
Transnationalisation & Marginalisation:

The need to rediscover the concept
"structural heterogeneity" for our
debates and analysis

"Structural Heterogeneity" implies a double Critique:

- **Against dualism crisis - conjuncture**
- **Against a nation-oriented Centre - Periphery- Model**
 - **("methodological Nationalism")**

1. The Economic Crisis 2008ff.: Turn of a „Success-Story“?

- "Eastern Europe needed 20 years to overcome the old and inefficient -structures of the former planed economy. The big state holding companies have been privatised and with the valorisation of new markets the inclusion in the global economy was successful."

■ Jan Puhl: Der Kater nach der Party (2009, Spiegel online).

■ **Drop in Real Wages**

- ❑ Poland: 1989: -37%, 1990: -27%

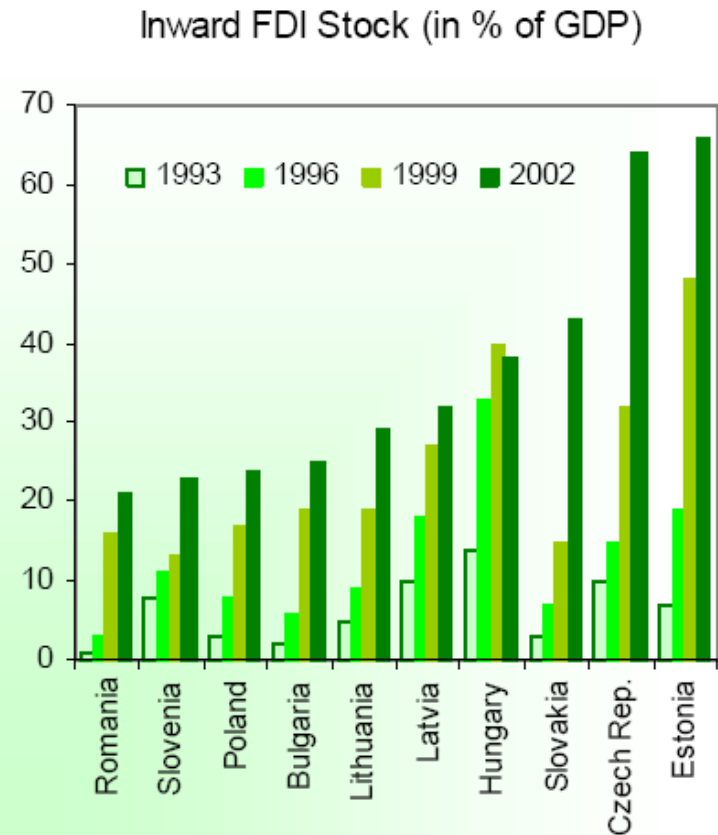
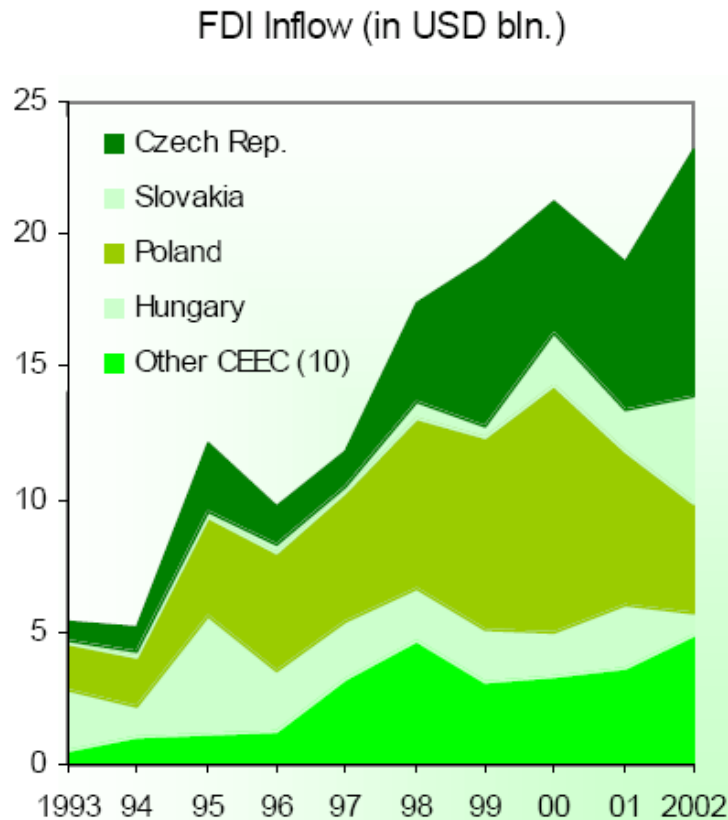
■ **Hyperinflation**

- ❑ Poland: 1990: 585%; 1991: 680%
- ❑ Bulgaria 1991: 334%
- ❑ Romania 1992: 210%

■ **De-Industrialisation**

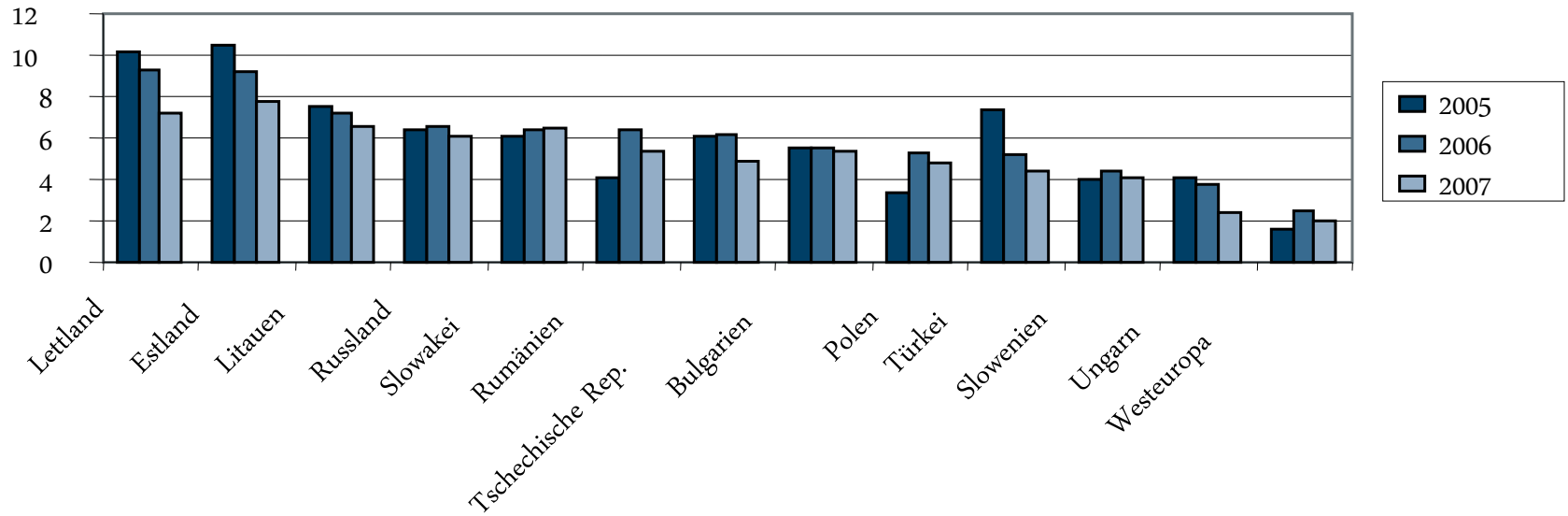
- ❑ Early 90s: CEE as Selling Market
- ❑ Poland: 1991: 1/2 of the market run by foreign products
- ❑ 2001: „In the case of audio and video equipment, only imported products are available in Poland“ (Paiz 2001)

Rising Foreign Investment



Source: NEWTON Holding calculations based on UNCTAD (2003a) and IMF (2003).

1. The Economic Crisis 2008ff.: Turn of a „Success-Story“?



- **CEE: Inclusion in Global Economy and Transnationalisation of Production and Competition**

1. "Cathedrals in the desert"

- 1989: Hope to modernise the *country* via FDI
- but instead
 - no "clusterbuilding" into region/country („cathedrals in the desert"-phenomenon)
 - very low regional / national suppliers (Electronis 3-5%)
 - very low taxes (national & regional competition)

2. Results of the Inclusion in Global Economy and Transnationalisation of Production and Competition

1. "Cathedrals in the desert"

- modern, highly productive production sites
- but no Development of regional / national Economies

2. Results of the Inclusion in Global Economy and Transnationalisation of Production and Competition

2. Combination: high-tech & (very) low-wage

- (Very) Modern technology
- high productivity
 - often > "old" production sites in the West
- highest flexibility
 - multi-level-"Customer-Orientation"
 - short-termed "market-response"
- Modern logistics (Just-In-Time)
- (Very) Low wages
 - often < regional average!
- extreme flexibility of employment
 - Agency work (30-50%)
 - huge number of working-time models (highly individualized)
- high portions of "variable" wage-components (Boni)
 - 5-20%
 - Disziplin, Result, Illness-Rate...
- "zero-fault" Politics, individual control

- 1. Cathedrals in the Desert

+

- 2. High Tech + (very) Low Wage

= **"Structural Heterogeneity"**
(Development-Theory)

- Dependence-Theory (A. Gunder Frank)
- Imperialism-Theory (Samir Amin)
- Radical Feminism (Maria Mies)

"Structural Heterogeneity"

- **Indication of "Underdevelopment"?**
 - Reference: The Global North
 - Convergence of Production & Consumption
 - General Industrialisation / General Infrastructure / Welfare State
- **Radical Shift from Radical Feminism**
 - **Transnational competition relies on Social Marginalisation!**

"Structural Heterogeneity"

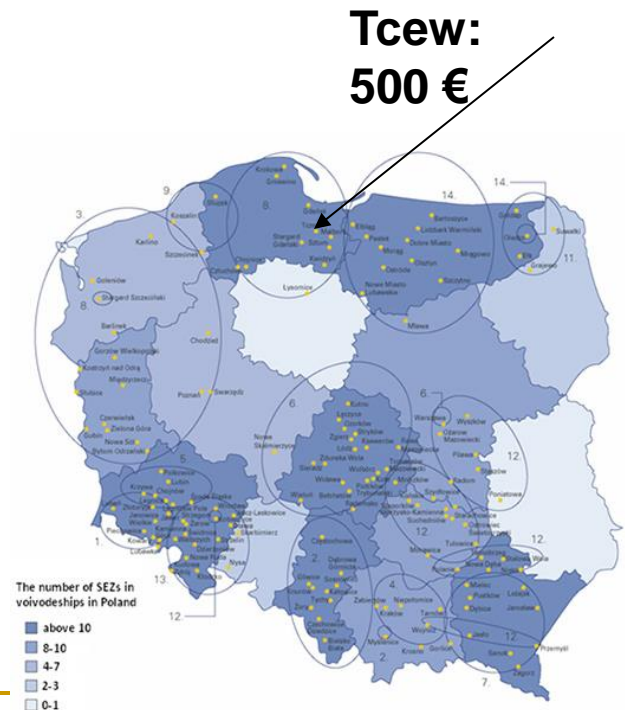
- **Indication of "modern Development"!**
 - = Economic "Development" without Social Development
 - hyper-low-wages, possible by "subsistence"-structures
 - no / limited Welfare State (Workfare);
 - Normality of Social Exclusion

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- “Structural heterogeneity” as ruling modus of contemporary accumulation-regimes
 - in the Global South (Tunisia)
 - in the Global North / Europe
 - widespread wages you can’t make ends meet
 - modern production-sites as enclaves // fragmentation of economy and society
 - “abandoned regions”, “dual cities”, “internal periphery”...

- **"Peripheries" as Avantgarde?**

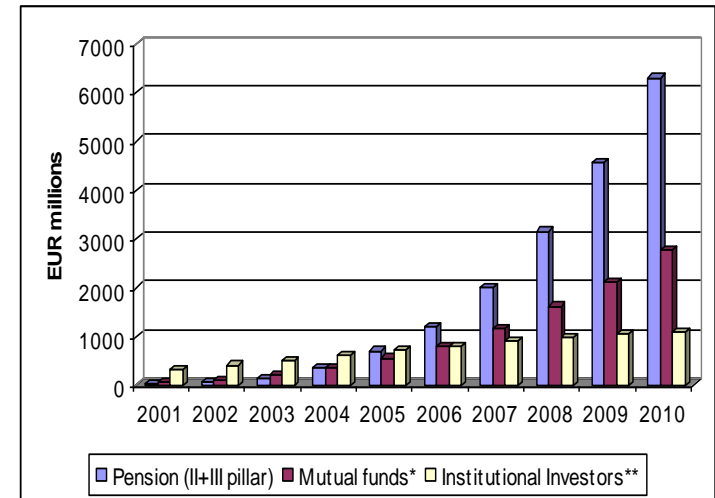
Supranational Policies + Transnational Corporations

- **Competitive architecture:** comparing national and regional differences

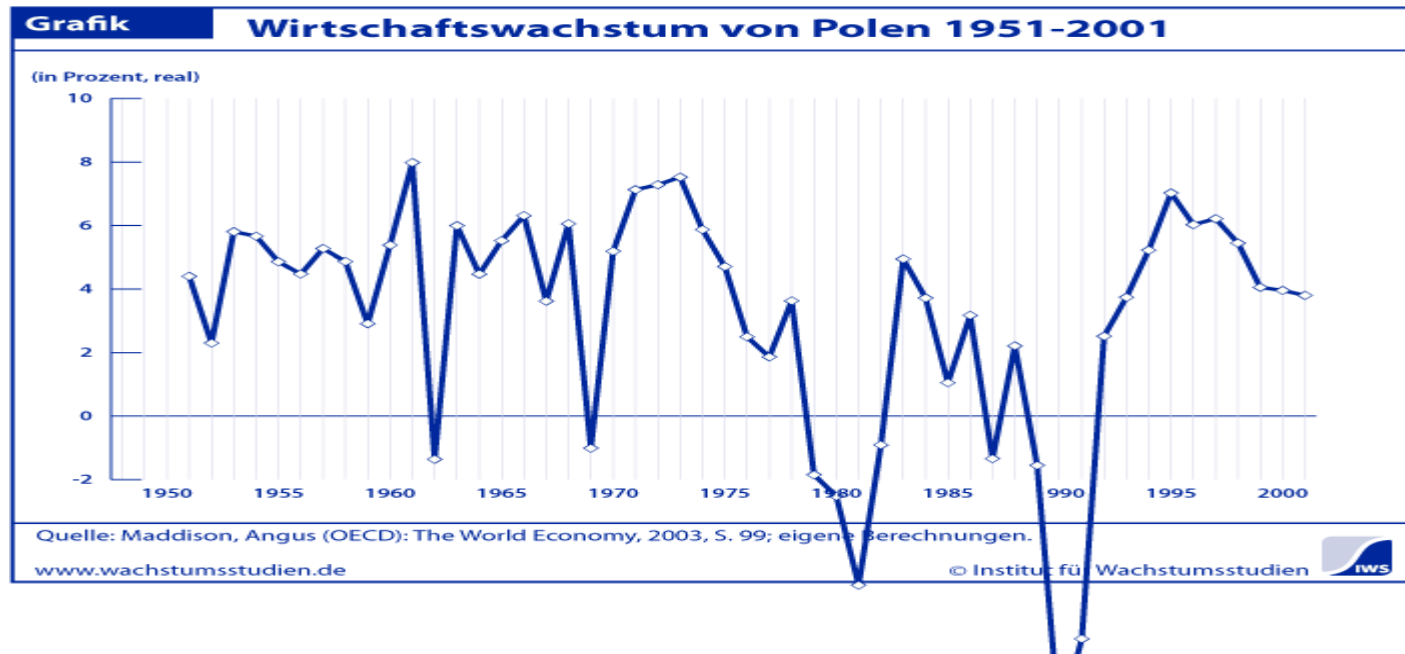


Danske Capital: Markets are Developing

- ❑ Estlands II und III „Säulen“ (II und III pillar)- Rentensysteme sind seit Juli 2002 betriebsfähig (über 30% der Bevölkerung haben sich diesen Systemen angeschlossen)
- ❑ 2005 wurden 2,5% des BIP eingenommen
- ❑ Lettlands II und III „Säulen“ (II und III pillar)- Rentensysteme sind seit Anfang 2003 betriebsfähig (fast 30% der Bevölkerung haben sich diesen Systemen angeschlossen)
- ❑ Litauens III „Säulen“ (III pillar)- Rentensystem fing im Januar 2004 an, Gelder einzunehmen (20% der Bevölkerung haben sich diesem System angeschlossen)



Wirtschaftskrise 2008: Ende einer Erfolgsstory? „Schocktherapie“



Entwicklung der Reallöhne in Polen

