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Authors Meet Critics

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Chapters: 'Introduction' (pp. 1–26) and 'Concluding remarks' (pp. 294–302)
Book: *Locating Neoliberalism in East Asia: Neoliberalizing Spaces in Developmental States* (Bae-Gyoon Park, Richard Child Hill and Asato Saito eds., 2012, *Studies in Urban and Social Change*, Blackwell Publishing Ltd, Oxford; Malden, MA)

Participants

Anirban, Adhya
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BouAkar, Hiba
Cage, Caroline
Chatzi, Venetia
Colini, Laura
Kose, Burak

Labbé, Danielle
Manella, Gabriele
Stefanovska, Jasna
Teotia, Manoj K.
Uffer, Sabina
Van Gent, Wouter
Wang, Jun

Moderators

Yuri Kazepov
Giovanni Torrisi

<Kazepov, Yuri> Good evening Bae-Gyoon! I hope you recovered from the Manchester jet-lag ;-)

<Park, Bae-Gyoon> Good morning Yuri. Just about, what time is it now there?

<Kazepov, Yuri> In Italy it is 2pm. I assume it is 9pm at your end?

<Park, Bae-Gyoon> Yes, it is 9 pm here...

<Saito, Asato> Hi Yuri and Bae-Gyoon...

<Park, Bae-Gyoon> Hello Asato... good evening!

<Kazepov, Yuri> Good evening Asato.

<Saito, Asato> Hello all. Good evening too.

<Kazepov, Yuri> If the participants who are already online would like to post their questions, that would be great. In the meantime let me welcome you to the first chat after the Summer break — it is a pleasure to meet you again. We still have three more events to go, taking us up to December. This is the first chat within the "Authors meet Critics" with two authors of a book in the SUSC series published by Wiley-Blackwell and intimately related to IJURR. We thought it might also be a good idea to include this opportunity and enable exchange with book authors. The book we are discussing today is scheduled to be out soon, but is not yet available. I thank the authors very much for agreeing to discuss the introduction and the conclusions with us. The other co-editor of the volume is Richard Child Hill who will not be with us today.

If you agree we can start. — Giovanni is experiencing some connection problems and will change computer. It will take him a few more minutes so I will moderate until he's back online again.

<Park, Bae-Gyoon> Hi everyone!

<Saito, Asato> Hello everyone. Thanks for coming!

<Park, Bae-Gyoon> I am very happy to meet all of you in this cyberspace.

<Saito, Asato> Indeed, me too.

<Kazepov, Yuri> Let's start then with the first question by Caroline Cage:

<Cage, Caroline> What would you say are the key things that are attractive about neoliberal ideology over developmentalism? And which elements are particularly attractive (or unattractive) in the East Asian context?

<Park, Bae-Gyoon> I am a bit confused by the question. What do you mean by "attractive"?

<Cage, Caroline> What elements of the ideology do governments seem to prefer to

incorporate into their policies?

<Park, Bae-Gyoon> Well ... government officials would have been attracted to several elements of neoliberal ideology ...

<Saito, Asato> I would say that government officials would like to cut national expenditure, for example.

<Park, Bae-Gyoon> Yes, first of all, by emphasizing the significance of markets and freer individual choices, the East Asian states could reduce their political and financial responsibilities to various social and political programs. Also specific to the East Asian context, government officials would think of neoliberal ideologies and projects as more advanced public policies that they can learn from Western developed countries as a way of catching up with them.

<Kazepov, Yuri> So, it seems that cost-cutting is the main driver of the spread of neoliberal ideology. I assume there is more to this, in particular in the East-Asian context. Caroline you want to add something?

<Cage, Caroline> How might this contrast to existing developmentalist approaches?

<Park, Bae-Gyoon> Neoliberalism has some contrasting elements to developmentalism, but at the same time, there are several overlaps between them. The contrasting part would be that while neoliberalism emphasizes the significance of markets and freer individual choices, developmentalism emphasizes the leadership role of the state for national development. But at the same time, both of them share some elements. For instance, they both prioritize economic performance and capital accumulation over other values, and value methods of state intervention based on market incentives. So although the processes of neoliberalization in East Asia have clashed with the legacies of developmentalism, at the same time, government officials have actively introduced neoliberal policy tools as a way of improving the economic competitiveness of the nations.

<Torrise, Giovanni> Thanks to both Bae-Gyoon and Caroline for this stimulating discussion. Let us read the question by Danielle Labbé now.

<Labbé, Danielle> I would be interested to get some background on this book project. Did it start as a conference? How did you choose the countries/cities to be included? And in line with this, why not include the post-communist East Asian countries (China and Vietnam)?

<Saito, Asato> OK. The project started from a conference in Singapore.

<Park, Bae-Gyoon> Yes, it originally started from a conference held in 2006 at the National University of Singapore, where at that time both Asato and I were teaching.

<Torrise, Giovanni> And why did you not include the post-communist East Asian Countries?

<Park, Bae-Gyoon> Asato and I organized a session on this topic, and then we gradually expanded the project by organizing a small workshop, in Singapore again, in 2007. Actually, when we held the workshop, there was a demand for including China in this project. But at that time we decided not to include it due to several reasons.

First, it was still questionable whether to consider China as a developmental state or just a post-communist state. Since our project aims to see the evolving relationship between developmentalism and neoliberalism, if it is not legitimate to see China as a developmental state, it would not be appropriate to include China.

<Saito, Asato> Yes, in most of the literature on the developmental state, it means 'capitalist' developmental state, and we are not so sure about the status of China.

<Park, Bae-Gyoon> Second, there was a very practical reason... at the time when we were organizing the conference, workshop and this book project, we were unable to make a connection with someone who could work on this project on China.

<Torrise, Giovanni> Danielle, would you like to comment on that?

<Labbé, Danielle> No thanks. That answers my question.

<Torrise, Giovanni> Okay, we have a long list of questions yet to be addressed. Kose Burak.

<Kose, Burak> Congratulations on your upcoming volume. I was wondering about what kind of institutional rearrangements decentralization efforts are producing in urban and regional governance in East Asia. Could you please expand on this?

<Saito, Asato> OK. In Japan, we don't have regional level government, just national and local, but there is a proposal to create one. In addition, it provoked a big debate on what elements of government policy should be conceived and carried out by which level. Decentralization could change the long-established relationship between the government sector and private sector.

<Park, Bae-Gyoon> In Korea, there have been efforts to decentralize some of the decision-making powers and financial responsibilities from central government to local governments since the early 1990s. Also, in the early 2000s, there were significant demands from local forces for more decentralization from central government. In response, central government has made several attempts at further decentralization. Of course, it is not fair to say that all these efforts were successful, because a lot of the promises just amounted to lip-service paid by the central government officials and politicians.

Some other institutional rearrangements related to decentralization would be related to the changing nature of the state's regional policies in East Asian countries. Traditionally, the East Asian developmental states have emphasized balanced regional development, with a vision of a more homogenous national territory being desirable. However, these days there have been significant challenges to the idea of balanced regional development among government officials and politicians. They tend to put more emphasis on local and regional initiatives for improving competitiveness and entrepreneurialism at the local and regional levels. Thus, policies based on the concepts of regional innovation systems, industrial clusters, creative cities, place marketing, urban entrepreneurialism etc. have been widely advertised and institutionalized...

<Saito, Asato> Indeed. And that is where the balance between public and private sector could evolve...

<Park, Bae-Gyoon> In other words, instead of establishing a homogenous economic and social space within the national territory, governments in East Asia have tried to implement policies that differentiate and fragment national spaces.

<Torrise, Giovanni> Kose Burak, any further question on this?

<Kose, Burak> No thanks, I will wait for the volume for further details.

<Torrise, Giovanni> Now a very long question, divided in two, by Adhya Anirban which brings in the relationship between regional and local forms of neoliberalism.

<Anirban, Adhya> Thank you for your wonderful insight into neoliberalism in East Asia. This is a two-part question.

Firstly, in my research on cities in small metropolitan areas of the United States, I find strong differences between small towns and big cities. The differences are prominent in terms of diversity of population, pattern of investment, application of cultural values, and complexity of political dynamics. The ecology of small towns seems to be distinct from that of large cities. In your project, while locating neoliberalism in East Asia, did you find the neoliberal ideology and forces to be different in small cities compared to large cities like Tokyo, Seoul, Bangkok, and Taipei?

Secondly, given the hybrid nature of the neoliberalism–developmentalism relationship, is there a need for locating regional or local forms of neoliberalism alongside national studies?

<Saito, Asato> OK. Thanks for the question. As for the first part of your question — actually it's a very interesting question — in our project, we focused on big cities because we presumed that neoliberalism together with globalization would be most strongly felt there.

<Park, Bae-Gyoon> The second question is also a very interesting one... One of the

reasons we decided to work on local and urban forms of neoliberalism is that we want to see the processes of neoliberalism from a spatial perspective. In other words, there has been a tendency towards methodological nationalism in existing social science works, which means that scholars tend to prioritize the national scale as their unit of analysis over other scales. Therefore, when people talk about social changes — such as modernization, globalization, neoliberalization etc. — they tend to over-emphasize the significance of national-scale changes and processes.

An outcome of this tendency is that the national political and economic regulatory surface has been seen as homogenous, but in reality, it is not; it is very uneven and variegated. Also, many significant local and urban variations have been missed in terms of both empirical research and theoretical conceptualization in the existing social science works. We wanted to overcome this tendency and to provide a new way of seeing neoliberalization by looking at the local and urban processes.

<Torrise, Giovanni> Adhya, anything to add?

<Anirban, Adhya> Just that this sets up an interesting possibility to study conflicts among local governments within an apparently homogeneous nation-state. Thank you!

<Torrise, Giovanni> Very good. We can pass now to the next question, by Sabina Uffer.

<Uffer, Sabina> You mentioned democratization movements criticizing the developmental regime as a neoliberalizing influence. What is the reaction of these movements today? Is there resistance against neoliberal tendencies in East Asia?

<Park, Bae-Gyoon> Yes, there has been strong resistance against neoliberalization in East Asia. The democratization movement has a slightly ambivalent relationship with neoliberalization.

<Saito, Asato> Yes, I agree with Bae-Gyoon. Some sections of society, particularly the new middle class, tend to be strong supporters of neoliberal policy in some Asian countries, like India.

<Park, Bae-Gyoon> The liberal tendencies in the democratization movement have been more closely associated with neoliberal ideology in the sense that it emphasizes the political liberty of individuals, which is ideologically connected to the neoliberal way of thinking. However, the radical trends in the democratization movement are strongly opposed to neoliberalization and globalization.

<Torrise, Giovanni> Sabina?

<Uffer, Sabina> Very interesting, thanks.

<Torrise, Giovanni> Laura Colini:

<Colini, Laura> I read the text with great interest and I understood that both LME [liberal market economies] and CME [coordinated market economies], being varieties of capitalism (Hall & Soskice, 2001), have been showing traits of neoliberal entrepreneurial urban governance all over the world. This applies to the developmental, liberal and Keynesian State. Now, considering that neoliberalization consists of 'complex, contentious, shifting interactions among social forces' (p. 19) — this being one of the most influential characteristics of globalization — how much can we talk about and map different geographies and typologies of neoliberalism? And how much can one state's institutional setting, and its economic, social and political history (e.g. communism, dictatorship, apparent democracies, etc.) affect the creation of new varieties of neoliberal urban governance? Sorry for the length...

<Park, Bae-Gyoon> This sounds a very challenging question. I don't know where to start because it is a bit long... I think it is a very good question...

<Saito, Asato> I think so too...

<Torrise, Giovanni> Maybe both authors can think about it and write a short follow-up note?

<Park, Bae-Gyoon> I think it would be better to elaborate on the question, because the question as it stands is a bit too complicated, and is bringing a lot of different dimensions together.

<Torrise, Giovanni> OK. Laura, please elaborate on your question and resend it to me so the authors can respond in a follow-up note.

<Colini, Laura> Fine.

<Torrise, Giovanni> Now let us pass to the next question, by Wouter Van Gent.

<Van Gent, Wouter> Dear professors Park and Saito. I really enjoyed your chapters. They are very close to my field of interest and to my own research in Western Europe. I am curious about the rest of the book. My specific question concerns terminology. I was wondering why you chose to use the concept neoliberalism rather than neoliberalization? I am asking because Streeck and Thelen (2005) and Brenner and Theodor (2002), authors you refer to, both argue that the suffix 'ization' is better suited because it better reflects the ongoing institutional process. Is your decision to not use this term perhaps related to the actually existing process in SE Asia?

<Park, Bae-Gyoon> Good question...

<Saito, Asato> Yes, another interesting one.

<Park, Bae-Gyoon> Yes, Brenner and others who prefer to use neoliberalization in order to emphasize the ongoing processes of changes... we also agree with them in the sense that the changes related to neoliberalism are not static, but ongoing processes. However, at the same time, we also focus on the interactions of two different ideologies and political projects, called 'developmentalism' and 'neoliberalism'. Even though we use these two terms, it does not mean that we prioritize neoliberalism over neoliberalization. Indeed, there are a lot of usages of neoliberalization in other chapters.

<Torrise, Giovanni> Wouter, would you like to reply?

<Van Gent, Wouter> Yes... well, I was wondering whether you chose not to use it because, as I understand it, the process in SE Asia is more fragmented and less persuasive, but I guess the focus on ideology makes it more logical to use '-ism'. Thanks!

<Park, Bae-Gyoon> Well, to be honest, we were a bit ambivalent about whether to focus on ideology or not. There was a lack of consensus on how to see neoliberalism and developmentalism among the authors. Some prefer to see them more as ideologies, but others want to put more focus on material interests, power struggles and political projects. Even so, even though there were some disagreements, all the authors agree that they are both inseparable.

<Van Gent, Wouter> I agree :)

<Torrise, Giovanni> Me too. Let us read the next question, by Jun Wang.

<Wang, Jun> Professor Park and Professor Seito, this is a very interesting book. I am also studying the recent changes in Singapore's housing policy, using the neoliberalism model. I really appreciate your book, and I found the introduction to the two models of developmentalism and neoliberalism very clear. I have two main questions for you.

The first is, what are the *constituent elements* mentioned in the introduction (p.6)? I notice that you stress very strongly the ideology of the two utopian models, developmentalism and neoliberalism, and explore the evolving process of how the political project is realized in the context of East-Asia.

My second question is, in this process, who are the actors that promote the neoliberal idea? In other words, if neoliberalism logic is to restore the power of economic elites, who are the economic elites in developmental states (if the capitalist bourgeoisie is weak — which is at least true in the case of Singapore)? Which class fractions resonate with neoliberal ideology and buttress the neoliberal transformation? Could you elaborate more using the case of Korea or Japan? What is the driving force for the state to push forward a neoliberal transformation?

<Park, Bae-Gyoon> Good questions. Let me answer the first one. Your observation is correct. In the introductory chapter, we want to set up a conceptual framework to see the

evolving interactions between developmentalism and neoliberalism. But before talking about the interactions between the two ideologies, we need to clarify what developmentalism and neoliberalism are about. The elements of neoliberalism and developmentalism on pp. 5–6 which define the ‘ideal type’ of the political project are the constituent elements. After that, we discuss how they interact with one another and how neoliberalism has materialized under the legacies of developmentalism.

Let me move to the second question. The driving forces for neoliberalization would be diverse, and vary among countries. In the Korean contexts they include government officials, domestic businesses, global forces (e.g. the USA, international organizations, TNCs, etc.) and some liberalism-oriented social movement groups. All these forces have their own economic and political reasons for promoting neoliberalization in Korea — it isn’t possible to discuss all of them here, you’d be better off reading the book. But, let me briefly explain why the Korean state has promoted neoliberalization. Government officials have actively accepted neoliberal policies: (1) as a solution to some of the regulatory deficits they have faced; (2) as a way of improving national competitiveness under a developmentalist mentality; and (3) as a way of reducing their political and financial responsibilities.

<Torrise, Giovanni> All material for reflection for your new book.

<Park, Bae-Gyoon> Is my answer sufficient?

<Torrise, Giovanni> Wang Jun?

<Wang, Jun> Yes, thank you! Looking forward to other chapters in your book.

<Park, Bae-Gyoon> Thanks.

<Saito, Asato> Let me add my response. Thanks for the very good question. I found that who leads the neoliberal project in Japan was actually not very clear. I would say national government officials were clearly among them. On the one hand, they may have lost some of their influence against global forces, but on the other hand they may have gained different forms of power sources from neoliberalization.

<Torrise, Giovanni> Now another long question from Burak Kose.

<Kose, Burak> I have just started to read Ananya Roy and Aihwa Ong’s (2011) edited volume on South and East Asian cities, which, similar to your volume, also addresses the question of differences and interconnections between North America and Europe, and South and East Asia in the context of globalization, neoliberalization and urbanism. Ong’s introduction and Roy’s conclusion that build on their previous efforts to problematize the geography of knowledge production, particularly in these discussions, are especially interesting contributions to the discussions around the question of how to address the emerging urbanisms in contexts other than North America and Europe. I was wondering

how you relate your upcoming volume to their discussions of 'postcolonial urbanism'. Would you like to expand on this?

<Park, Bae-Gyoon> Wow ... interesting one ... but I am not familiar with their discussions on postcolonial urbanism so I'm not sure I could expand our discussion to that. Sorry Burak, we are probably not able to respond to your question!

<Kose, Burak> Sure, no problem, we can leave it to another discussion.

<Park, Bae-Gyoon> Thanks ...

<Torrise, Giovanni> Very good. Just a few minutes more for our three last questions. Caroline Cage:

<Cage, Caroline> Do you think the influence of developmentalist ideologies has given in the past, or can give in the future, a form of neoliberalism that is less exploitative and unequal? Or do you think, as you mentioned earlier, that neither of the ideologies puts enough emphasis on values, and both put too much on economic growth?

<Park, Bae-Gyoon> Well ... I don't think neoliberalism can be formed as less exploitative and unequal. Contrary to what some Western scholars have described, East Asian developmentalism has also been very exploitative because it prioritized economic growth and performance over other social values like justice, equity, etc. Thus, when neoliberalism meets developmentalism, I am doubtful we will see a more friendly neoliberalism with a human face ...

Of course, some institutional legacies of developmentalism could function as barriers to neoliberalization, but that does not mean that the combination of them would result in a better, more just form of neoliberalism.

<Torrise, Giovanni> Caroline, any comment?

<Cage, Caroline> Then neither is an ideal that we should strive for? Is there an ideology in your opinion that would be better in addressing current inequalities?

<Park, Bae-Gyoon> Wow... this is a really big question... I wish I'd majored in philosophy! Frankly, I don't know ... Do you have any suggestion?

<Cage, Caroline> Yes, quite a tough one, I don't think I know the answer to that one either.

<Saito, Asato> I basically agree with Bae-Gyoon that neoliberalism in East Asia is as hard as in other parts of the world. Actually, what worries me in Japan is that people are so self-focused they have lost traditional communal values in the midst of global consumer society.

<Park, Bae-Gyoon> Well, that is what we have to find out in the course of struggling against any kinds of inequalities and injustice caused by neoliberalism. We have to recover some kinds of communal values ... but the question is how???

<Cage, Caroline> I agree with the philosophy behind the welfare state, but it seems that we are currently intent on dismantling it ... Thank you for your responses.

<Torrise, Giovanni> Very good. I suggest we take another 10 minutes to answer the last two questions.

<Park, Bae-Gyoon> Let's find it out all together.

<Balakrishnan, Sai> Dear Professors Park and Saito, Many thanks for a great read and looking forward to reading the book. In your intro chapter, you'd mentioned the 1990s Asian financial crises as creating a political opportunity for a shift from developmentalism to neoliberalism. With the current 2008 crisis, what is the thinking on current neoliberal policies in East Asia? Could you please clarify with some specific examples of the changes in the regulatory environment post-2008?

<Saito, Asato> Well, that's another interesting question... Some people might have argued that neoliberal policy had passed its sell-by-date after the 2008 crisis. Some introduced neo-Keynesian policies to boost the national economy through public investment. But it didn't work, and now the state is faced with possible bankruptcy... At least in Japan, further cutbacks of welfare provision are discussed, for example public pensions.

<Park, Bae-Gyoon> The Korean situation is a bit different. There have been increasing challenges to neoliberal policies, and growing demands for expanded social welfare. For instance, providing free meals to all elementary school students was a key issue in the last local election in Korea. Also, many people expect that welfare issues will be more important in the forthcoming elections next year. Neoliberal forces are still very strong, but they are more and more challenged.

<Torrise, Giovanni> Last question by Venetia Chatzi (we do not have time for debate on the last question):

<Chatzi, Venetia> Following Laura Colini's earlier question, I was wondering which is the government scheme that better fits to Greece right now. We are experiencing major state intervention in implementing fierce neoliberal policies, decreasing social welfare, etc. Are we moving from CME to LME, or is it something else?

<Park, Bae-Gyoon> A very interesting and timely question but ... unfortunately, I am not familiar with what is happening in Greece, so I don't know how to respond. Asato do you have any idea?

<Saito, Asato> I'm afraid not... sorry...

<Torrise, Giovanni> Greece is facing bankruptcy and everybody (from the EU to the World Bank) is asking it to cut welfare, pensions, and also public employment. This has provoked important popular protests.

<Park, Bae-Gyoon> Wow, it must be hard for people there. No wonder.

<Torrise, Giovanni> The main point is that there seems to be no interest in policy for development. "Cut" is always the keyword.

<Chatzi, Venetia> Yeah, it is too hard and sad! But the state is the main actor in promoting the austerity plan.

<Torrise, Giovanni> Venetia, would you like to add something about the Greek situation. We are all interested.

<Saito, Asato> I guess we need another book for this!

<Torrise, Giovanni> A comparative one, it would be great.

<Park, Bae-Gyoon> But... is it just Greece that's a problem? Isn't it also a Euro problem? The EU needs to take some actions... I guess.

<Torrise, Giovanni> Unfortunately, we have no more time for discussing this further.

<Park, Bae-Gyoon> Yes... more than 2 hrs have already passed.

<Torrise, Giovanni> It has been a really interesting discussion today and I thank both authors (Bae-Gyoon and Saito) and all the participants for it.

<Kazepov, Yuri> Let me thank both authors very much for being with us today and we look forward to meeting with everyone for the next event online. I assume the book will be an interesting read for all of us and we look forward to seeing it soon. Thank you very much!

<Park, Bae-Gyoon> It was very interesting to me, too. Also I have learned a lot from this conversation.

<Saito, Asato> Thank you everyone. Your questions are very worthy of consideration for our further work.

<Park, Bae-Gyoon> Thank you very much everyone.

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