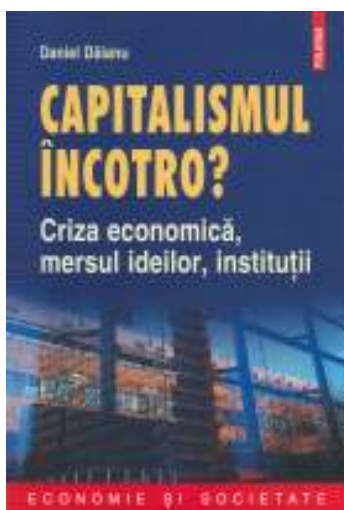


III. RECENZII / REVIEWS**O ANALIZĂ MULTI-, INTER- ȘI METADISCIPLINARĂ A DINAMICII CAPITALISMULUI ÎN CONTEXTUL GLOBALIZĂRII****A MULTI-, INTER- AND METADISCIPLINARY ANALYSIS OF THE DYNAMICS OF CAPITALISM IN THE CONTEXT OF GLOBALIZATION****Marțian IOVAN****Western University „Vasile Goldiș” of Arad, Romania****E-mail: miovan@uvvg.ro**

Generally speaking, the progress and the increased depth of scientific knowledge within a field of study depend on the specialization of research (to know as much as possible about a limited object of study), correlated with multi- / interdisciplinary approaches and with their integration into a transdisciplinary analysis / synthesis that is specific to the philosophy of the field. The book of the erudite professor Daniel Dăianu, entitled *Capitalismul încotro? Criza economică, mersul ideilor, instituții* (*Capitalism, Where To? The Economic Recession, The March of Ideas, Institutions*), Polirom Publishing, Iași, 2009 (Foreword by Radu Vrâncanu), pertains to this type of methodological trajectory – due to which the work marks an event in the development of Romanian economic science, ethics and philosophy, not only by its theoretical content, the form of discourse in the economic science, contextualization and conclusions, but also by the inciting interrogations / presuppositions for the expert reader.

The volume signed by Daniel Dăianu contains studies, articles and interviews published over the last few years – starting in April 2005, within the country and abroad, in publications such as *Dilema Veche* (*The Ancient Dilemma*), *Revista 22* (*22 Magazine*), *Ziarul Financiar* (*The Financial Journal*), *The European Journal of Comparative Economics*, *Europe's World*, *European Voice*, *Le Monde*, *Southeast European Times*, *EurActiv* etc. Part of the basic ideas comprised in the volume were presented by the author during some lectures delivered at the Faculty of Economics of the Humboldt University in Berlin, the „Babeș-Bolyai” University in Cluj – Napoca and the „Alexandru Ioan Cuza” University in Iași. Although the thematic scope of the work is broad, there is unity and coherence in the analysis carried out by the author, resulting from the axial idea which can be considered to be the dynamics of the system of open capitalist economy. In this contexts, the author approaches and analyses topics regarding the causes and the expansion of the financial crisis, the extent of the worldwide economic recession, the relationship between globalization and the dynamics of capitalist society, the role of moral values in economy, the evolution of left-wing politics in capitalism, some aspects of the post-communist evolution in Romania, the institutional diversity and that of public economic policies, the confrontation of models of capitalism in 21st etc.

In the subsidiary of the scientific demarche, of the formulated issues, hypotheses and conclusions, the author declares himself to be attached to a model of liberalism owing a great deal to Karl Popper and to the concept of „open society”, asserting that “to me, individual freedoms and the concepts of *social solidarity*, *social equity* (Rawls, 1971), *public goods and moral values* (confidence, honesty, the sense of responsibility etc.) coexist. The German syntagma for „social

market economy” (Soziale Marktwirtschaft) illustrates pretty accurately my way of thinking in this respect” (p.15). The author’s economic and political creed completes its meanings by admitting the fact that the dynamic of the contemporary capitalistic economy generates an increase in the degree of uncertainty, from the perspective of the researcher or of the decision makers in public policies, that the understanding of economic fluctuations is summarized in the concept of *multiple equilibriums*– a vital instrument in contemporary economic theory, that the economy is a living organism within which rulers must solve the problem of eliminating excessive fluctuations in the context of guaranteeing the economic freedom of individuals and entrepreneurs, that market economy cannot function coherently unless people have confidence in each other or that there is a positive relationship between economic growth and the quality of institutions and market economy regulations.



The epistemological concept of *open market economy* is employed by author in the light of his own experience, while being aware of the limitations of economic sciences, the imperfections of human conditions, the existing vices, even within a democratic society – all of them coexisting with the potential and motivation for the better, for overcoming anomic states existing in economy and society. The financial crisis, which started off by striking the core of international financial industry, originates in the decisive rejection of the paradigm glorifying the total deregulation in the economies – be they rich or poor. „At the root of the current crisis – the author maintains – lies an under-regulated financial system” (p.16). Beside causes of a cyclic nature (related to the undulating evolution of an economy and to policy errors de at a macroeconomic level), the current economic recession has, first and foremost, structural causes (the opacification of financial markets on the background of business globalization, the multitude of conflicts of interests, the use of inappropriate quantitative methods, the deficit of coordination among regulating authorities etc.). Consequently, the way out of the crisis consists, essentially, of attacking its structural causes; the relaxation of monetary policies, the application of fiscal stimuli, the injections of cash are not enough for treating the crisis –the author argues.

Today’s financial crisis brings up again, thinks the author, the liberalisation made without the care for having effective market regulations. Yet, the market economy is a regulated one, guided by norms attempting to promote transparency, fair-play, to avoid conflicts of interests and the abuse of a dominant position on the market. Nowadays, when globalization is determined by both technological factors and institutional public economic policies, Keynes’s explicative model is again being applied, with increased confidence in the states’ regulating force in order for the economy to function better. Economic policies that are based on the doctrine of market fundamentalists, which sustained the total independence of central banks, budgetary equilibrium, fiscal neutrality, the marginalization of management on a macroeconomic scale, the expansion of privatisation to the detriment of the public sector, the under-regulation of the market, were thought to be beneficial models, applicable to any economy. And yet, the effects of implementing these economic polices were contrary to the expectations and can be found in the evolution of the current economic/financial recession. Consequently, the assurance of the economy’s financial stability is a public responsibility and a public good which must be ensured in an institutionalized way (p.108). „Today’s crisis – the author claims, requires a re-evaluation of the entire structure of regulations, so that we might control the systemic risks resulting from less benign financial innovations. This demarche must be carried out with an open and pragmatic mind; it is necessary for some to free themselves from the entrapment of market fundamentalism” (p.150) and it is the financial (nominal) economy that must serve the assurance of the good march of the real and not the other way around.

As for the analysis of the relationship between the globalizing process and the evolution of capitalism, the author thinks that, among the background factors that have led to the increase in the worldwide economic instability over the last years, „we must mention the financial globalization – to be more specific, the gradual elimination of barriers in the way of the worldwide circulation of capital, and the integration of capital markets at an international level” (p.10). The effects of financial globalization can be positive, but also negative; among the latter were the ones that led to the increase in the degree of uncertainty caused by selling future payment promises on the capital market. Yet, the recent economic/financial crises can be explained in light of the mechanism of „self-fulfilling prophecies.” Within this global framework, international financial institutions are the ones providing public goods that are necessary to the world community. But their functioning seems ambivalent, which is why, starting in the last part of the 90s, they were the object of growing controversies: on the one hand, they seem to accept the necessity of giving governments more space in formulating their own national economic policies; on the other hand, international financial institutions are going through hard times for the discovery of new procedures to this end and, at the same time, are confronted with a kind of organizational/intellectual inertia in the absorption of new idea – states the author(see pp.34-35). Consequently, the international financial institutions and other international organizations should preoccupy themselves with the issue of *world governance*. Within the world community there is a necessity for new institutions capable of tracking down and solving the real issues that the dynamics of world economy is confronted with. Thus, globalization becomes a concept meant to orientate the reciprocal opening of societies, civilizations and international organizations under the impulse of technological and economic progress. Such an interpretation of the process of globalization, the author thinks, might have major repercussions for the states’ public policies and for the international policies. Thus, „national public policies could be truly pragmatic and varied (without yielding to fundamentalism) and could adapt to the traditional purposes of economic growth, price stability and social justice. The markets would be judiciously regulated and the stated would furnish essential public goods” (p.39).

On the other hand, the pressure of globalization, of the information economy maximizes the competition, forcing governments to rationalize public sectors, followed by frustrations within trade unions or other categories of citizens. Another consequence consists of the emergence of an international agenda of economic policies focused on solving such problems as: a totally free commerce or an equitable commerce? The problem of abject poverty existing on the planet; the protection of the environment, as a public good of humanity; the need for a code of conduct for international corporations; the manner in which the contagion effects in world economy might be controlled; the issue of coordinating economic policies of dominant organizations on the world market etc. Such an agenda for world politics raises the issue of choosing between globalization based on a spontaneous evolution and „directed” globalization, subject to regulations adopted through multilateral collaboration. The debates on the role of the state in the economy of a capitalist country are conducted at a different level – that regarding the types of institutional intervention on the scale of *global capitalism*, of world economy. Evidently, as the author argues, ideologies are not dead; on the contrary, they shape the economic policies into subtler forms even if they follow certain classic patterns.

A principle on which Professor Daniel Dăianu’s attitude, conception and system of political thinking are based is one of an axiological nature: the importance allotted to ethical values in order to ensure the healthy functioning of the economic organism. There is a positive relationship between economic growth, the efficiency and quality of institutions in market economy – on the one hand, and the respect for moral values, principles and norms – on the other hand. „A business ethics that is based on trust, respect for business partners, honesty and transparency, is therefore a necessary requirement for the good march of the market economy. A moral conduct is necessary, but not sufficient. The more individuals will have a moral attitude in economy, the greater will be the motivation for a small number of persons with a natural proclivity for swindle to put their plans

into application. That is why a system detecting these abuses and an effective judicial system must be implemented, with exemplary sentences, able to protect private property and the observance of contracts” – the author maintains (p.11). Consequently, the economic life, the business world, commerce are not amoral; on the contrary, business are guided by recognized moral values. The shortcomings generated by the free market, by ruthless competition, in global economy inclusively, can be prevented by adopting regulations endorsed by moral values: solidarity, community cohesion, observance of the contract, transparency, honesty, loyalty, reputation etc. Therefore, moral values have economic functions, they are fundamental institutions oiling the economic mechanism and causing it to work better, so that capitalism acquires a human face, they make the latter be more satisfactory for the majority of the population.

Contrariwise, in societies where the behaviour and social responsibilities of companies and individuals are immoral, where corruption is widespread, it is evident that institutions are fragile and weak, the control of lawfulness is precarious, the justice is corrupt and the capacity of imposing the observance of laws is scanty (the case of developing countries, of those in transition towards a market economy). As a rule, in periods of profound changes, of structural reformations in economy, the economies of under-developed developing countries offer a broad scope of manifestation of morally equivocal, duplicitous behaviours, because of precarious institutional contexts (p.65). The business ethos and culture depend on the nature of the institutions. On the international market, in worldwide economy, problems of ethics remain valid, awaiting specific solutions through adequate public policies aimed, for instance, at the financial crisis, poverty, fight against disease, the protection of the environment, the distribution of wealth, exclusion and marginalization etc. And yet, the fight should target, in the first place, corruption, networks of interests trying to keep the state captive, incapable of fulfilling its regulating, law-enforcing role.

In the same spirit, with the same method, the author approaches other interesting and topical issues, such as: What should the European Union do in order to improve its decision-making system and the elaboration of public policies? How would the European Union evolve in the context of globalization? Are there hard times ahead for Europe? Which are the main characteristics of the evolution of the Romanian capitalist economy? How can the „clash of civilisations” be prevented? Who should design and impose an appropriate international regime for the 21st century? etc. The premises of the answers to such complex matter can be found in the creed and attitude of a scientist devoted to the public interest, among which we mention: the necessity of a larger state presence in economy (elements of state capitalism) and a broader regulation; elements of „war economy” will be more visible in public policies – even in liberal democracies; it is necessary to partially domesticate market force in the attempt of national governments to face systemic risks and social tensions; in the future, pressing needs will be more important than ideological demarches; public policies will vary nationwide.

As a conclusion, Professor Daniel Dăianu proves, not only in the reviewed work but also in others, that, apart from being an top economist in financial expertise, a man of conception with an exemplary force of systemic and interdisciplinary analysis in the field of economic science, he is also a humanist thinker, a creator of a methodological and conceptual system – comparable to the ones he quotes (economists renowned all over the world), in the area of economic culture. All these allowed him to make anticipations, to offer reference points for finding solutions to the problems that world and national economy are confronted with, on account of understanding the present and the past of world and national economy in a scientifically essentialized manner.

It is not so much the conclusions, demonstrations and theorisations put forward under the vault of truth and the authors belief in the economic functions of moral values that make this book inciting and greatly interesting, but especially the presentation of problematic issues and of elements – in some cases sufficient, which would direct the reader’s thinking towards correct solutions. Due to such motives, the text of the book is useful, in the first place, for all types of decision-makers in the area of public policies – starting at the local level, up to that of international

economic and political organizations. Regardless of whether a decision might pertain to a staff on the micro- or macroeconomic level, the content of Professor Daniel Dăianu's work and, in particular, the original components of optics, method and scientific discourse, represent a useful cognitive filter for avoiding errors and for finding the optimal direction. In a world of globalization, the decisions and behaviour of economic agents, of organizations and institutions must be approached from global perspective, as well.