Competition States on Europe’s Periphery:
Race to the Bottom and to the Top

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Abstract
The thesis deals with the transformations of capitalist states in Europe in the context of increased economic transnationalisation and explores the different strategies that states develop to increase their competitiveness and attract capital, thereby improving the profile of insertion of their economies in the global and regional markets. Starting from the premise that the increased economic integration apparent in market liberalizations, the intensification of trade, the transnationalisation of production and the emergence of transnational financial markets exert pressures on states to reorient their economic and social policies towards the goal of increasing competitiveness and transforming themselves into so-called Competition States, the thesis examines the extent to which this state reorientation has been apparent in Europe and whether it has led to the emergence of unique or varied types of Competition States.

The main argument is that, first, pressures for state restructuring vary among European states, with the Eurozone members being much less exposed to the pressures of the international financial markets and thereby much less likely to transform into Competition States and, second, those states that are exposed to such pressures respond in different ways and devise different strategies for increasing competitiveness. Based on the comparative case-studies of the Czech Republic and Slovakia as representatives of the two different types of Competition States, the thesis argues that the choice of these strategies is primarily shaped by the features of the domestic political system – more precisely, the strength or weakness of socio-economic issue divides as the main axis of competition in the political party system – rather than being determined by the position of states in the global or regional division of labour, or by their initial social and economic institutions.
Jury: Dorothee Bohle (Central European University), Laszlo Bruszt (EUI) (Co-Supervisor), Visnja Vukov (candidate), Martin Kohli (EUI) (Supervisor), Martin Myant (ETUI, formerly University of the West of Scotland) (via videolink)

Bio: Visnja Vukov holds an MSc in Sociology from the University of Oxford and MRes in Social and Political Science from the European University Institute. She has completed her undergraduate studies at the University of Zagreb. Her research interests include the political economy of transnational capitalism, state theory, European economic integration, as well as the economic and political transformations in Eastern Europe. From September 2013 she will hold a post-doctoral research position on the project “Maximising the Integration Capacity of the European Union” at the EUI Department of Social and Political Sciences.