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Introduction

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The four articles that follow are devoted to what can be defined, broadly, as comparative economic systems. Cohen is the most ambitious. He analyses overall trends of global economic development and the rise and fall of world leading economies, in particular China and India, and their potential displacement of the United States and the European Union as leading economic powers. Of more limited geographical scope, Horibayashi is concerned with the types of capitalism that have emerged in Central and East European countries since the end of communist rule. Also concerned with post-communist transformation, Satogami focuses on the case of the former German Democratic Republic and the systemic changes that took place with the unification of Germany, with particular emphasis on the labour market and female labour. Finally, Hayashi focuses on a single country, Russia, and the interactions between market transformation and the lifestyle of citizens. These are four stimulating contributions to our understanding of systemic change and raise a number of issues for those interested in questions of political economy.

To begin with the last two articles, they demonstrate effectively that systemic change, in this case market transformation, does not necessarily have a rapid or direct impact on society or the patterns of behaviour of individuals. There are mediating forces, not the least institutional inertia and habitual responses by governments and households. So, the rapid adoption of common labour market legislation across a unified Germany did not lead to the emergence a homogenous female labour market. Participation rates of women in the new länder, the former DDR, remained at a higher level than in the old. The reasons for this were complex, partly stemming from the legacy of social practices and conventions of the formerly communist society. In the case of Russia, the labour market also retained specific features which served to blunt the impact of marketisation, not the least the reluctance of employers to dismiss workers and the striking willingness of the latter to accept cuts in real wages in exchange for job security. But the state was also complicit in these practices. As Hayashi convincingly demonstrates, the impact of marketisation on lifestyle has been mitigated by both the state and traditional practices.

For the present author, these articles pose an issue that social scientists have been slow in coming to terms with, namely the problem of deepening our conceptualisation of the legacies of communism and the manner in which they have shaped, and continue to shape, the emerging economic, political and social orders in ex-communist countries. These legacies are far from simple, taking a rich variety of material, institutional, cultural, attitudinal and socio-psychological forms. In some case, it appears, they can take on a new life, nourished by features of the emergent new order.

For Horibayashi, legacies of the past also play a role in shaping post-communist outcomes and the type of capitalism which has emerged in the CEE countries. But other factors are identified, including the influence of Western agencies, with their commitment to certain models of economic development, foreign investors, the experience of reforms under communism, or longer–term path dependence. This analysis raises some challenging issues, not the least that of the relative significance in systemic change of structure and agency. To what extent are the different forms of capitalism, whether neo-liberal, neo-corporatist or of any other appropriate label, products of human policy and action or shaped predominantly by structural factors over which agency has had little influence? The research of my Birmingham colleague, Richard Connolly, into economic structure and social order development in post-communist countries (to be published later in 2011/early 2012) addresses this issue directly, drawing on the latest insights of institutional theory. His work suggests that the Baltic countries, to take an example, far from adopting neo-liberal paths in order to distance themselves from Russia, evolved as independent countries in ways profoundly shaped by structural features of their economies. This is not to argue for a simple economic determinism, but it is to suggest that care is needed in ascribing market economy outcomes to the actions of internal, or external, forces pursuing conscious policy agendas.

The analysis by Cohen of the emerging global economic order and the shift from US and EU dominance to a future, more multi-polar, order, with China and India as very strong actors, has some challenging features. To the now well known BRIC-type analysis pioneered by Jim O'Neill of Goldman Sachs, he adds an interactive dimension, a worthwhile step in the direction of remedying a limitation of the origin analysis, which takes each economy alone without account of the impact of its development on other actors. This leads Cohen to a relatively reassuring conclusion, namely that the emerging economic giants, China and India, with their own 'multi-pole' systems, are unlikely to be hegemonic, with new forms of collaborative global governance a possibility. The analysis of China and India as economies combining household, firm and state intensive systems, in contrast to the US firm-intensive system, is suggestive, but Cohen presents an evolutionary perspective which could be open to challenge. What is missing, in my view, is consideration of the possibility in the case of China of systemic breakdown. Is China's single party, essentially authoritarian, form of rule compatible with a higher level of economic development, a rapidly emerging middle class, and transition to an economic order more dependent on innovation, creativity and adaptability? In the author's view this remains an open question and in this case the potential significance of human agency cannot be ruled out. This is being written in the wake of the dramatic upheavals in Egypt, Tunisia and other North

African nations, regarded until recently as beacons of stability and predictability. When considering economic systems, their evolution and transformation, it may be wise never to forget contingency. Apparently stable, complex, systems have a disconcerting propensity to behave in unexpected ways.