advanced Competition States were excluded because the extremely high means skewed the graph – they maintained high levels from 1980 to 2010 except for a large dip around the time of the Asian financial crisis. The other five types fluctuate throughout but generally display increases in foreign direct investment since 1980 and – with the exception of Newly

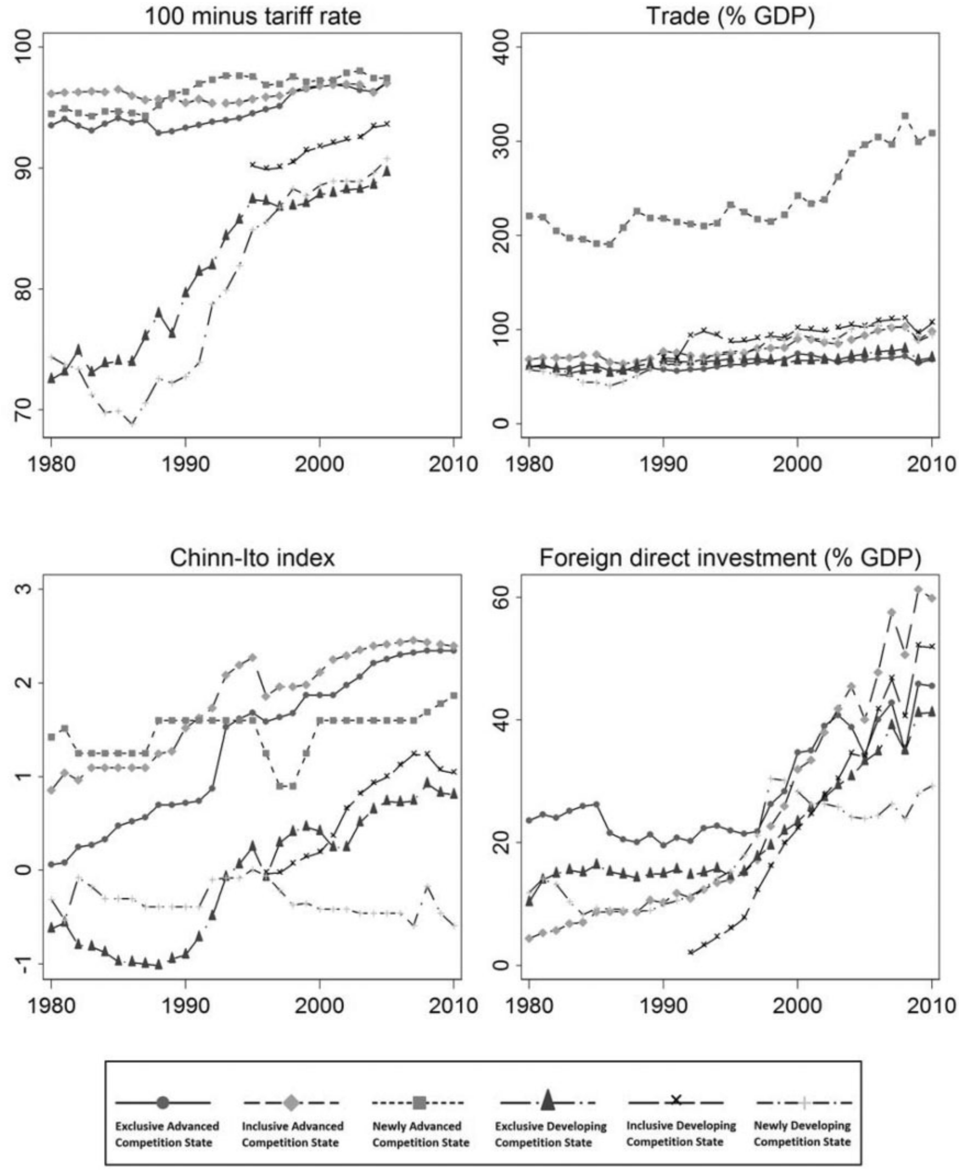

Figure 5. Convergence of proactive pro-market regulation.

Developing Competition States where investor confidence may have been undermined since the Asian financial crisis – particularly steep inclines since the late-90s. To summarize, convergence towards high external proactive pro-market regulation has occurred for all types except Newly Developing Competition States and Newly Advanced Competition States, where results are mixed.

Conclusion

Varying patterns of diverging convergence have been identified and explained in relation to both Fordist and neoliberal models of development; and in particular an empirically grounded typology of diverging forms of competition states in the neoliberal era has been presented. In the Fordist era, rather than being polarized between a '(neo)liberal' mode (Liberal Market Economy) and a 'coordinated' mode (Coordinated Market Economy) both groups of countries converged towards institutional variations of the productivity wage-based class compromise. However, while both groups were biased towards counter-regulation, they diverged within the general tendency especially around differences in regulatory response to the explicitly Keynesian dimension of the Fordist model of development's national template. Of special interest here are the Coordinated Market Economy countries that departed from the Keynesian template and adopted competition state models. In the current neoliberal era, convergence towards the competition state model has been facilitated by countries adopting key aspects of the neoliberal model's national template. However, first, the degree of shift towards pro-capital regulation varies across competition states. Second, and indicating even greater national divergence from the standard neoliberal template that pushes for pro-market regulation, many competition states have forms of counter-market regulation. In sum, while all competition states converge towards neoliberalization, there is divergence within this general tendency, not only in the extent of neoliberalization but also in the presence of non-neoliberal counteractive forms of regulation.

The ascendancy of Newly Advanced Competition States and Newly Developing Competition States are of particular interest because, first, they represent, in contrast to the Varieties of Capitalism dichotomous model, a third highly competitive variation of the competition state. This hybrid model combines aspects of both pro-capital regulation, central to the neoliberal national template and the Liberal Market Economy model, and counter-market regulation that is central to the Coordinated Market Economy model. Second, these countries, and also the Inclusive Advanced Competition States expose the fundamental tension between the neoliberal vision to subordinate nation-states to global market disciplines and prevent them from directly advantaging national enterprises and the competitiveness of countries that directly promote such national enterprises.

However, sustainability of the Asian hybrid model is questionable. All countries face the regulatory dilemma that while increasing wages and employment security can undermine national economic competitiveness, the increased insecurity, inequality and depressed wages generated by 'labour market flexibility' also imply social instability. Timid counter-capital regulation, linked with the post-Washington consensus and Third Way initiatives, has offset this social instability with downstream secondary compensations for the socially destabilising effects of greater inequality and insecurity resulting from neoliberalization (Ryner, 1997; Taylor, 2010). However, while offering a progressive supplement, this counter-movement also legitimates and thus embeds neoliberalization (Tickell and Peck, 2003).

Furthermore, a deepening tension between national economic competitiveness and Third Way counter-movements is likely to become even harder for nation-states to reconcile as margins narrow under the competitive austerity logic of neoliberal capitalism's global economic crisis trajectory. First, the global oversupply of labour – itself linked with neoliberal globalization – has intensified international competition and uneven development across countries (Neilson and Stubbs, 2011; Weeks, 2001). As a consequence, each country has incentives to more aggressively prioritize capital's agenda but with uneven results across developed and non-developed countries. Second, as the structural and systemic crisis tendencies of global capitalism become more pronounced, the tension between conflicting national regulatory priorities will become more difficult to reconcile, especially for the least economically successful countries. Ironically, even as the economic crisis of global neoliberalism moves into its seventh year, the neoliberal project is intensified within nation-states because the crisis of finance capital has legitimated further attacks on the public sector and the labouring population (McNally, 2011).

The more successful competition states may be able to retain their competitive edge and still achieve some social progress, especially if they focus state investment on the most competitive aspects of the welfare state – basically health and education – and on counter-market regulation that can help increase the size and scope of the competitive export sector. For these countries, economic growth and social progress can be made somewhat compatible. However, for countries struggling to achieve or retain national competitiveness within the zero-sum global logic of competitive austerity implied by neoliberal global capitalism's crisis trajectory, even pro-growth socially progressive supplements may not be feasible. In the final analysis, if a socially progressive economic viability is to become universally feasible across all the countries of the world, then nothing less than the design and implementation of an alternative model of development is required.

Appendix

Data sources

Variable	*Description*	*Source*
100 – tariff rate	Average of effective rate (tariff revenue/ import value) and unweighted tariff rates, subtracted from 100	Jaumotte, Lall and Papageorgiou Rising Income Inequality Dataset: http://www.chrispapageorgiou.com/working1.html
Chinn-Ito index	Degree of capital account openness based on codification of restrictions on cross-border financial transactions reported in the IMF's Annual Report on Exchange Arrangements and Exchange Restrictions	Chinn-Ito Index: http://web.pdx.edu/~ito/Chinn-Ito_website.htm
Foreign direct investment (% GDP)	Stock of investment involving a lasting management interest in an enterprise operating in a reporting economy from a foreign investor, including initial and subsequent transactions, as a share of GDP	UNCTADstat: http://unctadstat.unctad.org/ReportFolders/reportFolders.aspx
GDP per capita growth (%) 10 year mean	Calculated using GDP per capita, PPP data	Calculated
GDP per capita, PPP		World Bank World Development Indicators,

(continued)

Continued

Variable	*Description*	*Source*
	Gross domestic product converted to international dollars using purchasing power parity rates	December 2012: http://data.worldbank.org
Gini index (consumption)	Measure of inequality between 0 (everyone has the same consumption) and 100 (richest person has all consumption) using closest available post-2000 year	PovcalNet: http://iresearch.worldbank.org/PovcalNet/index.htm?0
Gini index (income)	Measure of inequality between 0 (everyone has the same income) and 100 (richest person has all income) using closest available post-2000 year	PovcalNet: http://iresearch.worldbank.org/PovcalNet/index.htm?0 Luxembourg Income Study Database: http://www.lisdatacenter.org UNU-WIDER: http://www.wider.unu.edu/research/Database
Government consumption expenditure (% GDP)	Government current expenditures for purchases of goods and services (including employee compensation) as a share of GDP	World Bank World Development Indicators, December 2012: http://data.worldbank.org
Gross fixed capital formation (% GDP)	Land improvements; plant, machinery and equipment purchases; and the construction of roads, railways, schools, offices, hospitals, private residential dwellings and commercial and industrial buildings, as a share of GDP	World Bank World Development Indicators, December 2012: http://data.worldbank.org
Gross fixed capital formation, private (% GDP)	Gross outlays by the private sector (including private nonprofit agencies) on additions to its fixed domestic assets as a share of GDP	World Bank World Development Indicators, December 2012: http://data.worldbank.org
Gross fixed capital formation, public (% GDP)	Gross outlays by the public sector on additions to its fixed domestic assets as a share of GDP, calculated using gross fixed capital formation (% GDP) and gross fixed capital formation, private (% GDP) data	Calculated
Labour income share	Total labour costs divided by nominal output	OECD.Stat: http://stats.oecd.org/
Labour market regulations index	Economic freedom in the labour market based on expert opinions on hiring and firing regulations, collective bargaining and conscription, with scores reversed so that lower values indicate less regulation	Gwartney, Lawson and Hall's Economic Freedom of the World Dataset: http://www.freetheworld.com/datasets_efw.html
Mosley collective labour rights index	Violations of labour rights, with higher values indicating better collective labour rights	Mosley Collective Labour Rights Dataset: http://dvn.iq.harvard.edu/dvn/dv/lmosley

(continued)

Continued

Variable	*Description*	*Source*
Remittances inflows (% GDP)	International migrant remittance inflows as a share of GDP	World Bank Migration and Remittances Data, November 2012: http://go.worldbank.org/092X1CHHD0
Total natural resources rents (% GDP)	Oil, natural gas, coal (hard and soft) mineral and forest rents as a share of GDP	World Bank World Development Indicators, December 2012: http://data.worldbank.org
Trade (% GDP)	Exports and imports of goods and services measured as a share of GDP	World Bank World Development Indicators, December 2012: http://data.worldbank.org
Vulnerable employed (% RSP)	Sum of own-account workers and unpaid family workers as a share of relative surplus population aged 15 or over. Own-account workers derive income from profits resulting from goods or services they produce or sell. Unpaid family workers hold jobs in a market-oriented establishment operated by a related person living in the same household where no wage is paid. Relative surplus population consists of vulnerable employed, officially unemployed and non-employed (i.e. those outside the labour force)	Self-coded, contact authors

Declaration of Conflicting Interests

The author(s) declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

Funding

The author(s) received no financial support for the research, authorship, and/or publication of this article.

Notes

1. Writers across a broad range of approaches, including Marxists, Keynesians and Regulationists, share the view that capitalism is crisis prone. Across these approaches, capitalism's crisis tendencies are linked with inherent instabilities in the market coordination of capital accumulation. In the Marxist tradition, emphasis is also placed on crisis tendencies arising from capitalism's core relations of production and generic tendency of increasing productivity. Overall, this process implies recurring crises of overaccumulation – described as declining outlets for productive investment – that generate surplus labouring population and surplus finance that is unproductively invested.

While current heterodox discourses on the related phenomenon of financialization are varied, in general, all view it as a symptom of capitalism's instability as well as a source of further instability.
2. More comprehensive analysis was constrained by limitations in the official data sources such as missing observations on a number of years and countries and by the general unavailability – or availability for only a handful of countries – of empirical indicators of counteractive counter-market regulation.
3. This typology is constrained by limits in data sources (see note 2) but in addition, this kind of typology of nation-states is inherently tentative, i.e. not fixed or final because the process of neoliberization is dynamic whereas our types only indicate a distribution of countries at a given moment in time. Thus, our analysis does not preclude the possibility, leaving aside path-dependency constraints, of countries gradually shifting across categories.
4. In addition to countries deemed non-competitive (see Table 2), countries of less than one million inhabitants and developing countries that are competitive primarily because of natural endowments or migrant remittances are also put to one side. A country was classed as a natural endowment state if total natural resources rents, which includes the sum of oil rents, natural gas rents, coal rents (hard and soft) mineral rents and forest rents, were equal or greater than 15% of gross domestic product (GDP). Of countries that otherwise fulfilled our criteria as competition states, this disqualified Angola, Azerbaijan, Bahrain, Chile, Gabon, Iran, Kazakhstan, Kuwait, Libya, Mongolia, Nigeria, Oman, Qatar, Russia, Saudi Arabia, Trinidad and Tobago, Turkmenistan, United Arab Emirates, Uzbekistan and Venezuela. We also disqualified Botswana due to reliance on diamonds (not included in rents data). A country was classified as a remittance state if remittance inflows were equal or greater than 15% of GDP. Remittance data for 2011 was used as it was the only year available as a share of GDP. Of countries that otherwise fulfilled our criteria as competition states, this disqualified Kyrgyz Republic, Lebanon and Moldova.
5. The relative surplus population is a blanket term used to describe the labouring population excluded from core productive sectors of the economy (see Neilson and Stubbs, 2011). It is composed of three groups: the unemployed, which covers those actively seeking but without paid work; the non-employed, which includes those without paid work but not actively seeking and the vulnerable employed, defined as own-account and unpaid family workers usually operating in the informal sector. High proportions of vulnerable employed as a share of the relative surplus population indicate lack of social protections that render remaining non-employed or unemployed non-viable, with the surplus labouring population instead compelled to engage in informal survivalist activity.
6. Data on the vulnerable employed in each country for the year 2007 are available from the authors upon request (see also Neilson and Stubbs, 2011).
7. The historical patchiness of Gini data meant we could not adequately trace inequality trends over time, although recent studies suggest increasing inequality almost everywhere since the 1980s (OECD, 2011; Wade, 2011).

References

Aglietta M (1979) *A Theory of Capitalist Regulation: The US Experience*. London: Verso.

Aglietta M (1998a) Capitalism at the turn of the century: regulation theory and the challenge of social change. *New Left Review* 232, 41–90.

Aglietta M (1998b) Interview. *Espirit*. November.

Althusser L (1969) Contradiction and overdetermination. In: Althusser L (ed.) *For Marx*. Harmondsworth: Penguin.

Amable B (2003) *The Diversity of Modern Capitalism*. Oxford: Oxford University Press.

Amsden A (1991) Diffusion of development: The late-industrialising model and greater East Asia. *American Economic Review* 81(2): 282–286.

Baccaro L and Howell C (2011) A common neoliberal trajectory: the transformation of industrial relations in advanced capitalism. *Politics and Society* 39(4): 521–563.

Becker U (2013) Measuring change of capitalist varieties: Reflections on method, illustrations from the BRICs. *New Political Economy* 18(4): 503–532.
Becker J and Jager J (2012) Integration in crisis: A regulationist perspective on the interaction on the European varieties of capitalism. *Competition and Change* 16(3): 169–187.
Bhaskar R (1989) *Reclaiming Reality*. London: Verso.
Bohle D and Greskovits B (2009) Varieties of capitalism and capitalism tout court. *European Journal of Sociology* 50(3): 355–386.
Boyer R (1988) Wage/labour relations, growth, and crisis: A hidden dialectic. In: Boyer R (ed.) *The Search for Labour Market Flexibility*. Oxford: Clarendon Press.
Boyer R (2005) How and why capitalisms differ. *Economy and Society* 34(4): 509–557.
Boyer R and Saillard Y (eds) (2002) *Regulation Theory: State of the Art*. London and New York: Routledge.
Brenner N, Peck J and Theodore N (2010) Variegated neoliberalisation: Geographies, modalities, pathways. *Global Networks* 10(2): 182–222.
Bruff I (2011) What about the elephant in the room? Varieties of capitalism, varieties in capitalism. *New Political Economy* 16(4): 481–500.
Campbell J and Pedersen O (2007) Institutional competitiveness in the global economy: Denmark, the United States, and the varieties of capitalism. *Regulation & Governance* 1(3): 230–246.
Carney M, Gedajlovic E and Yang X (2009) Varieties of Asian capitalism: Toward an institutional theory of Asian enterprise. *Asia Pacific Journal of Management* 26(3): 361–380.
Cerny P (1997) Paradoxes of the competition state: The dynamics of political globalisation. *Government and Opposition* 32(2): 251–274.
Cerny PG (2003) What next for the State. In: Kofman E and Young G (eds) *Globalisation: Theory and Practice*. (2nd edn. pp. 207–221). London: Continuum.
Cerny PG (2010) The competition state today: From nation d'etat to raison du monde. *Policy Studies* 31(1): 5–21.
Chang H-J (2002) *Kicking Away the Ladder: Development Strategy in Historical Perspective*. London: Anthem Press.
Cox R (1986) *Production, Power and World Order*. New York, NY: Columbia University Press.
Ebenau M (2012) Varieties of capitalism or dependency? A critique of the VoC approach for Latin America. *Competition and Change* 16(3): 206–213.
Foucault M (2008) *The Birth of Biopolitics: Lectures at the College de France, (1978/1979)* (Senellart M, ed) (trans G Burchell). New York: Picador.
Gill S (1995) Globalisation, market civilisation, and disciplinary neoliberalism. *Millennium* 24(3): 399–423.
Gill S (1998) New constitutionalism, democratisation and global political economy. *Pacifica Review: Peace, Security & Global Change* 10(1): 23–38.
Hall P and Gingerich D (2009) Varieties of capitalism and institutional complementarities in the political economy: An empirical analysis. *British Journal of Political Science* 39(3): 449–482.
Hall P and Soskice D (eds) (2001) *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*. Oxford: Oxford University Press.
Hall P and Thelen K (2009) Institutional change in varieties of capitalism'. *Socio-Economic Review* 7, 7–34.
Hancke B (ed.) (2009) *Debating 'Varieties of Capitalism': A Reader*. Oxford: Oxford University Press.
Hancke B, Rhodes M and Thatcher M (eds) (2007) *Beyond Varieties of Capitalism: Conflict, Contradictions, and Complementarities in the European Economy*. Oxford: Oxford University Press.
Harvey D (2005) *A Brief History of Neoliberalism*. New York, NY: Oxford University Press.
Hirsch J (1997) Globalization of capital, nation-states and democracy. *Studies in Political Economy* 54(Fall): 39–58.
Hirsch J and Kannankulam J (2010) The spaces of capital: The political form of capitalism and the internnationalisation of the State. *Antipod* 43(1): 12–37.
Jessop B (1994) Post-Fordism and the State. In: Amin A (ed.) *Post Fordism: A Reader*. Oxford: Blackwell.

Kalecki M (1943) Political aspects of full employment. *Political Quarterly* 14(4): 322–330.
Lipietz A (1986) Behind the crisis: The exhaustion of a regime of accumulation: A 'regulation school' perspective on some French empirical works. *Review of Radical Political Economics* 18, 13–32.
Lipietz A (1988a) Accumulation, crises and ways out: Some methodological reflections on the concept of regulation. *International Journal of Political Economy* 18(2): 10–43.
Lipietz A (1988b) Reflections on a tale: The Marxist foundations of the concepts of regulation and political economy. *Studies in Political Economy* 26, 7–35.
McNally D (2011) *Global Slump: The Economics and Politics of Crisis and Resistance*. Oakland, CA: PM Press.
Marx K (1973) General introduction. *Grundrisse*. Harmondsworth: Penguin (in association with New Left Books).
Murray R (1971) Internationalisation of capital and the nation state. *New Left Review*, 67(May-June).
Neilson D (2012) Remaking the connections: Marxism and the French regulation school. *Review of Radical Political Economics* 44(2): 160–177.
Neilson D and Stubbs T (2011) Relative surplus population and uneven development in the neoliberal era: Theory and empirical application. *Capital and Class* 35(3): 435–454.
Organisation for Economic Co-operation and Development (2011) *Divided We Stand: Why Inequality Keeps Rising*. Paris: OECD Publishing.
Peck J, Theodore N and Brenner N (2009) Neoliberal urbanism: Models, moments, mutations. *SAIS Review* 29(1): 49–66.
Peters J (2012) Neoliberal convergence in North America and Western Europe: Fiscal austerity, privatisation, and public sector reform. *Review of International Political Economy* 19(2): 208–235.
Robinson WI (2001) Social theory and globalisation: The rise of a transnational state. *Theory and Society* 30(2): 157–200.
Robinson WI (2004) *A Theory of Global Capitalism: Production, Class and State in a Transnational World*. Baltimore and London: John Hopkins University Press.
Ryner M (1997) Neoliberal globalisation and the crisis of Swedish social democracy. *Economic and Industrial Democracy* 20, 39–79.
Schneider B (2009) Hierarchical market economies and varieties of capitalism in Latin America. *Journal of Latin American Studies* 41(3): 553–575.
Schneider M and Paunescu M (2012) Changing varieties of capitalism and revealed comparative advantages from 1990 to 2005: A test of the Hall and Soskice claims. *Socio-Economic Review* 10(4): 731–753.
Soederberg S, Menz G and Cerny P (eds) (2005) *Internalising Globalisation: The Rise of Neoliberalism and the Decline of National Varieties of Capitalism*. Basingstoke: Palgrave Macmillan.
Taylor M (2010) Evolutions of the competition state in Latin America: Power contestation and neoliberal populism. *Policy Studies* 31(1): 39–56.
Thelen K and van Wijnbergen C (2003) The paradox of globalisation: Labor relations in Germany and beyond. *Comparative Political Studies* 36(8): 859–880.
Tickell A and Peck J (2003) Making global rules: Globalisation or neoliberalisation? In: Peck J and Yeung HW-C (eds) *Remaking the Global Economy: Economic-Geographical Perspectives*. London: Sage.
Wade R (1990) *Governing the Market: Economic Theory and the Role of Government in East Asian Industrialisation*. Princeton, NJ: Princeton University Press.
Wade R (2011) Income inequality: Should we worry about global trends? *European Journal of Development Research* 23, 513–520.
Weeks J (2001) The expansion of capital and uneven development on a world scale. *Capital & Class* 74, 9–30.