Introduction

Brexit and European capitalism: a parting of the waves?

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In the early 1990s it was *de rigueur* to argue that the challenge of competitiveness in an age of ever greater economic interdependence was likely to put pay to the institutional diversity of capitalism itself, certainly in the western world. Globalisation, in other words, was an agent of convergence like no other – driving down taxation, regulation and welfare spending. Lumped together, as it so often was, with the end of the Cold War's ideological battle, this prompted the liberal Right to herald proudly the 'end of history' with the global triumph of both Anglo-liberal capitalism and Anglo-liberal democracy (Fukuyama 1989). It political economic terms, it was argued that the (largely) exogenous and (seemingly) agentless forces of globalisation compelled states to engage - and, ultimately, to succeed in - the inter-state competition for internationally-mobile capital if they were not to endure a profound loss in economic performance. In short, they had no alternative other than to adapt their political economies to the (perceived) needs of global finance. This, it was posited, would necessitate a form of state transformation characterised by fiscal restraint, supply-side rather than demand-side forms of intervention, the prioritisation of low inflation over full employment, and the re-moulding and re-purposing of existing welfare state institutions to suit the goals of national strategies for attaining and sustaining competitiveness. The 'competition state', as it was termed (by critics as well as admirers), was thus identified as the successor to the Keynesian welfare state of *les trente* glorieuses, the model around which the contemporary nation-states would henceforth crystallise (Cerny 1997).

Yet despite this claim, hypothesis, hunch or conjecture – and perhaps unremarkably to students of the *longue durée* - capitalist diversity persisted. In 2001 Peter Hall and David Soskice published their now seminal text, *Varieties of Capitalism*. Based, as it was, on a fusion of rational choice and historical variants of the new institutionalism, it sought to demonstrate that the political economies of the advanced capitalism worlds were in fact clustering around not one but *two* models. These twin *pareto optima* were, in effect predicated on, and sustained by, different institutional foundations of national competitiveness. The first of these model capitalisms they termed the Liberal Market Economy (LME). It was characterised by flexible labour markets, stratified wages, and mobile capital with a typically short-term focus. LMEs, thus understood, were seen as innovative, flexible, adaptive and responsive to changing competitive circumstances, a process lubricated by a liberalised financial sector allocating resources between opportunities as they presented themselves. Hall and Soskice's exemplary LME cases were the Anglophone economies – the US, the UK, Ireland and Australia. The liberal character of their market governance was seen to be mirrored in the more individualistic character of their cultural tendencies. The second model capitalism identified and described by Hall and Soskice was the Coordinated Market Economy (CME) model. Here we find a more densely institutionalist configuration – a corporatist model in which non-market relations take on a far more important role. This model involves by a less arms-length role for the state - a coordinator and not just a regulator. CMEs are characterised by more tightly and actively regulated labour markets, a greater degree of social protection, and a virtuous self-reinforcing cycle of patient capital, long-term investment in skills and training, and collaborative rather than conflictual industrial relations in which employer organisations and trade unions play a central role alongside the state. The CME model is most commonly used to denote the economies of Germany, Sweden, Finland, Switzerland, Norway and the Netherlands.

Hall and Soskice's approach has proved phenomenally influential. Its central premise that the variety of capitalism to which an economy belongs shapes profoundly the types of corporate strategy to be found within it, influencing in turn levels of productivity, domestic disposable income and so forth. The theoretical and conceptual tools proffered by Hall and Soskice are a touchstone for comparative political economists seeking to understand the role of national institutional configurations in shaping economic practices and strategies of competitiveness - with their broader implications for the distributional patterns, systemic risks and political contestation pertaining to national capitalist systems (Schmidt 2002; Hay, 2004; Hay, 2005; Rhodes, 2005; Hall and Gingerich, 2009; Hall, 2014; Soskice *et al*., 2016).

Yet it is important to note that the analytic distinction between LMEs and CMEs is an ideal-typical one. As many scholars have argued, the analytical categories and empirical claims posited by the framework are highly contestable (Pontusson 2005; Bruff and Horn 2012; Bruff and Ebenau 2014; Bailey & Shibata 2014; Coates 2015). As such, and as Hall and Soskice themselves made clear, no country can be expected to conform to either model in its entirety. The specificities of institutional change interact with relatively distinctive national growth models which incentivise the privileging of particular sectors in economic governance (such as the City of London or the Bavarian manufacturing industry) resulting in idiosyncratic paths of economic development (Hall and Thelen 2009; Hay and Wincott 2012). However, the categorisation did succeed in emphasising the different strategies of achieving competitiveness. In so doing, it came to serve as an important corrective to the expectation, typical of the literature of the time, of a globalisation-engendered process of convergence. In place of this simple convergence thesis Hall and Soskice substituted a more complex and institutionally-differentiated dual convergence thesis.

That was then. Since the 2008 financial crash the world has changed significantly – and so has how we think about it. With the benefit of the hindsight the crisis affords, some of the limits of convergence theses (whether simple or dual) are more starkly exposed. Put bluntly, to understand the developmental trajectories of contemporary capitalism it now seems rather more important to focus on sources of disequilibrium and crisis, rather than to work with equilibrium models. In a world in which it is acknowledged that crises are possible, there are limits to the value of ideal-typical reflections on stylised models of capitalism. For such approaches, however well they might describe a current situation, fail to anticipate, and lack the conceptual resources to makes even retrospective sense of, crises.

Arguably, then, one of the casualties of the crisis is our current understanding of the dynamic variability of capitalism institutionally. This volume is a contribution to the debate such a reflection presages.

An initial point of departure is the acknowledgment that the political attempts to navigate low levels of economic growth since the crisis do not lend themselves readily to a story of convergence (whether simple or more variegated). The 2008 crash was followed by the European sovereign debt crisis, increasingly fractious relations between the Eurozone's creditor and debtor countries, and prompting attempts at capitalist restructuring intended to instigate national economic recoveries. The 2010s have thus seen European economies implement differing levels and types of fiscal austerity, monetary activism (within and beyond the Eurozone), welfare retrenchment and labour market reform. Simultaneously, the discontent fostered by low growth and the political attempts to navigate it have contributed to the rise in popularity of right-wing and Eurosceptic populist figures and parties particularly amongst unskilled or semi-skilled workers in deindustrialised regions (the so called 'left behind'). Although it is an identifiable trend across Europe, the most conspicuous manifestation of the populist ascendancy so far is 'Brexit' itself; the withdrawal of the UK from the European Union and (it now seems clear) the Single European Market. The exact terms of the UK's withdrawal are subject to intense on-going negotiations. It is on the outcome of these negotiations that arguably the very feasibility of the UK's existing growth model will rest.

But the uncertainty that Brexit has prompted is not contained domestically; it has certainly heightened the sense of political indeterminacy (albeit to differing degrees) within European economies. The strategic disorientation within the UK created by Brexit itself suggests further bouts of fragmentation and capitalist re-structuring in the near future, matched in all likelihood by political-economic change within the EU now that its erstwhile 'awkward partner' is set on a different course (whatever that turns out to be).

For some, particularly the Conservative Party's 'Brexiteers', Brexit represents an opportunity for a further radical liberalisation of the UK economy. No longer bound by supra-national 'red tape' and the EU's regulatory disposition, the UK in such a conception might re-fashion itself as a European Singapore, paring back still further the vestiges of its labour market regulation whilst cutting taxation and reducing further welfare eligibility and generosity. Competitiveness would be achieved in this model through the offer of a 'good business environment' to internationally mobile capital, at the expense of hard-won workers' rights, environmental protections, and the scope of the state's existing welfare policies. Central to this strategy would be the swift negotiation of trade deals with the emerging economies of Asia and South America, in particular, a precondition of which is that the UK cannot remain a member of the Customs Union. In the short-term, the UK would fall back to the trade terms of the WTO, or would take the advice of the group formerly known as 'Economists for Brexit' (now rebranded 'Economists for Free Trade') to declare a unilateral strategy of trade liberalisation by eliminating any and all tariff and non-tariff barriers. This would represent a drastic deepening of the Thatcherite project (or at least its neoliberal elements) in the UK. It is at present by no means widely supported. But if no trade agreement has been reached between the EU and the UK at the point of withdrawal (on March 29 2019, two years after the triggering of Article 50) then its proponents could feasibly swell in number. This is a proposal that many card-carrying Brexiteers within the ruling Conservative Party incline towards - including, of course, both Boris Johnson and Jacob Rees-Mogg. But the opposition to it, including within the current Conservative Cabinet, should not be underestimated. At times, during what has to date been a fraught negotiation process, its value to the government has seemed to be the tacit (if perhaps rather hollow sounding) threat that it might be seen to pose. It need hardly be pointed out that this is a potentially dangerous game to play – not least as it has given a platform that it might not otherwise have had to a hyper-liberalising idea of Britain after Brexit.

A very different conception of the post-Brexit scenario is reached in the UK were to remain a member of the Customs Union and retain access to the European Single Market (and its attendant regulatory structure). Here the potential divergence between Britain and the EU would be far less drastic. This is the so-called 'Soft Brexit' option – the scarcely veiled preference of the UK Treasury in opposition to the Department for Exiting the European Union. Phillip Hammond, the Chancellor of the Exchequer and chief proponent within the Cabinet of a 'Soft Brexit', believes that such a deal is likely and that any capitalist divergence resulting from Brexit will be modest. To the dismay of the many Brexiteers in his Party, he argued at the World Economic Forum in Davos that:

> "Instead of doing what we're normally doing in the trade negotiations – taking two divergent economies with low levels of trade and trying to bring them closer together to enhance that trade, we are taking two completely interconnected and aligned economies with high levels of trade between them, and selectively moving them, hopefully very modestly, apart" (Hammond, 2018).

The battle lines are drawn. As this suggests, the internal politics of the Conservative Party make it extremely unclear to what degree we will witness a significant change in UK macroeconomic strategy and an associated potential bifurcation of British and EU capitalisms in the decades to come. Even the short-term trajectory is unclear. It may well be that by the end of the current

Parliament, Britain will actually conform less well than it does today to the LME template. Theresa May has already professed a certain critique of financialised Anglo-liberal capitalism. In her first Conservative Party speech as Leader, in the midst of the tense political climate after the EU referendum, she chose to denounce the stateless “international elite” and vowed to re-unite the country by making “capitalism” operate “more fairly for workers” (Financial Times 2016). In a later speech in January 2017 she refuted the principles of Thatcherism by stating that “people who are just managing, just getting by, don’t need a government that will get out of the way, they need a government that will make the system work for them” (Financial Times 2017). She has since proposed worker representation on corporate boards and re-introduced the language of industrial strategy (if, as yet, not with a great deal of substance) back into British politics. These are sentiments which have divided the Conservative Party and have not at the time of writing been translated into major policy changes. The difficulties of overcoming the ‘lock in effects’ of existing competitive advantages and vested economic interests in order to change macroeconomic course appear to have been too great.

Yet Theresa May appears cognisant that the strategic considerations of economic re-orientation must be attuned to the broader context of the social crises precipitated by recent waves of capitalist restructuring. This is a febrile context in which to engage in macroeconomic strategising. The particular types of austerity measures and labour market reforms (chosen by ruling parties or demanded by the Troika) since the 2008 financial crash – and their impacts on the wage share, precarious work and inequality especially – have had profound political and social impacts. They have compounded deeper structural issues of socially and geographically unequal growth, the increasing importance of asset ownership in determining distributional outcomes (Piketty 2014), and the incremental dismantling of the welfare state and the concomitant rise of private debt (Soederberg 2014). These capitalist structures have contributed heavily to the spectrum of discontentment evident in Europe today. As already alluded to, one manifestation of this has been political polarisation. The precariousness in deindustrialised low-growth areas outside the major cosmopolitan cities amongst unskilled or semi-skilled workers has seemingly contributed to anti-establishment sentiment and rise of right-wing populism, as discontent has bred distributional conflicts on racialised lines and anti-immigration feeling. Meanwhile, the younger generations and the poorest (particularly but not exclusively in the UK) are looking further to the left as a result of being so deeply affected by policy decisions and being almost entirely excluded from the asset appreciation which is so central to the UK’s current growth model. The decade of sluggish economic performance since

2008 has also had ramifications for geo-political fragmentation, with many in Scotland and Northern Ireland uncomfortable with their place in a ‘Brexiting Britain’; reflected by separatist movements in mainland Europe under similar economic conditions. These developments seem to be, and indeed should be, of serious concern for Theresa May’s government as it wrestles with strategies to improve the UK’s economic performance. May has already gained the reputation of being a cautious politician, and the performance of the Labour Party in the 2016 UK General Election will only have intensified her caution further. Alternative economic thinking is not imprudent in such a context, but there is a danger that certain strategies could exacerbate rather than alleviate social instability.

This is to say nothing of the environmental threats to European prosperity, which threaten to very foundations of wealth creation. The consequences of ecological degradation to economic performance were most famously assessed by Nicholas Stern, whose findings have been seen as conservative in order to garner political support by some (Anderson and Bows-Larkin 2012). Environmental degradation represents not only the threats to capitalist production still to come, but trends which are already feeding into economic performance. Pessimism about the future of economic growth itself, the levels of which have been in steady decline since the mid-1970s, suggests that the current malaise is not necessarily a punctuation of the equilibrium (Streeck 2014). This is a politically and economically tumultuous period which threatens to get even worse.

So what are the foundations of competitiveness upon which European political economies can achieve greater prosperity in the 21st century? What are the sectors of growth in the coming decade and what are the political strategies capable of nurturing them? And, perhaps just as significantly, what are the potential institutional means of sharing the proceeds of economic success equitably?

These are questions of profound importance for the parties of the left and centre-left, whose vote share has declined in recent years, at least in part because of their inability when in office to halt the trend towards rising inequality (Crouch 2012). As Patrick Diamond (2016) has noted, in its electoral appeal the left has tended to depoliticise economic choice since the 1980s, opting to deploy a more technocratic language vis-à-vis economic policy options. This has undermined its ability to respond to the subsequent economic crisis and created an ideational vacuum in political-economic thinking in sites of power. As a result, many progressive parties were seen as complicit in the choice for and implementation of austerity in the period since the

2008 financial crash. And they have suffered electorally as a consequence. The offerings of many traditional parties of the left are greeted with more muted enthusiasm today, with core sections of their traditional support base having become less and less enamoured by the cause and in some cases even defecting to right-wing populist parties (Mair 2011). In this context, it is crucial that the debates on developmental capitalist models return to prominence. How do social democratic parties adapt to the economic realities facing their electorates? How can progressive political-economic strategies address the economic, social and environmental issues raised by, and ultimately transform, the dysfunctional capitalisms of Europe? Can socially just economic models be based on sustainable foundations of competitiveness? Is redistribution alone enough to mitigate the rise of inequality in the context of Piketty's analytical insights about the distributional patterns of capitalist societies? In short, where does progressive politics go from here (see also Coates 2018; Hay and Payne 2015)?

To respond to the failure of Europe's social democratic parties in the last decade, we must begin with a sober analysis of the character of European capitalisms, the inequalities they generate, the models of growth being nurtured, the evolving nature of the financial sector, and the UK's changing role in the European economic space in the context set by the vote for Brexit.

This edited collection brings together some of Europe's most eminent political economists to address these key questions. Its aim is to stimulate a reflection on how the financial crisis, the Eurozone crisis and Brexit have changed the political economies of the UK and Europe since 2008, and how they alter the conditions for British and European prosperity in the future. As such, the scope of the book incorporates reflection upon how recent developments have impacted upon economic instability, the City of London, inequality, economic governance, and the dynamics of the UK growth model. The authors draw upon the analytic resources of the varieties of capitalism debate (if not necessarily that of Hall and Soskice themselves), as well as their knowledge of British and European political economy, to make sense of these developments.

This analysis also serves to inform a conversation about progressive politics for the 2020s. What are the prospective progressive political strategies which are best attuned to this new economic terrain? What strategies can nurture new dynamics of prosperity and mitigate social inequality? Can Social Democracy re-invent itself to meet these challenges or should it now be considered obsolete?

The project from which this book is derived was a collaboration between the Foundation of European Progressive Studies (FEPS), the Sheffield Political Economy Research Institute (SPERI) and Policy Network. The joint mission was to reflect on the changing nature of the British economy, its place within the European economic space and the consequences of Brexit, in the context of a series of ongoing crises in the global economy and the escalation of political unrest. Our ambitious agenda sought to bring together and better articulate concerns with the particular structural imbalances characterising the British economy, the role of the City of London within it, the foundations of British and European competitiveness, the attempts to coordinate economic governance at the European level, and the implications of Brexit for each. The agenda was deliberately inclusive, a breadth justified by the importance and timeliness of the issues with which we were dealing. This volume, the final output of the project, retains that breadth and ambition. Each of the commissioned chapters offers, we feel, a provocative argument based on significant and original research.

As with any volume of this nature, the book's empirical scope is wide-ranging and its analysis multi-tonal. However, four key themes underpin the collective enterprise, marking out we hope its distinctive contribution to the existing literature. They are as follows:

- The long-term development of the UK's growth model and the potential strategies, both macroeconomic and in the UK business community, which will ensure competitiveness beyond Brexit;
- the City of London's role in the architecture of global finance, its relationship with imbalances and instability in the British and European economies, the City's evolution since the global financial crisis, and the opportunities and risks presented by a Hard Brexit;
- the role of the UK in, and the implications of Brexit for, EU economic governance;
- the prospects of social democracy in the midst of a dividing Europe.

In the opening chapter, Andrew Gamble locates the current political economic plight of the UK in its proper historical context, charting the evolution of the UK's economic growth model and the cornerstones of its competitive advantage throughout the post-war period. He details the impact of the loss of empire, various post-war crises and the influence of successful CMEs in mainland Europe on the UK's macroeconomic strategy before contemplating potential post-Brexit re-orientations of strategic direction for the UK's LME. He argues that three political-economic scenarios are foreseeable for the UK after Brexit: a 'soft Brexit' whereby the UK would remain part of the European Single Market and capitalist divergence would be limited, the adoption of an ultra-libertarian Singaporean model entailing the declaration of unilateral free trade, and a protectionist turn which would profoundly re-shape the character of the UK economy. He considers the implications of each for the future of British and European capitalisms and the conditions of existence of each.

In the following chapter, Leila Simona Talani makes the case that the relationship between the City of London, the Treasury and the Bank of England (the famous 'City-Bank-Treasury nexus' first identified by Perry Anderson in the 1960s) will ensure that the City of London will continue to thrive as a global financial centre in spite of Brexit. She argues that Brexit will allow the financial institutions that together comprise the City to more credibly threaten to re-locate their operations elsewhere, and as such we are likely to see a governmental response which assuages their fears and compensates for the (still hypothetical) loss of access to the European Single Market. As such, policy-making in the UK Treasury and the Bank of England will become even more attuned to the City's needs precisely because of Brexit. The implication is that we are likely to see the protection of the square mile's competitive advantage, not its erosion. This would represent the continued privileging of financial activity over productive activity, and the privileging of capital over (unskilled or semi-skilled) labour, in UK public policy; the key characteristic of what Talani refers to as 'pragmatic adaptation'.

Helen Thompson asks herself why the City of London, given its pivotal role in the UK's growth strategy, failed to prevent the referendum on the UK's EU membership and consequently Brexit itself. The Conservative Party's decision to jeopardise the UK's historical competitive advantage in finance in such a way has been a source of consternation particularly for those who believed that the 'structural power of capital' would prohibit any political outcomes which threatened profitability. Thompson, however, puts forward a compelling three-pronged case which recasts and, in so doing, resolves this apparent paradox. Firstly, she argues the City's interests are no longer as dependent on Sterling as they were, due to the gradual development of the offshore Dollar, Euro and Renminbi markets in the 1950s, 2000s and 2010s respectively. This decreasing importance of Sterling in the City meant that the interests of the latter were not as bound up with the domestic UK economy as is commonly believed. This in turn provided David Cameron with more 'room for manoeuvre' than he would otherwise have enjoyed when it came to attempting to resolve the divide on Europe within his own party. Secondly, the City had come to fear re-regulation and the imposition of additional forms of taxation (likely a ban on short-selling, rules on bankers' bonuses and the introduction of a Financial Transactions

Tax) from Brussels as part of the fall-out of the 2008 financial crisis and the subsequent Eurozone sovereign debt crisis. These crises had exposed the City's privileged location outside the regulatory jurisdiction of the Eurozone whilst within the European Single Market. The City, despite its increasingly politicised status as Europe's offshore financial centre, had staved off punitive policies in the decade following the 2008 crash due to the UK's monetary sovereignty. Yet David Cameron during his tenure as Prime Minister was less and less able to persuade Conservative Party members that he could protect the City's interests in the face of mounting pressure from Germany and France to enforce higher regulatory standards, symbolised by his failure to ensure an agreement that protected the City when re-negotiating the terms of Britain's EU membership in February 2016. In making this case, Thompson's analysis of the City's interests not only demonstrates the City's complex relationship with Brexit but also the political difficulties of conducting EU economic governance through multiple overlapping spatial scales with divergent political inclinations.

Lucia Quaglia refocuses the discussion from the City to the UK government's role in EU economic governance since the 2008 financial crash. In so doing she examines three related policy areas specifically: financial regulation, the Banking Union and the Capital Markets Union. She argues that the UK has actually played a variety of roles in the politics of EU economic governance in recent years – foot-dragger, fence-sitter and pace-setter. Accordingly, the classic interpretation of the UK as an 'awkward partner' within the EU (a term coined by Stephen George in 1990) is in need of revision. This analysis of the political dynamics of EU policy-making contains significant insights into the prospects of capitalist re-structuring after the UK's formal withdrawal from the European Union. It suggests that in the institutions of the EU, some policy initiatives will lose political support and momentum, whilst others will profit from being shorn of its primary detractors.

Waltraud Schelkle examines the politics of three of the EU's post-2008 crisis management policies – the Fiscal Compact, the European Stability Mechanism and the Banking Union – to demonstrate the tensions which arose from such policies and to highlight their role in prompting discontent and disintegration. Utilising the concept of 'two-level games' (Putnam 1988, Bellamy and Weale 2015), her contribution not only explores the politics of disintegration in the European Union in the past decade, but also illustrates the collective action problems typical of an incomplete political union. She argues that the increasingly centrifugal nature of the EU in this period of crisis has not forged an ever closer Union, but has instead triggered the dual trends of policy coordination and fragmentation. In this sense, given the present economic backdrop, Brexit may mark the beginning rather than the end of political re-organisation and indeterminacy inside Europe, and foreshadow the increasing variegation of European capitalisms.

Scott Lavery returns to the UK growth model, its conditions of existence as such, and the strategic dilemmas for British capital created by Brexit. He describes the existing strategy of British business – acting collectively through the Confederation of British Industry – of 'extending and defending' its interests through the interactions between the British state and the institutions of the European Union. On the basis of an extensive empirical investigation, he argues that the CBI has historically tended to prohibit the development of EU social and employment policy ('defend'), whilst building coalitions to further expand trade liberalisation ('extend'). However, Brexit throws British business into a state of strategic disorientation. How do British businesses perceive, and plan to respond to, changing political-economic conditions? And what are the implications of their perceived interests for the future of the UK growth model?

In the final section of the book, Angela Wigger and Laura Horn begin the discussion of social democratic futures. They consider whether the rise of industrial policy on the political agenda of the traditional parties of social democracy could signal an upturn in their electoral fortunes; damaged so significantly in their view by their perceived complicity in the implementation of austerity measures, a backlash against the neoliberal Third Way approach, and the commitment to the European Social Model. Their analysis of EU industrial policy, however, suggests that it will be unable to generate either progressive outcomes or greater electoral success. They argue that the specific understanding of competitiveness at the heart of EU industrial strategy rationalises the depreciation of labour costs, reforms to the labour market and lower levels of taxation levied being on corporations. This policy therefore carries dire implications for inequality and fails to represent a significant change in the social contract between capital and labour. Instead, it merely represents a new phase of post-2008 neoliberal crisis management within the EU and the latest progressive policy to be co-opted by conservative actors. Progressive support for it will, thus, only further damage the electoral fortunes of social democratic parties.

Finally, Ben Clift offers a more optimistic take on the future of social democracy by changing the spatial scale of analysis. He argues that social democratic parties ought not to remain fixated on national welfare states and a Keynesianism to be delivered at the national level, but should instead renew itself though the adoption of a more transnational focus. Based on extensive primary research couched in a theoretical frame which draws on some of Keynes' less famous ideas, an argument is made for achieving the traditional aims of social democracy – in particular the curtailing of rising inequality – through new strategies and institutional means. In Clift's view, the IMF's Research department – an important but under-utilised 'subculture' within the IMF – would serve as a crucial node of this transnational renewal. This provocative argument rejuvenates discussion of the 'Mitterand experiment' and the role of the institutions of global governance in coordinating a new wave of progressive politics.

These chapters together amount to a multifaceted analysis of Europe's evolving varieties of capitalism, the strategic dilemmas thrown up by changing economic relations, and reflections of the future of competitiveness, prosperity and progressive politics.

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