BRINGING ASIA INTO THE COMPARATIVE APPROACH

Robert Boyer
Institute of the Americas

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INTRODUCTION

I. Common issues to quite all authors

II. Specific questions addressed to each article

III. Some next steps
I. Common Issues

1. How do the three major concepts relate?

✓ Capitalism: a holistic vision
   all authors

✓ Social systems of Innovation and production: a sub component and meso level
   Reslinger

✓ Business systems and models: meso / individual firm
   Witt & Redding, Whitley

Question G1: In your research what is to be explained what is explaining variable?
2. What are the cohesive forces that stick these entities?

- Compatibility: nearly everything goes
- Complementarity: a superior static or dynamic performance.
- Hierarchy: one component (finance, SSIP, completion...) imposes its logic to other components
- Isomorphism between components or levels

Question G2: What is the main mechanism you rely upon in your research?
3. From the firm to the national economy or the reverse?

- Two different conceptions of the causality
  - From the firm to society wide institutions: Variety of Capitalism (VoC)
  - From institutional forms to firms organization: Régulation Theory (RT).
Links between organizational complementarity, organizational/institutional isomorphism and institutional complementarity

1. TC/TO: Technological/organization complementarity
   (Ex: Just-in-time, total quality, polyvalence)

2 & 3. IIO: Isomorphism between institutions and organizations
   (Ex: Just-in-time, industrial district polyvalence, training system)

4. IC: Institutional complementarity
   (Ex: industrial district, stable employment, patient financial market)
A convergence between VOC and RT about the links between economic institutions and firms organization ...

...but an opposite causality

VoC
- Education and training
- Labour market and institution
- Finance
- Competitive policy

TR
- Skill-Labour Nexus
- Wage-Labour Nexus
- Monetary and financial regime
- Form of competition

Firm organisation

Question G3 : How would you classify your approach: bottom-up or top-down?
4. Why and how do business systems and capitalism change?

- **Exogenous shocks**: down played by all authors

- **Hybridization** of local entities with imported and adapted norms and practices

- **Endo-metabolism**: the very success of a configuration leads to its endogenous destabilization
✓ Hybridization and endo-metabolism, two factors of institutional change: the joint evolution of American and Japanese trajectories

United-States

Henry Ford’s vision
Obstacles to its implementation
Actual American Fordism
Rise and maturation
STRUCTURAL CRISIS OF AMERICAN FORDISM
Financialisation
Crisis of a finance-led growth regime
Endometabolism

Japan

Invention of Toyotism
Obstacles to the adoption
Adaptation process
STRUCTURAL CRISIS OF TOYOTISM
Endometabolism
Rise and success
Slow and uncertain growth

Hybridization

1900’s World War I World War II Oil shocks Financial globalization 2000’s
From the perception and effectiveness of an institutional Complementarity (IC) to rising inertia and possible crisis.
Question G4: How do hybridization (syncretism) and endogenous change explain the transformations you studied...

Implicitly Reslinger, and partially Kushida & Shimizu

• ...or are shifts in the dominant coalitions the drivers of institutional change...
  Zhang & Whitley, Kushida & Shimizu

• ... And this falsifies the path dependency hypothesis
  Storz, Amable, Casper and Lechevalier
5. The next frontier: heterogeneity of business systems and firms

The productive model concept as a starting point for an institutional analysis of the firm

Source: adapted from Boyer, Freyssenet [2000: 24].
From the mode of regulation to the heterogeneous nature of firms: three steps
Question G5: How would the heterogeneity issue change your conclusion?

✓ Not so much, *Witt & Redding* (private/public)

✓ Heterogeneity of bank restructuring is part of the explanation, *Kushida & Shimizu*

✓ Probably via culture and informality, *Storz, Amable, Casper and Lechevalier.*

✓ The role of multinationals and Chinese business diaspora in the heterogeneity of each Asian Emerging Countries (EC): *Reslinger*
### 6. In search for a common taxonomy of Asian capitalisms: an impossible task?

<table>
<thead>
<tr>
<th>Authors</th>
<th>Witt/Redding</th>
<th>Harada/Tohyama</th>
<th>Reslinger</th>
<th>Zhang/Whitley</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coverage of countries</td>
<td>13</td>
<td>10</td>
<td>8/27 (global)</td>
<td>4</td>
</tr>
</tbody>
</table>

**Taxonomies**

- **Post Socialist**
  - China, Vietnam, Laos, India
- **Continental mix capitalisms**
  - China, India
- **Directed**
  - Thailand, Indonesia, Vietnam, China, India
- **State-led**
- **South East Asian**
  - Thailand, Malaysia, The Philippines, Indonesia
- **Insular semi-agrarian**
  - Indonesia, The Philippines
- **Cocktail**
  - The Philippines
- **Personalized**
  - Thailand (1990-2000)
- **Advanced North-east Asian**
  - Korea, Taiwan, Japan
- **Innovation-led capitalism**
  - Japan, Korea, Taiwan
- **Decentralized**
  - Korea
- **Co-governed**
  - Taiwan (1990-2000)
- **Advanced cities**
  - Hong-Kong, Singapore
- **City capitalisms**
  - Hong-Kong, Singapore
- **Networked**
A multiplicity of capitalism brands

Analysis of the variety of capitalisms as the expression of a combination of the four main principles of coordination
Five brands of capitalism in Asia
(Harada, Toyama, 2011)

- **City capitalism**: Singapore and Hong Kong
- **Insular semi-agrarian capitalism**: Indonesia and the Philippines
- **Innovation-led capitalism**: Japan, Korea and Taiwan
- **Trade led industrializing capitalism**: Malaysia and Thailand
- **Continental mixed capitalism**: China
At least four different Asian capitalisms, distinctive from the rest of the world.
## Still a larger variety of capitalism in Latin America

<table>
<thead>
<tr>
<th>1990s</th>
<th>Argentina</th>
<th>Brazil</th>
<th>Chile</th>
<th>Mexico</th>
<th>Venezuela</th>
</tr>
</thead>
<tbody>
<tr>
<td>Régulation Mode</td>
<td>Largely market led and open to world competition</td>
<td>Between Clientelist and market-led</td>
<td>Moderately market led</td>
<td>Corporatist in crisis</td>
<td>Administered and “rentier” in crisis</td>
</tr>
<tr>
<td>Leading institutional forms</td>
<td>Monetary regime and forms of competition</td>
<td>Basic but declining role of the State</td>
<td>Central role of the State</td>
<td>Monetary regime and free trade agreement (NAFTA)</td>
<td>Leading role of State, but declining efficiency</td>
</tr>
<tr>
<td>Complementary institutional forms</td>
<td>Highly flexible wage labour nexus</td>
<td>Very flexible wage labour nexus</td>
<td>Accommodating exchange and monetary regime</td>
<td>Accommodating wage labour nexus</td>
<td>Accommodating monetary policy</td>
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<tr>
<td>Accumulation regime</td>
<td>Intensive and competitiveness led</td>
<td>Intensive with de-structuring of productive coherence</td>
<td>Extensive and “rentier” with diversification</td>
<td>Dual. Export-led in the North, inward looking elsewhere</td>
<td>Rentier</td>
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<tr>
<td>Performance</td>
<td>High but unbalanced productivity increases</td>
<td>High productivity increasing, uncertain growth</td>
<td>Few productivity increases</td>
<td>Productivity increases in modern sectors</td>
<td>No significant productivity increases</td>
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<tr>
<td>Nature of crisis</td>
<td>Structural crisis: bank insolvency, panic, devaluation, political instability</td>
<td>Loss of coherence of the productive systems and slow growth</td>
<td>Intrinsic limits of extensive accumulation</td>
<td>Legitimacy crisis that spills over on external viability</td>
<td>Structural crisis during the 1990s</td>
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</tbody>
</table>
7. What priorities for future joint research?

- Be more precise about the nature of change: parameters, institutions, overall logic, economic outcomes.

- The Chinese puzzle: permanent institutional adjustments but relatively steady growth... until now!

- How specific the impact of informality and culture?

- What consequence of Asian integration on each brands of capitalism?
The methods: conflict, complementarity or new approaches (media analysis..)

<table>
<thead>
<tr>
<th>Notions</th>
<th>Tools</th>
<th>Game Theory</th>
<th>Qualitative Comparative Analysis</th>
<th>Automatic Data Analysis</th>
<th>Econometric Analysis with Non Linear Term</th>
<th>Historical Analysis</th>
<th>Evolutionary Models</th>
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<tbody>
<tr>
<td>Complementarity</td>
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<td>Compatibility</td>
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<td>Hierarchy</td>
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<td>Coherence</td>
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<td>Isomorphism</td>
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<td>Clustering</td>
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Thank you for your attention

Robert BOYER

INSTITUTE OF THE AMERICAS
60, Boulevard du Lycée 92170 VANVES, France

e-mail : robert.boyer@ens.fr
web site : http://www.jourdan.ens.fr/~boyer/
http://robertboyer.org