

EAEPE Annual Conference – hosted seminar on:

FALLACIES OF EFFICIENCY AND SECURE PROPERTY RIGHTS: INSTITUTIONAL CREDIBILITY AND FUNCTION

6-8 November 2014, University of Cyprus, Nicosia

This Call for Papers describes a seminar to be held under the auspices of the annual EAEPE conference. Although most presenters have been confirmed, the seminar has some additional room to accommodate 1-2 high-quality papers and presenters.

Introduction

One of the vexing questions in a neo-liberally inspired view of development is why overtly inefficient institutions and “perverse” property rights arrangements are still adopted and tenaciously persist, despite allegedly inhibiting development and growth. In this regard, one might think of the persistence of in-transparent, authoritarian institutional structures that facilitate rent-seeking and corruption; ill-protected intellectual property rights that offer ample leeway for illegal copying and theft of knowledge and technologies; or insecure, unclear tenure that opens up the way for land grabbing and forced evictions. Various emerging economies spread over geographically diverse regions varying from Latin America, Africa and Asia, appear to be a case in point.

Against the background above, a seminar on institutional functionalism and credibility within the framework of EAEPE will be hosted. The seminar posits that the key to understanding the persistence of so-called “perverse” institutions might lie in a refocusing of our analysis from form to function, detached from any normative, political or theoretical assumptions about institutional appearance. The argument starts from the axiom that the persistence of institutions points to their credibility. In other words, once institutions persist they fulfill a certain function for social actors and economic agents. Moreover, in a functionalist reading, institutional structure is *not* the result of intentional design by which institutions can be “wrongly” or “rightly” engineered. Instead, it springs forward from a spontaneous, endogenous order.

Regardless whether one looks at squatter rights in urban slums in India; mineral exploitation in South Africa; the reform of state-owned enterprises in China; or the patenting of the genes of medicinal herbs from Brazil, institutions and property rights are situated at the heart of the issue. Against this backdrop, the presentations and papers of the EAEPE-hosted seminar will examine institutional credibility and functionalism

- i) by looking at the property rights structure around the means of production, i.e. land, labor, capital, and technology;
- ii) by analyzing it in the context of selected developing and emerging economies, e.g. India, China, Brazil, Turkey and Mexico.

In all of the cases presented, it will be demonstrated that property rights around technology

and the means of production play a crucial role in processes of urbanization, industrialization and globalization. For this reason, the seminar contributions will examine issues of: i) rural tenure and land reform; ii) urban housing and real estate; iii) enterprise reform; iv) Intellectual Property Rights (IPR) and patenting; and v) mining and dam building.

Keywords: economic history; institutions; property rights; development theory; sustainable development; economic instability, legitimacy, credibility

The panels and contributors

The proposed seminar will bring together leading, international scholars as well as young students of development and institutional change. Each of the contributions will examine the applicability of institutional credibility and functionalism through the lens of three critical questions: 1) How does the current property rights structure facilitate development and what might be its function? 2) How do property rights deviate from neo-liberal postulates, i.e. institutions need to be secure, clear and private? 3) What are the institutional changes that have occurred around property rights, and are there any signs for future changes (are there changes in the level or type of distributional conflict)?

As stated above, the paper presentations will be thematically divided into four main panels structured around technology and the modes of production, i.e. land, labor and capital. The thematic sessions will be preceded by a theoretical introduction to the panels. The panel will be closed with a Round Table on form and function of institutions.

The theoretical underpinnings of the panel are described in the following publications:

- P. Ho, "The 'Credibility Thesis' and its Application to Property Rights: (In)secure Land Tenure and Social Welfare in China", *Land Use Policy*, DOI: 10.1016/j.landusepol.2013.09.019, Vol. 39, No. 3, 2014, in press
- P. Ho, "In Defense of Endogenous, Spontaneously Ordered Development: The Institutional Structure of China's Rural Urban Property Rights", *Journal of Peasant Studies*, 2013, Vol. 40, No. 6, 1–32
- P. Ho, *Institutions in Transition: Land Ownership, Property Rights and Social Conflict in China*, (Oxford: Oxford University Press, 2005)

Note: For further information please contact the panel organizer at ecardc@gmail.com.