

# Foreword

The idea behind this book originated first from a series of informed conversations between International political economy (IPE) and Comparative political economy (CPE) scholars about the global economic crisis and political responses to it<sup>1</sup>. While true to its initial design, that concept evolved to generate exchanges among a group of political economy researchers on a wider set of issues. Inspired by a common drive to explore the interaction between politics and the economy, the book touches on the role of a variety of actors at different levels of governance and on their quest for wealth and power in an evolving global context. The chapters investigate case studies that cover a broad geographical range, even if the focus privileges actors and processes in the Organization for Economic Cooperation and Development (OECD) group and MENA region. A common thread across the book refers to the evolving dynamics of power, its changing balance and future distribution. The interaction between domestic and international dynamics is also explored, with additional focus on intra-regional patterns. The studies touch on different trajectories in the area of political economy, and share an emphasis on processes of change.

The authors are all scholars in political science, but their specific takes to the study of political economy offer a diverse menu of analytical foci and approaches. The reader will often find it easy to identify specific intellectual lineages. Some of the contributors share a distinct comparatist take, while others conceptualize the relation between politics and markets from an International relations (IR) perspective.

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<sup>1</sup> This volume is a result of two research conferences focused on varieties of responses to economic crises and challenges held in Florence in September 2013, at the joint sessions of the Società Italiana di Scienza Politica, and in May 2014 at the University of Bologna, Forlì Campus. We wish to thank the authors who have contributed to this endeavor. For financial resources that made this project possible, we would like to thank in particular: the Department of Political and Social Sciences, University of Bologna, Ser.In.ar, and the Forlì Campus, University of Bologna.

Comparative analyses taken up in the book touch on a variety of themes. Among them, the anatomy of macroeconomic policies in the European Union (EU) *vis à vis* their equivalent in the US (Baroncelli), or the dynamics of regulatory reforms in the energy sector in selected EU countries, based on their choice to enter sector-specific regional groupings of regulators (Lenzi and Neudorfer). Conversely, in the IR perspective, the focus is on the interplay between systemic, domestic and mid-level processes<sup>2</sup>. Among the studies in the book that share an IR focus is an investigation on the dynamics behind the missing run against the US dollar in the aftermath of the global crisis of 2008-2010 (Baroncelli). In the same vein, the analysis of the role played by the US-Gulf Cooperation Council (GCC) security relations on GCC monetary choices (Raico) delves into the relation between political-economic processes at multiple governance levels. While privileging domestic sources to explain the absence of change in the Tunisian political system, Di Peri's analysis on Tunisia's tourism sector also factors in the role of systemic variables when looking at the effect played by globalization on the (absence of) transition in Tunisia's domestic politics. An interest in the exploration of reciprocal influences between the internal and external contexts is then featured in the study on the effects of countries' membership to EU networks of regulators on the competitiveness of their domestic energy markets (Lenzi and Neudorfer), and in the analysis of the EU-Turkey relations pre- and post-crisis (Baracani). Both international and domestic outcomes have stemmed from those interactions. As we shared over several conversations on research traditions and methods, we believe that the combination of contributions of IPE and CPE scholarships is a particularly valuable asset in the hands of the authors of the following chapters. Furthermore, the research potential of an informed utilization of the different intellectual legacies from the two approaches appears a promising charger for the analysis of the link between domestic and international political economy processes under conditions of systemic change (Baroncelli; Mulé and Walzenbach). Equally we are convinced that both IPE and CPE have key assets to bring to the study of crises in their own respect, and that offering readers the privileged lenses of each perspective, through two introductory chapters (Baroncelli; Mulé) serves the cause of problem-oriented yet theoretically sound research better than their blending in a catch-all framework.

Moreover, our authors were not constrained by a single analytical strategy chiefly because the state of the art on the management of economic crises and challenges is far from offering a «single best approach», especially given the variety of contexts covered in this volume. Thus, the empirical essays describe and explain policy responses in the European Union, the Gulf region,

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<sup>2</sup> Systemic determinants of domestic policies, as well as the role played by domestic factors on international politics, are typically engaged by those approaches. Often, the focus is moved on the outcomes of interacting policies, as adopted by different countries.

in Turkey, in Tunisia and in the USA. Geographically, the essays are deliberately not limited to covering advanced capitalist democracies as in other collections (Bermeo and Pontusson 2012). One advantage of this research design is to show that the extent to which policy choices were shaped by international factors, affected by domestic organized interests and political coalitions or by the interaction between international and domestic components, does not necessarily depend on the countries' level of economic development. This is in stark contrast to other research findings centered on industrialized systems of the Eurozone that show how the political economies of peripheral states of the European Union, such as Spain, Portugal, Greece and Italy, were severely constrained by external pressures, while core euro area countries, such as Germany, were able to choose alternative policies (Armingeon and Baccaro 2012, 162).

To understand responses to the sovereign debt crisis that exploded in these countries in 2010, domestic institutions and politics seem to matter very little, «in this case there is only one policy response and it is imposed from outside. All that is left for domestic actors to do is to find ways to blunt popular opposition to the imposed policy» (Armingeon and Baccaro 2012, 162). Such conclusions may be, however, exaggerated. Spain and Italy have been able to finance themselves in private bond markets, for example, indicating that they had a higher degree of choice beyond impositions from the outside. The essays in this volume offer to enrich the understanding of responses to crises by showing that the complex and varied nature of national political responses to economic crises and challenges should not be belittled.

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## **References**

- Armingeon, K. and Baccaro, L. (2012), «The Sorrows of Young Euro: The Sovereign Debt Crises of Ireland and Southern Europe», in Bermeo, N. and Pontusson, J. (eds.), *Coping with Crisis*, New York, Russell Sage Foundation, pp. 162-198.
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