

Sociology 924/Geography 918 WEEKLY READING INTERROGATIONS #2
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Vivek Chibber, *Locked in Place*

[*Note: This week all comments by EOW – Jamie is out of town*]

1. Amy Quark

While interrogating, in general, the same question as Evans—what are the mechanisms underlying successful industrial development, Chibber offers a far more complex and satisfying explanation of the distinct Korean and Indian trajectories. Providing a historicized and contingent analysis, perhaps Chibber’s most useful analytic contribution to this problem is his focus on the conflicts and contradictions inherent in capitalist development, and thus in the relationship between capital and the state; that is, capitalist development creates conflicts or tensions between different actors that must be managed (the crisis-driven nature of capitalism). **[You are absolutely correct that Chibber does give considerable importance to the relationship between capital and the state and that he explores conflicts & contradictions, but I am not sure that it is quite right to treat the analysis of the capital/state relation as a *derivation* from a specific focus on “conflicts and contradictions inherent in capitalist development,” which is what is suggested when you say “and thus...”. I think the basis for Chibber’s analysis is a simpler one: because of the deep, structurally inscribed power of capital – derived from the basic nature of capitalism as a system of production in which investment is directed by capital-owners – the state cannot embark on a sustainable development project without the full collaboration of capital, and thus the state must forge some kind of collaboration with the business class for this to happen. I know this may sound picky on my part, but even though crisis does play a part in his analysis, it is not really the basis for the claim about the importance of the state-capital relation.]** In this way, rather than suggesting that one country has “achieved” some sort of developmental endpoint on a predetermined path **[“predetermined” is a bit strong as a criticism of Evans. He does stress structural conditions, but I don’t think he suggests that these by themselves determine a unique path of development]** while others have not, Chibber forwards a more dynamic analysis that problematizes “development” itself in an effort to bring “developing” world issues into mainstream “developed” country debates on the capitalist state (10). Possible questions for discussion on this point include: does Chibber’s argument succeed at this level of abstraction (i.e. the mechanisms he identifies have explanatory power for countries like the U.S. as well as countries like India and Korea)?; is Chibber’s argument decentered (that is, a non-Western-centric, non-“catch-up” view of the capitalist state and capitalist development)?

Although he focuses primarily on the relationship between capital and the state, Chibber also gives some attention to other conflicts and contradictions within capitalist development, such as that between labour, capital and the state. I have two related comments on these different kinds of conflicts/contradictions. First, while he satisfactorily draws out the tension between political elites and industrial elites over state subsidization vs. state discipline of capital and the potential costs to industrial elites of

disciplinary state planning (see pg. 27), he pays little attention to diversity and conflict within the capitalist class—that, as a result of state disciplinary planning, some capitalists are likely to win and others to lose and competition among different factions of capital and their relation with the state complicates his framework further. **[This certainly does add important complications to the analysis. I think, by implication, Chibber seems to argue that there is some leading fraction of the capitalist class, defined by its centrality to the investment potentials of the accumulation process, and that the state has to work collaboratively with that segment of capital – it cannot overcome its resistance effectively, at least with respect to a major societal project like the switch to ELI. I wonder if there could be a situation in which there was a potential collaborator with the state in these terms but that other fractions of capital could block such collaboration? Sometimes this is the way agrarian capital is treated in Latin America.]** Second, could Chibber’s framework be fleshed out to more thoroughly account for other tensions in capitalist development and how these different tensions interact and influence each other—an agenda Chibber only begins to consider? How does the successful management of one contradiction affect the management of another? By managing the contradictions in its relationship to capital, does the state further aggravate its relationship to labour? **[I suppose the issue for Chibber here would be whether labor could provide a potential social force for a development project – that it could be an ally with the state of sufficient cohesion to overcome the resistance of capital – this seems to be held out as a potential in India that was never realized.]** How do we understand militant labour organizing in Korea in relation to the development mechanisms Chibber identifies? His discussion of conditions in which states may override resistance from local capitalists (pg. 228) may be a starting point for this discussion.

2. Sarah D Warren

A central aspect of Chibber’s analysis is how structural differences between ELI and ISI models shape and constrain development strategies. He stresses the importance of structural factors in shaping the response of the capitalist class to state intervention, noting that while these factors shape responses, they do not indicate whether the state will successfully implement policies autonomously against the capitalist class. Ultimately, Chibber seems to offer a three-level analytical model of the route to a development state: First, he notes that there must be a certain level of luck involved, whether from outside state sponsorship or due to a previously integrated state structure. Second, the structure of the development model of the state matters greatly for the response of the capitalist class to disciplinary intervention. Third, the state can act only to discipline the capitalist class if it has available to it certain conditions for autonomy. **[You have identified some of the key elements, but I think you have not quite identified the pivot of the analysis: The state can only adopt an ELI strategy when there is a significant segment of the capitalist class that supports such policies by virtue of fact that they have a reasonable chance of successfully pursuing an ELI accumulation strategy. That is, the key “structural” issue centers on the interests of capital with respect to alternative strategies of accumulation.]**

I find Chibber's model to be more accurate than Evans' embedded autonomy because it allows for both structural factors and contingent, historical and contextual, factors to play a role in the success of a developmental state. However, it also raises a larger question: How far can structure go in explaining the failure of most states in attaining development levels that match those of Japan and Korea? While I would agree with Chibber that luck plays an important role, is there a more theoretically nuanced way to assess the amount of luck that a developing country needs? **["Luck" really just means the historically-specific opportunities that give a particular country a realistic chance of pursuing a strategy. Being near Japan and fitting into the Japanese accumulation strategy is an instance of "luck" in this sense.]** In other words, might looking at the global system in more detail help to explain why some states are more "lucky" than others? While Chibber spent a long time describing the rationale behind the capitalist class in India not wanting to support state intervention (in internal disciplinary arenas), he might have done more to analyze how India's position in the world system decreased its potential luck and sponsorship from other countries. **[The point here is more that India is like nearly every other country in the world system: they did not have access to a low risk sponsored export markets like Korea and Taiwan did after the mid-1960s.]** Chibber seems to recognize that the role of luck is a bit fuzzy in his analysis when recommends further research within the ISI model in order to ascertain whether "the differences between states using this strategy were brought about by contingent factors or if they were of a systematic kind" (241). It seems that this is precisely the issue: How much of luck depends on other systematic factors, such as histories of colonization, levels of natural resources, personality of leader (such as Park and the Blue House in helping Korea become successful), and place in a global system, and how much is simply luck?

Another aspect of Chibber's nuanced account of the successful and unsuccessful developmental state that caught my attention was his discussion of state autonomy. He touches on different conditions that assist the state in becoming autonomous from the capitalist class, most notably discussing the role of labor in the autonomy (and lack thereof) of the Indian state. I am curious about whether Chibber would say that states gain autonomy from the capitalist class in the same ways today that they have in the past and especially whether the same conditions that he outlines on page 227 are still relevant. With the growing power of TNCs and the power of such financial institutions as the World Bank over developing countries' policies, the state has to contend with a greater number of powerful actors and might need to gain autonomy from them as well as national capitalists. If this is the case, then can we understand development as simple a national capacity, or should we also think about autonomy in terms of the international capitalist class? **[This is an interesting a difficult question. There is an ambiguity in discussions of "autonomy" that revolve around the distinction between what is sometimes called instrumental autonomy and structural autonomy: the former has to do with the ability to counter direct strategies of capitalists and groups of capitalists; the latter has to do with ability to counteract the indirect effects of capitalist accumulation actions (i.e. disinvestment, etc.). Both of these are relevant to TNCs as well as autonomy with respect to National capital.]**

3. Brett Burkhardt

Historical contingency appears several times in *Locked In Place*. In two instances, it appears to play a critical role in determining what type of industrial policy that a state promotes (and which its capitalists support). The first is the large-scale abandonment of Indian domestic markets by British manufacturing firms following the war. The second is the flight of Japanese exporters from American markets and into the Korean domestic market in the 1960's, an action that also left Korean firms with access to Japanese firms' previous American trading partners.

In Chibber's account, a model of industrialization (ELI or ISI) is causally prior to state action. That is, a state cannot simply implement an industrialization policy over the opposition of its own capitalists. An industrialization model has the potential to galvanize capitalist support. A cohesive and disciplinary state may then encourage and monitor the industrialization model favored by capitalists.

Chibber's emphasis is on a cohesive disciplinary state being a necessary precondition for taking advantage of capitalist support for an industrialization model. **[Two comments here: (1) the issue of discipline really only applies to a specific form of industrialization policy – ELI industrialization. ISI industrialization model doesn't really need discipline. (2). It is probably also slightly better to say that a cohesive state is a precondition for the disciplinary policies required for ELI industrialization: cohesion is the more structural condition; disciplinarity is a bit more a set of policies/actions].** What seems at least as important, however, is the existence of a propitious set of circumstances or events that lead domestic capitalists to favor one industrialization model over another, and consequently to either support or oppose state discipline. Admittedly, Chibber acknowledges “the role of sheer luck (203)” in Korea and Taiwan's economically beneficial relationship with Japan. But the external and historically contingent formation of the incentives that lead domestic capitalists to favor a particular development path (e.g. Japanese assistance in Korean export capabilities, or profitable markets being left open by the evacuation of British firms, thereby discouraging exports) seem to be downplayed relative to states' reactions to capitalist preferences.

If we take seriously the role played by such exogenous historical factors in forming capitalist preferences and strategies, then Chibber's interpretation of Japanese capitalists' adoption of an export strategy (in the conclusion) becomes less plausible. He wonders whether post-war Japanese industrialization was an example of a “state-sponsored turn to ELI (236).” He notes that Japan had a history of “economic muscle (237).” Perhaps more importantly, he writes that in addition to US military contracts with Japanese manufacturers in the Korean and Vietnam War eras, “[US] State Department officials worked assiduously during these years to pry open world markets for Japanese exports (238).” Like the Korean case, Japanese capitalists formed favorable beliefs and

strategies about export-led industrialization because of historically contingent events happening beyond their national borders.

On the basis of the Japanese case, Chibber concludes that we should proceed cautiously when discussing the possibility of strictly state-led ELI. This seems correct. But beyond this, it may be beneficial to leave more space in a theory of industrialization for the role of historical contingency. As we see clearly in the Korean case, and possibly also in the Indian and Japanese cases, historical events can be crucial for shaping capitalists' strategies and preferences, which the state must then deal with. **[It is important to be really clear about precisely how "contingency" figures in the analysis. It is like getting the flu: it is always a contingent fact that one is exposed to the virus, so in explaining why one person gets sick and another doesn't, contingency must necessarily be a big factor. But the causal role of contingency is deterministic: it is the bad luck of getting exposed to the virus that counts as bad luck because the virus deterministically causes flu. The same here: the contingency all has to do with lowering the risks of entering export markets.]**

4. Brent Kaup

In Vivek Chibber's *Locked in Place*, he offers a compelling explanation as to why India failed to develop along the same path as Korea. Using structural explanations and counterfactuals, Chibber argues that Indian development failed because Indian capitalists refused to cooperate with state development efforts, thus limiting the state's autonomy and power to implement industrial and economic change. While Chibber addresses an array of influential factors (ISI/ELI, location in and access to the world economy, etc.) contributing to the trajectory of the developmental state in Korea and India, I wonder what sort of influence democracy (or the level or lack thereof) has on the success of developmental states, particularly when taking into account Chibber's ideas of states being able to 'discipline' capital. Can an electoral democratic state (or something close to it) properly install and maintain the institutions necessary to become a 'successful' developmental state? **[Good question. I think Chibber would raise the issue of labor mobilization here: this would be the mechanism by which under democratic conditions capital-disciplining could occur. He invokes the French experience for this purpose, but there are other examples one might think about here – the Swedish solidarity wage, imposed by democratic corporatism under social democratic guidance, might be an example.]**

Perhaps the argument could be made that more democratic developmental states are less likely to be economically successful, that it takes a military or mildly authoritarian state to install the necessary disciplinary apparatuses that provide the state with enough coercive strength as well as the appropriate levels of autonomy to direct local private capital in the 'correct' direction. In post-WWII Korea, Chibber states it was Park Chung Hee's regime that came to power that Korea made its surge to become an "East Asian Tiger." While Park was supposedly legitimately elected in 1963, he came to power originally

through the military coup of 1961. India, on the other hand, has remained a fairly stable democracy during the post-WWII developmental era. Thinking of other states seen as potential 'successful' models of development with authoritarian regimes, China and Chile come mind. While one could argue that Chile is a different type of successful model (a neoliberal model), I still believe it could argued that it was the Chilean state under Pinochet that set up the necessary institutions of such developmental 'success'.

If we return to Evans ideas of demiurges while taking into account levels of democracy, how different is Korea, Chile, and China from Zaire?

5. JASON JACOB TUROWETZ

Chibber's book provides an incisive, cogently argued counterpoint to Evans' embedded autonomy thesis. To the latter's emphasis on a cohesive, autonomous developmental state, he adds the interests of capital, which may or may not be congruent with the state's aims, depending largely on the development plan it adopts. The dominant force determining capital's relationship with the state seems to be competition. Where competitive pressures threaten capital's profit margins, be they from foreign firms, as in the Korean case, or from labor, as might have potentially been the case in India, the capitalist class has an incentive to comply with the state's disciplinary efforts rather than opposing them. To Chibber's focus on the structural forces and constraints that determine developmental outcomes, I would like to add another element, which is always prominent though not necessarily visible in developing economies. That element is agriculture, which doesn't receive much attention in Chibber's book.

As a structural force shaping policy outcomes, agriculture played an important role in Korea and other NIC countries (i.e. Taiwan), chiefly in the way that it was used by the state to reduce competitive pressures on capital. Following the land-reform initiatives of the 1950s', the Korean government began to implement a series of policies that discriminated against agricultural workers in favor of industry. For example, it subjected local farmers to intense competition from imported goods, which drove many farmers out of business and forced them to migrate into urban centers, where they played an important role in keeping wage costs at a minimum. Where import competition didn't limit prices, the government stepped in to keep prices at artificially low levels, both to make agriculture less profitable and to keep food costs as low as possible to prevent workers from requiring wage increases. These anti-agriculture policies, which weakened labor's position in relation to capital and crippled the primary sector, culminated in the series of farmer-led protests against the state that occurred in Seoul and Taipei during the 1980s'. In India, meanwhile, agriculture played a different role, both directly through the advantages its dominant members were able to capture from the "protection license raj" oriented state (witness the new group of wealthy farmers that sprung up abruptly during Indira Gandhi's regime), and indirectly through the legacy of complex land-holding arrangements that it bequeathed to the post-War economy. One of the reasons that India's developmental prospects have been stunted concerns this Byzantine web of legal holding arrangements, the upshot of which is that only 10% of Indian lands bear a clear holder's title. Surely, no rational entrepreneur would attempt to develop land that might subsequently be lost in a court battle. As a result, the progress of industry has been

substantially impeded, and agriculture shielded, despite the intentions of India's quasi-developmental regime. Accordingly, there were fewer new markets and less competition for those industrialists who already held monopolies within their industries.

In both of the above cases, agriculture played an important, albeit indirect role, in shaping competitive pressures on capital. The question, then, is whether agriculture might play a direct, conscious role in the tripartite state-capital-labor mix. Although their sheer numbers result in a lack of cohesion and consciousness as a social force (a fact Marx memorably emphasized when he compared peasant farmers to a sac of potatoes), under the right circumstances, farmers can have a decisive impact on developmental trajectories. The yeoman farmers in the Nordic countries provide an illustration of this possibility. While Chibber rightly notes that conditions in the NIC and ISI-oriented countries he addresses differ markedly from those that prevailed in early modern social-democratic ones, it is nevertheless interesting and salient to contemplate what agricultural workers could contribute to the process of state and industry-building in developing countries.

6. Adam Slez

In *Locked in Place*, Vivek Chibber argues that the "demobilization" of labor by the Indian state in 1947 undermined the state's ability to implement "*disciplinary planning*" against the interests of a capitalist class who had come to only conceive of development in terms of "*subsidization*" (Chibber, 2003: 30). In framing his argument about the importance of the demobilization of labor in the Indian case, Chibber notes the failure to "attend to the shifting balance of power among social forces" is tantamount to "a resuscitation of some sort of instrumentalist view of the capitalist state" (Chibber, 2003: 111). Chibber's analysis of the relationship between labor, capital, and the Indian state raises questions about the notion of state autonomy.

The most important question to ask is, what is it that the state is autonomous from? The concept of state autonomy was developed by structural Marxists as a counterclaim against the instrumentalist position which held that the state was "a simple tool or instrument of ruling-class purposes" (Block, 1977: 8). The argument generally made by the structuralist camp is that, "...state structures and functions are not simply controlled by dominant classes alone. Rather they are shaped and buffeted by the class struggle between dominant and subordinate classes" (Skocpol, 1979: 28). The fundamental point of this line of argument is that "the use of state power to support dominant class interests is not inevitable" (Skocpol, 1979: 30) (I recognize that Skocpol's actually develops a model of the state which she sees as diverging from the structuralist position, but I do think that the points made here provide an accurate summary of the structuralist view of state autonomy). Theda Skocpol puts forward an even stronger claim about state autonomy, noting that states "may formulate and pursue goals that are not reflective of the demands or interests of social groups, classes, or society" (Skocpol, 1985: 9). To summarize: the instrumentalist position is that the state always pursues the interests of the capitalist class; the weak form of the autonomy argument holds that states

don't have to act in the interests of the capitalist class, whereas the strong form suggests that states don't have to act in the interests of *any* class.

In his account of the failure of industrial development in India, Chibber indicates that though it was not feasible for the Indian state to switch to an "export-led industrialization" (ELI) strategy, of the type adopted in Korea, greater success might have been achieved under the "import-substituting industrialization" (ISI) model had the Indian state been more successful in installing an adequate "planning apparatus...capable of disciplining capital" (Chibber, 2003: 46). Chibber suggests that plans for installing an effective planning apparatus were "derailed by a massive and coordinated offensive by the business class;" had the Indian state used the postwar labor movement as a "battering ram against the unified business class," such an offensive would never have been possible (Chibber, 2003: 127, 43). While Chibber's hypothesis about how outcomes in India might have changed had labor not been demobilized is undoubtedly speculative, he offers the case of postwar France as an example in which this proposed path of action was followed successfully. Notably, in the French case, once it was used to do the 'heavy lifting' in the process of installing a disciplinary state apparatus against the interests of capital, labor was once again forced into a position of political marginalization. Therefore, on the one hand, there is the Indian case in which the short-run interests of capital led to the demobilization of labor by the state, at the expense of the future collective gains that might have accrued had a disciplinary state been established. On the other hand, there is the French case in which the short-run interests were successfully undermined and disciplinary institutions were established through the selective and instrumental use of labor by the state.

The comparison between the French and Indian cases is telling. Clearly there are historical junctures at which it is possible for states to subvert the short-run interests of the capitalist class. As shown by the French case, however, the undermining of the immediate interests of capital is not synonymous with the empowerment of labor or the genuine representation of labor's interests. This result seems to accord with Fred Block's argument that by virtue of an emerging division of labor between state managers and capitalists, the political representatives of capital may pursue class interests under a different time horizon than that assumed by the capitalists themselves (Block, 1977). In other words, despite the fact that in the short-run there appeared to be a conflict between the French state and the country's economic elites, in the long-run the actions taken by the state managers proved to be beneficial to an eventually re-empowered capitalist class (Chibber, 2003: 240). That is not to say that state managers always get it right just because they *can* adopt a longer time horizon; one of the primary points of Chibber's analysis of the Indian case is that the Indian state became "locked in place" precisely because of the shortsightedness of state managers.

Commenting on the work of structural Marxist Nicos Poulantzas, an early proponent of the concept of state autonomy, Bob Jessop writes, "Poulantzas...oscillates between two extreme positions. Either he endows the state with complete independence from the economic base or he denies it any independence at all" (Jessop, 1990: 30). This type of oscillation is not simply the result of inconsistent theorizing. The movement between these positions reflects the difficulty in dealing with the fact that a) states have the capacity to make decisions which go against the interests of the capitalist class, and b) that there is, nonetheless, a fundamental asymmetry in power between capital and labor

which tends to work against the institutionalization of labor power within the framework of the state. It is exceptionally difficult to try and develop a theory of the state which acknowledges both of these conditions without relying on contingent explanations of the former can hold in spite of the latter. For example, while Chibber, is able to use the case of France (along with the case of Taiwan and Japan) to “lend credence to the conclusion that capitalist preferences...do not unilaterally dictate outcomes in state-building projects” (Chibber, 2003: 233), in turn suggesting that there might have been alternative paths which the Indian state might have taken, he does not offer a general theory of state action. At the risk of oversimplifying his argument, it might be said that Chibber finds that states *can* act against the interests of the capitalist class, and that states *can* make poor choices. Posing arguments about what specific states can do is entirely different from making claims about what it is that states, in general, actually do (I’m not trying to say one way or the other whether I think a general theory of the state is either feasible or desirable).

In a succinct outline of the types issues raised above, Gold et al. write that, “*The extent to which actual state policies can be explained through structural or instrumental processes is historically contingent,*” and that, “The state is always *relatively autonomous*” (Gold et al., 1975b: 46). Interestingly, Gold et al. raise these points as part of a set of “propositions” intended to “define the contours within which...a general theory of the state might be developed” (Gold et al., 1975b: 46). If notion of state autonomy is robust and meaningful, it seems worthwhile to ask how we incorporate an otherwise contingent concept into a general theory of the state. As evidenced by Chibber’s analysis of the Indian case, state autonomy is clearly useful explanatory device, but it is not immediately clear how conclusions of the type drawn by Chibber can recast in terms of general theory.

7. Peter Brinson

Ah, how refreshing to see the role of agency extended to actors outside of the state bureaucracy and capitalist elite! Chibber’s account of India’s failure to become a completely successful developmental state extends Evans’ (1995) account in productive and analytically interesting ways. In essence, Chibber enhances Evans’ notion of “embeddedness” or “state-society relations” by extending the concept to actors outside of the state bureaucracy and the capitalist elite—namely, to organized labor. It is Chibber’s contention that the Indian capitalist elite likely would not have been as successful at resisting the “disciplinary” or “compulsory” elements of state involvement in the economy had organized labor been more powerful. As he shows in Chapter 5, members of Congress weakened their own ability to resist the demands of Indian capitalists by demobilizing and marginalizing organized labor—the only other constituency that would have been a natural ally against capitalists’ demands.

Chibber’s analysis shares much with Evans’. Both ascribe crucial analytical importance to the actions of capitalist elites, and the determining power of “structure”

looms large in both arguments. Chibber's main structuralist argument is that development models affect the preferences of capitalists regarding state intervention. However, far from advancing a purely structuralist argument, Chibber uses his study to show that "the outcome of the state-building project depends on the extent to which capitalists are then able to translate these preferences into state policy decisions" (226-227). One cannot accept this conclusion without acknowledging the importance of the dynamics of political contention among the numerous actors involved in the policy formation process. Hence, a richer understanding of "state-society relations" is required, one that sees the relationship among state actors, the capitalist elite, and other political groups that have a bearing on the outcome of policy debates.

Chibber begins to spell out the implications of this for state theory when he says, "In the language of state theory, the demobilization of labor had the effect of reducing the autonomy of the state, which then made installing the apparatus for disciplinary planning that much more difficult" (111). The state's relative autonomy vis-à-vis capital decreases because state actors become less able to make policy that would be opposed by the capitalist elite. Similarly, the notion of embeddedness is illustrated in Chibber's study when he describes the history of the Indian National Congress and the Development Councils. Capitalist actors are central figures in the latter organizations, whereas non-elite actors had important political influence over the former, especially as a mass organization. (see especially pp. 112-116,155)

Thus, bringing Chibber's analysis to bear on Evans' notion of "embedded autonomy" complicates the concept significantly. Unfortunately, Chibber doesn't draw out the potential implications. Is organized labor really crucial for a state's autonomy, given Chibber's insistence that states have successfully used an alliance with organized labor to implement policies opposed by the capitalist class (239)? If a state were more "embedded" with the working class than Korea and India were, would there be any effects on the outcome of state development policy? The cases of India and Kerala seem to suggest that the answer is yes. If "embedded autonomy" is crucial for the developmental state, as Evans suggests, could it be crucial in creating other types of states as well?

8. Joseph Harris

Chibber uses the developmental experience of Korea as a backdrop from which to compare the relative developmental failure of India. Given that Chibber identifies the major reasons for the developmental success in Korea to have hinged on (1) Japanese use of Korea as an export platform and (2) the unusual degree of openness granted by the U.S. to Korean firms, two factors uniquely peculiar to the Korean case, does this at all weaken Chibber's claim that the demobilization of labor was a major reason for developmental failure in India? Are the two experiences simply apples and oranges that are therefore not comparable?

Chibber's argument presumes that a labor in India that was not demobilized may have been an effective factor in checking the power of the capitalist business class. Implicit in Chibber's claim here is the idea that the state could have effectively captured this leverage created by labor and forced the business class to more easily do its bidding. However, Chibber does not recognize that this leverage would be owned by labor and not the state. By what means does Chibber expect the state to employ to capture this leverage that it does not own? Does he exhibit faulty logic in his argument here?

The role of caste in the formation of the business class in India is largely glossed over in Chibber's examination of the capitalist class in India. Is this because he takes it for granted that only Indians from high castes are members of the capitalist class, or has he overlooked an important element here? Is it caste in particular in India that allows for the formation of the kind of coherent business class that Chibber contends exists and has so scuttled the developmental project of the state? If not, what factors contribute to its remarkable coherence? Finally, is Chibber right to "bring class back in"? Is the business class in India as coherent and effective in voicing its interests and avoiding an ELI strategy as Chibber argues that it is? Or would Chibber be more correct to place the blame for developmental failure in India more squarely on foreign MNCs desire to exploit the protected domestic market, which later blunted its attempts to move in an ELI direction (from 201-4).

9. Lena Etuk

Given Chibber's research focus and his case studies, a comparison with Evans' book seems almost mandatory. My main question is how are the two books really all that different? Chibber provides a bit more contextual detail with respect to how India and Korea got where they got by, for example, illuminating the roles Japan and US government aid had in the "choice" of India and Korea to adopt an ISI or ELI strategy. He also focuses more attention on the broad development strategies within the nation-state as opposed to Evans' focus on development in a particular sector. All in all, however, the two both wind up explaining how the autonomous power of the state and the embeddedness of the state with capitalists matters to the "successful" development of the nation. They even seem to reach the same conclusions: a state needs an equal mix of autonomy and embeddedness to achieve the goal of capital accumulation and that the state strategy is dependent on the extent of the embeddedness and autonomy. So how do these two books differ and why should we read both, instead of one? For one, it seems Chibber's additional "texture" and context to the stories of India and Korea illuminates why Evans' midwifery and husbandry options are not available to all countries when they seek to develop. This lack of available options is not something to be scoffed at and blamed on the "incompetent" state, it is the result of the interaction between the nation and the global context. Also, one of Chibber's main conclusions is that the development strategy of the state sets the agenda for future action. According to the author, the strategy affects the actions/motivations of capitalists, which affect the policies capitalists allow the state to pass with regard to their actions, an alternative development strategy, or even the organization of the state. Evans argues that the development strategy is

malleable and changes with the influence of particular social actors. The influence of the particular actors is, for Evans, however, dependent on the rationality of the state bureaucracy. For Chibber, the nature of the influence of the actors is dependent on both the autonomy of the state AND the presence of an ISI or ELI development strategies. Both authors reveal slightly different terrains upon which state action exists, and Chibber's seems to be a bit more set in stone than Evans'. This would explain why Chibber seeks to answer the question of why the failed strategy in India persisted, and why Evans points out different types of development in other countries and regions as proof that alternatives exist without needing to provide their circumstances with much external context. Broadly, the two books show that embeddedness and autonomy matter, but they contradict each other with respect to how malleable and why a particular constellation of embeddedness and autonomy is or exists.

10. Jae-Youl Lee

In this book, Chibber analyzes how the Indian state has been evolved in relation with the (domestic as well as transnational) capitalist class since the years around its Independence. An important method of his research is to compare the developmental strategy and its institutional outcomes in India with those in South Korea (henceforth referred to as Korea). His analysis shows that Indian state, in a sharp contrast to its Korean counterpart, had become *locked in place* until mid-1980s due to the structural state reproduction with its inability to reform. This process results from the conditions (e.g., the failure to install a 'nodal agency', ISI industrial policy, and demobilization of the working class) in critical period (i.e. state building).

Given that the overall discourse in developmental state (especially, in case of East Asian countries) is formed around its strong interventionist roles, his attempt to bring it "into the broader theoretical ambit of the capitalist state" (p.10) could be rated as an innovative and inclusive approach. It is not my understanding that the developmental state is necessarily more statist and/or less marketist than other state categories, but that it could be located somewhere in between them. If the legitimacy of developmental state lies in growth as Evans says in the last week's reading, its pursuit of capital accumulation would be its intrinsic mechanism. Therefore, it is a rightful methodological consequence that its institutions and policy formation should be understood through its interplay with capitalist class. In this sense, it is very interesting argument that Korean export-led industrial policy was initiated by local capitalists' enthusiasm coupled with their transnational network with Japanese capitalists, and that ironically enough it gave a larger room for the state equipped with nationalized bank system in the later phase.

However, I am not so sure that the rationality of the economic bureaucrats is reliable analytical framework. The author shows, for example, the mechanism how and why the rationality of economic bureaucrats responsible for licensing, in a given state structure, leads to ignore plan priorities set up by PC and not to discipline firms (pp.183-188). This structure finally remained unchanged despite the reform after 1957 crisis including the

liberalization package. I agree with the idea that individual behavior is determined by the structure, but it is unlikely that rationality of the structure can be transmitted to individual actors without any distortion which communicates with the structure often resulting in a certain degree of transformation. In my assumption, therefore, reproduction of the structure is a dynamic one, not a static. Because the author provides ample evidence to substantiate his argument, it is uneasy to dispute. But, individual behavior of an optimizer can hardly be reducible to the dualistic understanding of rational/irrational, even though it generates a great explanatory power. It is my sincere impression that it is almost similar to the individual (maximizer) in neoclassical model.

Also, the author's conceptualization of capitalist class is partly unsatisfactory in that he equates the class with the owners of large firms (e.g., four corporation groups in India and Korean *Chaebols*). It is undeniable that they are the dominant economic class because of their enormous influence in each national economy. But, there exist smaller capitalist classes than them. There are also different kinds of capitalists (e.g., those based on real estate and media) other than corporate capitalists. I wonder, as a novice, whether such less conspicuous capitalist classes are not considered as the capitalist class in the state analysis. If state theory only concerns such large capitalists, its researchable option of states might be very limited, given that they are scarce in many third world states.

Other questions I want to raise are issues related to the relevance of the author's comparison between the two countries from my personal knowledge. He compares what was favorable to Korean economy with what was not in India. First, he emphasizes the coordinating and disciplinary roles of EPB in Korea by saying the inability of EP in India to exercise the same influence in the face of resistance from ministries and the capitalist class. But, the contribution of EPB to Korean economic growth is uncertain considering that Korea kept annual growth rate over 5 percent after its abolition in early 1990s. Of course, it is noticeable that, for fairness, many argue economic liberalization, including the annulment of EPB, inducing intervention deficit was the cause of the 1997-8 crisis. Second, the author does not provide substantial evidence about his assertion that Japanese MNCs in Korea were less exploitive than those in India almost from the US and the UK, just because the former more focused on export. There is an empirical research about a Korean Export Processing Zone almost exclusively for Japanese MNCs to refute conventional assumption that they raised local income level and transferred technology. Finally, Chibber doesn't provide corresponding evidence in Korea concerning labor demobilization. He argues that labor demobilization in India by the INC reduced the state's bargaining ability with the capitalists. His silence in the Korean counterpart in that matter provides the possibility of the following interpretation. Was the Korean state able to discipline the capitalist easily because it did not suppress the labor? In reality, however, Korean labor activists were accused of communists and, in extreme cases, some were falsely charged with spies from North Korea by intelligence manipulation of the Intelligence Agency.

11. Shawn Cassiman

If, as Chibber so cogently argues, Evans' conceptualization of embedded autonomy is not the explanation for the success of the developmental state, but is more accurately located at the nexus of timing, luck and location, what are the implications for the architects of development? At first glance, it may seem that the potential for engineering the successful developmental state is rather minimal. However, upon further examination, there are in fact some tools that may be useful as building blocks of the successful developmental state. For instance, Chibber agrees with Evans that bureaucratic quality is essential for the success of the developmental state as is a partnership with capital. However, they disagree as to the causal direction. Evans argues that the quality of state bureaucracy leads to successful development, while Chibber describes the quality of the state bureaucracy arising out of the need to support the development of an export driven strategy, at least in the Korean case. More importantly, according to Chibber, is the role that foreign capital (Japanese) partnerships played in moving Korea from an ISI driven economy to an ELI strategy. In fact, Chibber argues that it was this alliance, between Japanese capital and Korean capital that allowed the state to exert its influence upon capital, and not the nationalization of banks. Capital and the state did not reach embeddedness (in our discussion, trust and the flow of information) until there was evidence that there was in fact a reason to trust, in the form of the Japanese partnerships.

India on the other hand, had the ostensible cooperation of capital evidenced by the Bombay Plan. Chibber argues that this was in fact a ruse of capital, initiated by their fear of the support for a socialist state following the Quit India movement. In fact, while the capitalist class supported state planning insofar as it didn't interfere with capital goals, it was state planning without any teeth as they were adamantly opposed to state discipline, which Chibber argues is a necessary condition for a successful ELI strategy and a feature of embeddedness ignored by scholars (Evans?), but not a condition of ISI. Chibber then discusses the rationality of the state apparatus, given its character and the structural constraints. If, England and the U.S. MNC had approached their relationship with India as did Japan with Korea, would the outcome had been different? In fact, was it in their own best interests to do so? Was Japan's type of intervention simply a matter of luck and timing, or rather of a prescient capital elite?

Following on our discussions last week, I am left questioning the definition of "success", for whom and at what cost? In fact, is it desirable to emulate the successful developmental state?

Finally, does Chibber's thesis translate to Ireland's case?

12. Oriol Miroso

This book is a step forward from Peter Evans' *Embedded Autonomy* in two ways. First, it goes beyond institutional explanations and introduces a structural dimension that plays a

key role in understanding the differences in the particular paths taken by India and Korea after World War II. Second, precisely by paying attention to structural features, Chibber is able to inquire about their origins of institutions instead of taking them as given as had been the case in Evans' book. It is in the insights provided by the study of the interaction between the structural and the institutional level, which help explain the relationship between the state and the business class, that the main strengths of Chibber's book lie. Precisely the conclusions that the author draws from this point seems to me the most interesting issue to think about in terms of state theory.

Contrary to previous accounts that saw the state as a powerful actor that was able to discipline business in Korea, Chibber argues that the outcome took much more the form of a compromise, facilitated by the particular developmental project followed in that country. Similarly, the business class in India, although in favor of the basic principle of state intervention, resisted its disciplining dimension, therefore making it harder for the state to effectively pursue the ISI path to development. These assertions seem to change our perception of the balance of power between state and business, as they show that even in the post-World War II context business was much more powerful and able to confront the state than previously acknowledged. This is compounded with Chibber's account of the demobilization of labor by the state in the late 1940s in India, giving us a picture that suggests a high degree of power imbalance between the three main actors discussed in the book. What are the implications of such imbalance for state theory? Is labor hopeless if it turns out to have a much lesser degree of leverage on the state than the business class? What kind of mechanisms can labor put in place to overcome these basic power imbalances? The case of Kerala, raised by both Evans and Chibber, seems to show a way out for labor based on intense mobilization, but how dependent on particular conditions is it? And what are the implications for capital accumulation and industrial development of following such a path?

These concerns become even more urgent if we put them in the context of the developments of the last few decades. With capital becoming increasingly big, mobile and transnational, what are the options for national states in bargaining with business and deciding on development strategies? What alternatives does labor have in this context? Does all this change in any way the relevance of the type of state capacities that Evans and Chibber identify as key for development in the post-War period?

13. Dan Warshawsky

I find Vivek Chibber's *Locked in Place* well written and logically organized. In contrast to Peter Evans's *Embedded Autonomy*, I find Chibber's description of "developmental states" to be more inclusive of class and developmental state's political-economic position in relation to other countries. Chibber highlights Korea's connection to its own capitalist class and its connection to Japan as two important, yet underappreciated variables (at least as Evans is concerned), in the development of Korea (and lack there of in India).

My first question is more a definitional one. Chibber speaks of “state capacity” to implement policy. Is this another way of viewing the state as an autonomous actor? I am not sure he fully contextualized the state. Chibber describes the state-society relations as key for formulation and implementation of state policy. The interests and power of capital are surely as important as the state’s ability to discipline capital (as Chibber describes it). I guess this issue revolves around “state capacity” as something that can be fully operationalized. Does “state capacity” need to be unpacked to include more contextual factors (such as the particularities of specific interests and power of capital)?

Second, what are the true options available here for states: override resistance from local capitalists, blunt capitalist by a strong counterweight, or wait for some extraordinary circumstance, such as war, to increase state autonomy (page 227)? Are these really good choices? What is the potential for true state autonomy, and how “locked in” are states to their given place in the political economic opportunity structure? It seems that there are “spaces for agency” but they are generally quite limited. I am more sympathetic to Chibber’s argument that Evans’s, as Evans’s comments through speakerphone last week supported a view that gives the state more autonomy that it should be given. Evans ended his comments last week by essentially blaming the victim: the reason certain developmental states fail is due to internal functioning of the state, not issues of political-economic power. Yet, I am not completely convinced of Chibber’s choices for state autonomy either? States are hardly autonomous and more passive recipients of political economic position in the global hierarchy: however, this seems quite determinist?

Lastly, is Chibber’s work another proscriptive work? In some ways, this book is similar to Evans’s book, in that both authors are describing what conditions are necessary for developmental change. What is better about this book than Evans’s is his emphasis on class and power, but Chibber still seems to create a possible framework for conservative elites to use as proof for why capitalists must be tied in closely with the state.

14. Kevin Walsh

A question that remains for me concerns the relationship between the incentive structures identified by Chibber and the time horizons of the various sets of actors in his story. Since all incentive structures contain either implicit or explicit time horizons, and since these time horizons differ for various interests, particularly according to class, I found the lack of such discussion conspicuously absent in this otherwise extremely carefully supported and compelling argument.

Identifying the time horizons of various actors under various sets of constraints is important because of the variation in the constellation of interests that result. This is particularly true when the object of study is a relatively long-term project such as

industrial transformation. While any actor or set of actors may respond to multiple time horizons simultaneously, they are likely to privilege one over others. Economic planners within a rational bureaucracy (assuming one exists) are likely to respond to long-term career incentives, and thus have the long-term economic health of industry in mind, while a policy maker with power over that bureaucracy might be looking towards the end of an election period and therefore seek to appease certain constituencies, such as, in the case of post-independence India, labour. Labour movements, meanwhile, though concerned with short-term improvements in working conditions, are more likely to hold a long-term vision of social change, a tendency that seems true for the crucial 1947-1951 period in India. Chibber's most surprising argument, that resistance to economic planning by the Indian capitalist class was in their rational interest, rests on the condition that the time horizon of the capitalist class was quite short. Despite the Bombay Plan's reference to a 15-year doubling of economic output, Chibber identifies the depth of their foresight to periods within a business cycle, such as their interest in export development extending no further than as a means of offloading stocks that were surplus for the domestic market.

The contrasting set of conditions between Korea and India can therefore also be seen as differences in the "capacity" for various actors to pursue short- and long-term goals simultaneously. Of course, the inherent paucity of data supporting the long-term intentions of actors complicates any attempt to provide a time dimension to measuring the balance of interests at a given moment in a state's development.
