

Introductory Editorial

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In the mid-1970s, the rise in oil prices, the devaluation of the dollar and the introduction of floating exchange rates with the collapse of the Bretton Woods system, as well as the fall in productivity gains, led to a radical break with the development model that had dominated the last thirty years – what the French economist Jean Fourastié called ‘Les Trente Glorieuses’¹ (the Glorious Thirties). From the Marshall Plan to the first oil crisis, between 1947 and 1973, the extraordinary period of fast economic growth in Europe is remembered today as a Golden Age that had at its center the idea of a strong State, with the public sector serving as a social model (the Welfare State) and an economic engine to give the economy a profound orientation: the major industries, banks and insurance companies belonged to it, as did many strategic means of transport.

After the seminal work made by the Swedish Gunnar Myrdal in the 1930s with special reference to the importance of government action to provide a corrective to Market’s failures², two milestones appeared in the UK:

1. William Henry Beveridge’s Plan³, centrally administered and financed equally by employers, employees and the State, based on three key points: a) the extension of family benefits and allowances (such as unemployment benefits and pension) of the same amount to the whole population, regardless of previous income level, and not only to those who had paid contributions; b) universal health care, c) full employment policies.
2. John Maynard Keynes’ General Theory⁴ challenging the belief in the laissez-faire free market associated to the idea of government interventions as the source of problems, minimal State intervention and the natural tendency to full employment, by emphasizing the importance of governmental interventionism and expansionary fiscal and monetary policy during a recession, through: a) public investment programs, and b) interest rate reductions.

And it was in the United Kingdom that the epochal turning point took place that closed the season of Keynesianism and state dirigisme to give way to monetarism and neo-liberalism, led by the three watchwords of (trade and financial) liberalization, privatization and deregulation, with the corollaries of draconian

¹ J. Fourastié (1979).

² G. Myrdal (1934).

³ W. B. Beveridge (1944).

⁴ J. M. Keynes (1936).

reductions in social services and the principles of universalism. The UK Prime Minister Margaret Thatcher embodied the so-called 'neo-liberal' ideas that had been brewing for ages in right-wing think tanks and which, once implemented, radically changed the face of the world economy, making free market/capitalism, meritocracy and competition the guiding principles that inform common sense.

What must never be forgotten is that the space conquered by the Market and the private sector and taken away from the State, since the mid-1970s, has been the result of deliberate political choices made by state governments and reforms of state law. That is, the governments deliberately made the decisions.

In times of globalization crises, such as the current ones, following the pandemic crisis and the inadequacy of global governance systems to address the major global challenges - starting with climate change -, the importance of the multiple and non-unidirectional and intertwined links between the globalization process, the crisis of the State and the evolution of Law should not be underestimated. It is precisely from this triangulation that the article written by Luis Fernando Bermeo Álvarez, PhD candidate at the Doctoral Scholar in Law, Universidad del Norte (Colombia) and scholarship holder at the doctoral school on the SDGs of the international network involving and linking some 40 doctoral programmes in Africa, Latin America and the Caribbean, Asia.

Taking up some central passages of the article, just as the State has changed due to globalization, so has the Law; nowadays, there is no longer a clear separation between public and private, domestic and international legal procedures, while new mechanisms have been created that imply a modification of the legal sovereignty of the countries, even the national constitutions themselves. All this contributes to delineating the features of what can be called transnational law. If we think about international trade and investment, human and other rights, refugee law, criminal law, and security, the global governance processes, in terms of actors and norms, are constantly guided by an interplay between national and international levels. In practice, globalization also means a change in the scale of decision-making, to the detriment of the sovereignty of its Member States; however, the recent financial, pandemic and Ukraine war crises seem to have led to a rediscovery of the benefits of an interventionist State in global arena, but without bringing the role of the Welfare State back into focus. Given the general theoretical framework, it seemed appropriate to open this issue of the journal with such an article. This issue of the journal only collects articles written by PhD students of the network and collects six additional contributions.

Still on the subject of the balance between State and Market and the dynamics of development, in many developing contexts, we observe the disconnect between the 'rhetoric' of rights and opportunities and the 'reality' of service delivery. As recently demonstrated by Akshay Mangla with reference to the case of rural India⁵, differences in bureaucratic norms – informal rules that guide public officials and their everyday relations with citizens – generate outcomes, so that bureaucracy influences how State enacts policy mandates, as well as citizens and

⁵ A. Mangla (2022).

firms' expectations, thereby impacting development process. The stereotype of Weberian bureaucracy, coined by Max Weber as a hierarchically structured, professional, rule-bound, impersonal, meritocratic and disciplined body of civil servants was conceived as an ideal type of Public Administration which operates outside the political sphere⁶. During the last decades, this model has been seriously criticized as inaccurate and misleading, but the relevance and failure of public administration structures, norms and efficiency are intimately tied to the development of modern States. With reference to this theoretical framework, the article written by Luis Esteban Karamanoff, PhD candidate at the *Consejo Nacional de Investigaciones Científicas y Técnicas (CONICET) - Escuela de Política y Gobierno* at the Universidad Nacional de San Martín (UNSAM) (Argentina) investigates the case of the government of San Luis, a peripheral province located near the geographical center of Argentina, as a successful case for overcoming the limits of bureaucracy and able to transform its productive structure in a period of ten years by locating a huge number of industries in its territory. The author highlights how the mechanism of by-passing Public Administration, through a strategy that involved a group of intermediaries to offer the province as the best possible option for relocating an industry to private actors was a successful option for attracting investments and establishing industries. Again, the indication that is drawn is not to contrast roles of public and private actors in promoting economic development. Rather, it is a question of understanding how to make use of the tools that are available to the legislator and the policy maker to temporarily address structural limitations of the State apparatus in order to make the most of opportunities to involve the private sector - in a non-substitutive form - to promote development, while at the same time seeking to strengthen the capacities of the Public Administration that will then be called upon to play its role.

A central theme in international debates on development in Africa, Asia, Latin America and the Caribbean is the role played by and the interaction between different – and sometimes competing – societal components such as the State, the firms and the Market, civil society and households. In this context, the debate on State versus Market, the concept of bypassing bureaucracy can be radicalized and not grasped as a temporary tool. In the same way, placing the emphasis on the propulsive function of public investment does not mean pitting public and private against each other, but rather understanding how to re-contextualize the debate on the role of the State in the economy for addressing the economic, social, environmental and technological challenges raised by the present state. There is no doubt, however, that one area of bitter confrontation between legitimate but opposing interests is that of negotiation of labour disputes, which are an inevitable part of the working relationship. This is an important topic because dispute resolution is a thermometer of the state of freedom, of inequalities, of the exercise of workers' rights, of the contraposition and/or composition of interests between capital and labour, and of the exercise of third-party status by the State, called upon to protect rights and, in particular, the vulnerable forces in society. In the context of globalization-related changes, this is particularly important, given the

⁶ F. Sager and C. Rosser (2021).

precariousness of work in its contractual forms and the existence of the widespread phenomenon of the working-poor, which make essential the issue of what the International Labour Organization (ILO) defined as decent work. Relatively little is known about the scale, nature and causes of labour disputes and resolution mechanisms at subnational level across the continents. Typically, disputes fall into national disputes of interest and rights, extended disputes of interest concerning collective (pay) agreements, localized disputes on matters of interest, concerning employment problems, working time and restructuring with short work stoppages, localized disputes concerning workers' rights and grievances over company policies, disputes concerning public policies. At the same time, the labour disputes resolution mechanisms include workplace consultation and cooperation arrangement(s), collective bargaining, trade unions, the right to organize protests including strikes, collective labour contracts, tripartite coordination (with the involvement of State ministry) and labour court (with Judicial/legal adjudication), but quite a different issue is whether and how much are the institutional channels practically available to workers for dealing with labour disputes⁷. Transaction costs (combining time, money, emotional energy expended in disputing) as well as satisfaction with outcome(s), effects on the relationship and recurrence of disputes are useful criteria to assess the effectiveness of labour dispute settlement arrangements and procedures in concrete cases. The article written by Nguyen Thi Minh Tien, from the Faculty of International Studies, Hanoi University, who earned her PhD with a final dissertation on "Legislation on collective labor dispute resolution of Vietnam and Italy in comparison", takes its starting point from the ILO principles recommending the measure of Labor Conciliation to settle collective labor disputes after the failure of collective bargaining to explore legal practices and limitations in Vietnam. Based on a careful examination, the author finds that in most cases, workers do not opt for conciliation or collective bargaining, but resort to spontaneous strikes as the first solution to disputes in Vietnam. This evidence points to the need to review the adequacy, current practice and effectiveness of Vietnamese mediation rules, as well as the representative role of trade union organizations in dispute resolution, in order to improve the efficiency of conciliation activities and promote Vietnam's compliance with international labour standards.

Inter-institutional dynamics of cooperation and/or competition can also be found within the same macro-institution. In other words, it is not only the sometimes difficult and conflicting relationship between the State and the Market or between workers and employers, but also, within the State, a difficult relationship between the central government and the sub-national government, as well as between different ministries, can be detrimental to effectiveness and efficiency. An area of exceptional importance, especially today in the context of a global government debt crisis that reduces degrees of freedom and room for manoeuvre in public spending policies, is the fiscal relationship between the central and local governments. Over the last five decades, the world has experienced various major

⁷ ILO (2013).

debt waves, affecting mainly developing countries: the Latin American debt crisis of the 1980s, the financial crisis in Asia in the late 1990s, the global financial crisis of 2007-2009 and, more recently, the African debt crisis, which has been ongoing for two decades. Over the past few years, then, the economic and financial impact of the COVID-19 pandemic and the war in Ukraine determined a worsening of the debt crisis. Even if debt dynamics varies significantly across countries, according to the International Monetary Fund (IMF) Global Debt Database⁸, in low-income developing countries total debt ratios have continued to increase (driven by higher private debt) and governmental management of the high debt levels will become increasingly difficult if the economic outlook continues to deteriorate and borrowings costs rise further. In a context of limited resources, the distribution of fiscal resources to different levels of government may be, in fact, a political bargaining tool to build tactical alliances. Pablo Palumbo, PhD student at the *Escuela de Política y Gobierno* (EPyG) - Universidad Nacional de San Martín (UNSAM) (Argentina) analyses the strategy adopted by president Mauricio Macri (2015-2019), a conservative coalition leader who defeated Peronist candidate and ended 12 years of Peronist rule⁹, to secure the governors' cooperation on various policy initiatives despite belonging to a different political party. In particular, the president granted some local governments more fiscal freedom and kept the governors divided in order to neutralize power of the majority of Peronist governors. A practical implementation of famous "divide and rule" policy (in Latin: *divide et impera*) as a way to maintain power divisively. According to the author, the experience analysed shows how the outcome of the difficult fiscal bargaining between the different levels of government depended heavily on presidential agency and the choice to link the agenda on fiscal federalism, the agenda on intergovernmental relations and the agenda on presidentialism in Argentina.

In addition to those indicated, there is another level of building cooperation dynamics through processes and institutional architectures essential to democratic life that concerns, in particular, trust between citizens and government. Citizen participation in public policy processes has to be formalized by creating legitimate spaces for deliberation and participatory policy design help achieve high-quality processes for citizens to shape public decisions. Various practices aimed at engaging stakeholders in public policy creation and decisions making are under research scrutiny¹⁰; Alexandra Lizbona Cohen, Uruguayan PhD student at the Universidad Nacional de San Martín (UNSAM) (Argentina), contributes to these questions by analyzing a number of practices aimed at involving stakeholders in public policy development and decision-making in Uruguay. In particular, The Broad Front (*Frente Amplio*, FA), a left-wing political coalition, was the ruling party of Uruguay from 2005 to 2020, with two presidents: José Mujica (2010–2015) and Tabaré Vázquez (2005–2010; 2015–2020). The

⁸ <https://www.imf.org/external/datamapper/datasets/GDD>

⁹ Caitlin Andrews-Lee published an interesting analysis focused on Argentine Peronism – a s compared to Venezuelan Chavismo – to investigate the nature and trajectory of charismatic movements from the perspectives of both leaders and followers in Latin America. See: C. Andrews-Lee (2021).

¹⁰ For a recent literature review, see K. Saguin and B. Cashore (eds.) (2022).

author clarifies that FA considered the involvement of citizens in the policy-making process a central pillar over the eight elections in which it competed (1971-2014). However, once in power, the innovation in terms of participation mechanisms were diverse with great variations; these differences can be summarized in terms of the materialist/post-materialist cleavage (labor and redistributive policies versus water policy), which overlaps in important ways with the presence/absence of innovative participation mechanisms cleavage. She argues that the key factors of innovative participatory designs are identified by combining a map of the participatory institutions carried out by the FA governments and a field-work with in-depth interviews with qualified informants from both the political, technical and social spheres. There is broad consensus in the literature that institutionalizing deliberative processes strengthens democracy and increases trust in government; at the same time this institutionalization depends on the specific context, aims and process. A look at the recent case in Uruguay is a useful contribution in this regard.

At the level of key actors who inhabit and animate territories and contribute to the dynamics of change, there are not only governments and citizens. Increasingly, the strategic importance of private sector partners, whether related to the business sector in the various sectors or to the specific financial sector, whether or not they are for-profit-enterprises, has been consolidated. There is one particular area of interest that has emerged with increasing prominence in the literature of this century and has also found its way into eJ&C and that is microfinance. Microfinance is a powerful instrument to promote the development of societies and to ensure the inclusion of a large portion of the population in the economic and productive sphere, especially in societies where polarization in access to assets and income is pronounced. There are alternative approaches to microfinance in terms of priorities, mechanisms, commercialization, timing, targets and outreach of interventions as well as diversity prevails in evidence on impacts and the context matters a lot. In any case, the formulation of regulation and public policies is a central issue everywhere because microfinance, which certainly had seductive elements on a cultural level as well in a context dominated on a global scale by a common sense linked to neo-liberalism and the centrality of entrepreneurial spirits, is obviously not the panacea for poverty¹¹. Yi Yi Win, PhD student at Department of Economics, Yangon University of Economics (Myanmar), poses the problem of how to determine the extent of the penetration of microfinance institutions in Myanmar. In particular, the author follows literature's evidence that breadth and depth of outreach are both desirable objectives, but there is a trade-off between them and Microfinance Institutions (MFIs) must choose their priority, by taking into accounts that sustainability is positively correlated to breadth, whereas there is a trade-off between depth and sustainability. The analyses are conducted on secondary sources, using a classic multiple regression model with secondary data referred to the 2015-2020 period,

¹¹ On the subject of microfinance market risks, an alarming Bloomberg documentary, entitled "The Dark Side of Microfinance" was published in May, 2022. See: <https://www.bloomberg.com/news/articles/2022-05-06/video-how-microfinance-is-hurting-those-it-was-meant-to-help?leadSource=verify%20wall>

with “Outreach of MFIs in Myanmar” as the dependent variable. The results do not show conclusive evidence in terms of statistical significance and, among other findings, it is interesting to note that “Total assets” is the only independent variable with a positive coefficient being statistically significant and that MFIs with a business logic are less likely to provide services to the poor and lenders. This article also found that the type of institution (NGO, corporation) is not relevant for the extent of MFI outreach, differently from other studies.

Referring again to the specific case of Myanmar, the article written by Soe Yu Hlaing, PhD student at Department of Economics, Yangon University of Economics (Myanmar), focuses on a different topic, but not completely unrelated. In fact, child nutrition is the central topic and, just to draw attention to the connection between nutrition and the subject of the previous article, microfinance indirectly aims at improving child nutrition in marginalized areas¹². A healthy and balanced diet is essential, especially during the first 1000 days of life. It is the only way to prevent delays in the physical and mental development of children. Malnutrition and the weakening of the immune system that is often associated with it make people more vulnerable to infectious diseases, such as tuberculosis. The World Health Organization (WHO) estimated 2.7 million children die each year from undernutrition, representing 45% of all child deaths. Coming to the specific case of Myanmar, according to UN figures, the estimated number of internally displaced people since the coup at the beginning of February 2021 has exceeded 700,000, including more than 250,000 children, as of 1 June 2022. In terms of education, more than half of the country's children, about 7.8 million, are still not in school. The UN has documented 260 attacks on schools and education personnel since the coup, and 320 cases of schools being used by armed groups between February 2021 and March 2022. The United Nations Office for the Coordination of Humanitarian Affairs (OCHA) published a Myanmar Humanitarian Response Plan 2022 in January 2022¹³, showing that more than 13 million people – including children and women among the most vulnerable – are now in moderate or severe food insecurity and many families can no longer afford enough food to eat. Poverty is back to levels not seen since 2005. While these are some features of the worrying general picture described by the UN, the article focuses on some more specific aspects deducible from the data collected in Hlaing Thar Yar Township, which is one of the biggest and most populated townships in the country, located in the western part of Yangon. Most residents of this populous quarter of town are low-income and the majority work as physical laborers in factories, and are mainly internal migrants from Ayeyarwady Region after the Nargis Cyclone in 2008. A stratified random sampling method was applied to select the sample of 200 households from four wards of Hlaing Thar Yar Township. The questionnaire was designed to assess the nutritional status of children under five years and its correlation with household demographic characteristics, socio-economic factors, mothers' awareness and dietary diversity intake. Beyond the more specific aspects that emerge, the overall picture appears less worrying than expected,

¹² For example, see: A. R. Smyth et al. (2020).

¹³ <https://reliefweb.int/report/myanmar/myanmar-humanitarian-response-plan-2022-january-2022>

since 4.5% of children's nutritional status resulted at a Moderate Acute Malnutrition status, while 22.27% were At Risk. Nonetheless, the author stresses that data confirm that mothers' or caregivers' awareness and dietary diversity were the strongest factors affecting children's nutritional status and can make the difference. Many mothers or caregivers in Hlaing Thar Yar suffer from low education, low family income, unstable jobs, but they have good environmental knowledge and keep their children healthy. We can plausibly say that the combination of social and environmental context is a crucial determinant of childhood undernutrition: in rural areas, a lower access to an improved source of drinking water may prove decisive in leading to a greater problem of child malnutrition compared to urban regions.

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