

28th Annual Conference of the  
European Association for Evolutionary Political Economy (EAEPE) on  
**“The role of the State in Economic Development:  
State Capacity, State Autonomy and Economic Development”**19th–21st of October 2017,   
Corvinus University of Budapest, Hungary

*Call for Papers for sessions of the research area I, Comparative political economy*

**How much state? What role of the state? Comparing experiences**

Holding the next EAEPE conference in Budapest invites us to reconsider the experiences of previously centrally planned economies. With the aim to develop a market economy, priority was given to the private sector, the public one recognized as inefficient, which involved cutting back the role of the state in several ways. First, it was impossible to wait for decades for the creation of the private sector ex nihilo, so priority was given to privatization, with substantial involvement of foreign capital. Second, concerning structural policies, the role of the state was transformed and diminished, to different degrees in each country according to its nationally adopted model. In some countries, government officials declared that “the best industrial policy is the absence of policy”.

However, the discussion came back in recent years. The effects of these new economic models, based on state retrenchment, and of the economic crisis, induced a rise in inequalities, gave the impression that the results of post-transition countries lead to their dependency on more developed economies, and made it difficult for these countries to upgrade from the middle to the high-income group of countries. Therefore, the results of privatization were increasingly questioned and in some cases at least partially reversed, and the role and degree of intervention of the state in the economy became once again a topic for debate, some governments pressing for a strengthening, others even challenging the adopted legal order or seeking to re-nationalize parts of their economy. These tendencies encountered increasing tensions with the general recommendation in countries hard hit by the crisis, be it on the Western or on the Eastern side of Europe, to respond by reforming the economy in the direction of more private sector and looser state control over it.

These contradictory tendencies, and also the experiences of Asian and South American countries, with different involvements of the state and different development achievements, lead us to propose a discussion on the role of the state in the economy, and also on the advantages and disadvantages of the private and public sectors, in the context of a globalized economy. This discussion would also build on the experiences of different economic models (including the role of the state, of the public sector and of public policy) in European and extra-European economies.

We invite researchers to discuss the following topics:

* Theoretical discussion: models of capitalism and role of the state, ex. its role in regulating competition, in developing an industrial policy, the influence of tax reforms on the state’s capacity to intervene in the economy, etc.
* Public/private ownership: what assessment of (rapid) privatization? What assessment of re-nationalization in Hungary and Poland?
* Catching up after socialism: is “no economic policy, the best policy”? Problem of technology, role of FDI
* Catching up after the financial crisis: states charged with duties, but constrained by requested neo-liberal reforms
* Privatization leading to “dependent capitalism”. What role of the state in a globalized world? What place of products and producers from catching-up countries in global value chains? The middle-income trap: is the state necessary to overcome it?
* Emigration of skilled labour force and challenged advantage of low labour costs
* What social perception of the states, inequality vs. social protection and paternalism, social discontent due to biased imagination of market economy?
* EU-level public intervention: Does the EU have any will and capacity to intervene in the development models of these countries, especially after accession in 2004?

**How to submit**: please go to <http://eaepe.org> , follow the conference submission link, register and select the appropriate item in the submission form.

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