

## REUNIÃO DE CONJUNTURA

26/11/2017

### Conjuntura Global

Preparing for the Trump Trade Wars (Bill Emott – 21/11/2017) .....	1
A Republican tax plan built for plutocrats (Martin Wolf – 21/11/2017) .....	2
The Twilight of Angela Merkel (Philippe Legrain – 21/11/2017) .....	4
Right, Left, and Macron (Zaki Laïdi – 22/11/2017) .....	5
Inequality Comes to Asia (Lee Jong-Wha – 20/11/2017) .....	7
How Women Shape Coups (Raj Persaud e Peter Bruggen – 20/11/2017) .....	8
Inconvenient Truths About Migration (Robert Skidelsky – 22/11/2017) .....	10
The Platform Economy (Anne-Marie Slaughter e Aubrey Hruby – 21/11/2017) .....	11

## Preparing for the Trump Trade Wars (Bill Emott – 21/11/2017)

*Bill Emmott is a former editor-in-chief of The Economist.*

\* \* \*

Is US President Donald Trump what Maoists used to call a paper tiger, or should his noisy threats be taken seriously? That question has loomed particularly large over the North Korean nuclear issue. But after Trump's fairly emollient 12-day tour of Asia, fears of a conflict on the Korean Peninsula have ebbed somewhat.

And yet that same tour raised another threat, which the world has every reason to take seriously. In the second year of his presidency, Trump's administration will likely set its sights on trade, suggesting that the prospect of more trade wars will increase substantially.

In his first year in office, Trump has often huffed and puffed about other countries' unfair trade practices, just as he did during the 2016 election campaign; but he has done little to turn words into deeds. This inaction is understandable. Trump is relying on China – one of America's largest trade partners – to apply pressure on the North Korean regime, while US businesses have lobbied vigorously against any measures that might inhibit trade.

Still, Trump's apparent restraint cannot be expected to last. Trade is one of the few policy areas where he can be said to have an ideology. The "logic" of that ideology holds that trade deficits are proof of unfair practices by other countries, and should thus be met with tough and decisive action.

Moreover, Trump has a compelling political interest in maintaining the support of his core supporters. After Twitter, Trump's trade rhetoric is his most powerful weapon. It is never too early to start building a case for re-election in 2020.

Until now, Trump has been willing to hold back on the trade issue until the Republican Party's planned tax overhaul makes its way through Congress. He does not want to risk disrupting his and his party's last chance to secure a real legislative victory this year. Once tax legislation is off the table – and especially if it fails ignominiously in the same manner as the Republicans' health-care-reform effort earlier this year – Trump will want to show that he means what he has said on trade.

Trade is at the center of Trump's "America First" approach, which he claims will protect and even restore lost American jobs. While some in Trump's cabinet might reject efforts to apply the slogan to the issues they oversee, Secretary of Commerce Wilbur Ross, US Trade Representative Robert Lighthizer, and National Trade Council Director Peter Navarro all share Trump's views on trade.

Each agrees that America's big bilateral trade deficits with countries such as China, Japan, Germany, and Mexico are proof that America is being taken for a ride by its competitors. Trump and his trade advisers believe that by reducing or even eliminating those deficits, they can create well-paid jobs for American workers.

Trump made his views clear in a speech at the Asia-Pacific Economic Cooperation (APEC) summit in Da Nang, Vietnam, on November 10. "We are not going to let the United States be taken advantage of anymore," he said. "I wish previous administrations in my country saw what was happening and did something about it. They did not, but I will."

But what concrete actions will Trump actually take? So far, he has abandoned the 12-country Trans-Pacific Partnership – which his election opponent, Hillary Clinton, had also promised to do – and opened negotiations with Mexico and Canada to update the North American Free-Trade Agreement, which President Bill Clinton signed into law in 1994. This is minor stuff.

But next year, Trump can be expected to turn rhetoric into action on two main fronts. The first is China, which Trump has singled out as the greatest trade exploiter of the US. Unless the North Korea standoff escalates critically, he will likely initiate anti-dumping actions against Chinese industries – notably in steel – deemed to be selling

their goods below cost; and he will probably launch a broad assault on intellectual-property violations in China.

These measures will almost certainly provoke retaliation from China. China feels stronger than ever in the Trump era, and in the eyes of Chinese cadres, not responding forcefully would be a sign of weakness.

The other main front for Trump is the World Trade Organization, which America helped establish in the early 1990s as a successor to the post-war General Agreement on Tariffs and Trade. Lighthizer has gone on record to describe the WTO's dispute-settlement system as harmful to America. And already, the Trump administration is blocking the appointment of new judges to WTO arbitration panels. If it maintains that policy, the WTO's entire dispute-settlement system will be crippled within months.

With the WTO essentially out of the picture, the US will launch a new initiative to strike bilateral deals on trade rules – an approach that Trump advocated in his APEC speech. Given that the US remains a vital market for most exporters, such an initiative will have clout.

Asian and European countries, in particular, should be preparing for the worst by negotiating their own trade agreements with one another to preempt American mercantilism. After all, taking the initiative to boost trade and other commercial contacts is the best way to resist a trade war.

By reviving the TPP without US involvement, Japan and other Asia-Pacific countries are already on the right track. But if a Trump trade war is in the offing, they – and other countries – will need to double down on that approach.

---

Fonte: Project Syndicate

## **A Republican tax plan built for plutocrats (Martin Wolf – 21/11/2017)**

*Martin Wolf is chief economics commentator at the Financial Times, London. He was awarded the CBE (Commander of the British Empire) in 2000 “for services in the financial journalism”.*

\* \* \*

How does a political party dedicated to the material interests of the top 0.1 per cent of the income distribution win and hold power in a universal suffrage democracy? That is the challenge confronting the Republican party. The answer it has found is “pluto-populism”. This is a politically successful, but dangerous, strategy. It has brought Donald Trump to the presidency. His failure might bring someone more dangerous, more determined, to power. This matters to the US and, given its power, to the wider world.

The tax bills going through Congress demonstrate the party's primary objectives. According to the Center on Budget and Policy Priorities, in the House version of the bill, about 45 per cent of the tax reductions in 2027 would go to households with incomes above \$500,000 (fewer than 1 per cent of filers) and 38 per cent to households with incomes over \$1m (about 0.3 per cent of filers). In the more cautious Senate version, households with incomes below \$75,000 would be worse off. This simply is reform for plutocrats.

That is far from all. The bill might also increase the cumulative fiscal deficit by about \$1.5tn over the coming decade. Yet, according to the independent and respected Congressional Budget Office, the US fiscal position is already on a deteriorating path, with spending forecast to rise from 21 per cent of gross domestic product in 2017 to 25 per cent in 2028-37. The planned tax cuts would worsen the pressure to cut spending. The outcome desired by the Republicans is to slash spending on nearly all of the non-defence discretionary spending of the federal government, plus its spending on health and social security.

In all, then, this is a determined effort to shift resources from the bottom, middle and even upper middle of the US income distribution towards the very top, combined

with big increases in economic insecurity for the great majority. How, one must ask, has a party with such objectives successfully gained power? In all, we can see three mutually supportive answers to this question.

The first approach is to find intellectuals who argue that everybody will benefit from policies ostensibly benefiting so few. Supply-side economics, with its narrow focus on tax cuts, has been the main theory employed, because it directly justifies tax cuts for the very wealthy. But it is untrue that the tax cuts of the Reagan era unleashed an upsurge in trend US economic growth. Since the economy is now nearing full employment, the benefits of fiscal stimulus would be especially small.

Supporters of the proposed cuts argue that the reductions in corporation tax will lead to a big rise in business investment. Here are two powerful pieces of contrary evidence: the share of post-tax profits in US GDP has already nearly doubled since the early 2000s, with no beneficial effect on the rate of investment; and the UK has progressively slashed its corporate tax rate from 30 to 19 per cent since 2008 with no identifiable benefit for investment. Lowering the corporate tax rate is merely a windfall for shareholders. If one wanted to raise investment, one would make it fully deductible from tax. The proposed repeal of the estate tax, which is of benefit only to the heirs of the largest 0.2 per cent of estates in the country, really gives the supply-side game away. Who wants to argue that people live longer if death is less taxed?

The second approach is to abuse the law. One way has been to give wealth the overriding role in politics it holds today. Another is to suppress the votes of people likely to vote against plutocratic interests, or even disenfranchise them.

The third approach is to foment cultural and ethnic splits. This is sometimes described as the “Southern strategy”, which shifted the old South from the Democrats to the Republicans, after the former enacted civil rights. Yet this is too limited a view of the strategy. More interesting is the echo of the antebellum South itself. The pre-civil war South was extremely unequal, not just in the population as a whole, which included the slaves, but even among free whites. A standard measure of inequality jumped by 70 per cent among whites between 1774 and 1860. As the academics Peter Lindert and Jeffrey Williamson note, “Any historian looking for the rise of a poor white underclass in the Old South will find it in this evidence.” The 1860 census also shows that the median wealth of the richest 1 per cent of Southerners was more than three times that of the richest 1 per cent of Northerners. Yet the South was also far less dynamic.

The South was a plutocracy. In the civil war, whose stated aim was defence of slavery, close to 300,000 Confederate soldiers died. A majority of these men had no slaves. Yet their racial and cultural fears justified the sacrifice. Ultimately, this mobilisation brought death or defeat upon them all. Nothing better reveals the political potency of tribalism.

A not dissimilar threat arises for today’s plutocrats. The economics and politics of pluto-populism have stoked cultural, ethnic and nationalist anger in the party’s base. Skilful demagogues are able to exploit this anger for their own purposes. At least Mr Trump remains a servant of the plutocracy. But his former adviser, Steve Bannon, seeks someone to promote rightwing populism shorn of its more blatantly plutocratic elements.

The plutocrats are riding on a hungry tiger. The pluto-populism of the Republican elite brought forth Mr Trump. This is not going to be forgotten. If the current tax bills get through, the tensions within the US are almost certain to get worse. Latin American inequality leads to Latin American politics. The US the world once knew is drowning in a tide of unconscionable and apparently unlimited greed. We are all now doomed to live with the unhappy consequences.

---

Fonte: Financial Times

## The Twilight of Angela Merkel (Philippe Legrain – 21/11/2017)

*Philippe Legrain, a former economic adviser to the president of the European Commission, is a visiting senior fellow at the London School of Economics' European Institute and the founder of Open Political Economy Network (OPEN), an international think-tank whose mission is to advance open, liberal societies. His most recent book is European Spring: Why Our Economies and Politics are in a Mess – and How to Put Them Right.*

\* \* \*

Amid all the crises and upheavals that have battered the European Union over the past decade, one fixed point has been the stolid, stable government of German Chancellor Angela Merkel. But, following the collapse of talks to form a new coalition, Merkel suddenly seems mortal.

While Merkel's departure may not be imminent, her power is leaching away. And with Germany set to turn further inward as it struggles to form a new government – and possibly heads to another federal election next year – a hole has emerged at the heart of Europe, and France's bold young president, Emmanuel Macron, will not be able to fill it alone.

September's federal elections had already weakened Merkel. Support for her Christian Democratic Union (CDU) and its Bavarian sister party, the Christian Social Union (CSU), plunged to its lowest level since 1949. With the Social Democrats (SPD), her previous grand-coalition partners, opting for opposition after slumping to their worst postwar result, Merkel was forced to seek an uneasy three-party coalition with the Euroskeptic and liberal Free Democratic Party (FDP) and the Europhile and more interventionist Greens. Then, on Sunday night, FDP leader Christian Lindner stormed out of the coalition talks.

The way forward now is unclear. It seems unlikely that the FDP – which lost much popular support as a junior partner in a Merkel-led coalition between 2009 and 2013 – will rejoin the talks. While Merkel may offer the FDP further concessions, Lindner's language seemed to leave little room for that, and the Greens say they are unwilling to compromise further. It also seems improbable that the SPD – whose popularity also plummeted during a Merkel-led coalition over the past four years – will reconsider its decision to go into opposition. If it did, SPD leaders would surely demand Merkel's head.

Merkel may try to lead an unprecedented minority government with the Greens, but such an arrangement might not be stable or effective. The most likely outcome, therefore, seems to be a fresh election next year, in which the CDU may or may not be led by Merkel. But the decision to call an election is not hers to make. The Bundestag first needs to elect a Chancellor, which Merkel should be able to win in the third round of voting, when victory requires only a plurality. At that point, President Frank-Walter Steinmeier may call new elections if he thinks Merkel cannot lead a stable government.

It may be too soon to write Merkel's political obituary. She has not remained in office for 12 years without a knack for wrong-footing her opponents. But whatever happens, Merkel is gravely wounded and her days seem numbered. Any dim hope of using her fourth term to burnish her legacy is gone.

Merkel's passing would not be a disaster for Germany or Europe. The German economy is not as successful as many believe: workers have scarcely benefited from the country's export prowess, public investment is inadequate, and its manufacturing heartland, which specializes in incremental innovation, is ill-prepared for looming digital disruption. Under Merkel's watch, the economy has coasted, rather than addressing its mounting weaknesses.

Merkel also deserves a big share of the blame for the mess in which the EU finds itself. Throughout the eurozone crisis, in which Germany's position as creditor-in-chief thrust Merkel into the driver's seat, she did just enough to keep the show on the

road but no more. She never tried to persuade Germans of their responsibility as an economic hegemon to fix the system fairly, in the interests of all.

Having dithered throughout the summer of 2015, expediency eventually led Merkel to play a much more positive role in the refugee crisis. Welcoming more than a million refugees was the right call. But her attempt to impose a pan-European solution failed, and she has now largely shifted the challenge of coping with asylum-seekers to Greece and Italy, relying on other countries' border walls and controls to prevent refugees from reaching Germany.

Merkel has also been right to keep her distance from US President Donald Trump and to defend the liberal values that he disdains. But that scarcely makes her "the leader of the free world." Germany remains a free rider on the European and international economic, political, and security order.

Nor was Merkel ever set to ride to the rescue of Britain's beleaguered prime minister, Theresa May, in the deadlocked Brexit negotiations. While Germany has a hefty trade surplus with the United Kingdom, the integrity of the EU's single market matters more to Merkel and German business than cutting a sweetheart deal with the UK.

But while Merkel herself may not be missed much, a power vacuum in Berlin is a blow for hopes to revive the EU. Merkel used to lament the weakness of Macron's predecessor, François Hollande; now the shoe is on the other foot. Macron's bold plans to reboot the European project are based on a renewed Franco-German partnership. Without a strong German counterpart willing to take the necessary political risks, he will struggle to advance his plans to reform the eurozone and pursue closer integration in migration, defense, and much else that is important to Germany itself.

If Macron is to make progress he will need to rely more on ad hoc alliances with other EU leaders. He may also need to double down on his ambitious plans to reshape European politics. Ultimately, though, the best he can hope for is that the interregnum in Berlin is relatively brief and that Merkel's successor is more bravely pro-European.

---

Fonte: Project Syndicate

## **Right, Left, and Macron (Zaki Laïdi – 22/11/2017)**

*Zaki Laïdi, Professor of International Relations at L'Institut d'études politiques de Paris (Sciences Po), was an adviser to former French prime minister Manuel Valls. His most recent book is Le reflux de l'Europe.*

\* \* \*

French President Emmanuel Macron, once viewed as the quintessential centrist, has lately been labeled a right-wing politician. He has, after all, eliminated the wealth tax, introduced greater labor-market flexibility, cut housing benefits, and introduced reforms to higher education – policies that a majority of right-wing voters embrace. But things aren't quite that cut and dried.

The right-left divide remains deeply felt in France. The right has traditionally emphasized freedom – breaking down barriers that impede individuals' ability to create. The left has focused on equality, pursuing policies that aim to create a level playing field through redistribution. This division remains particularly acute in economic and social policy, though it also extends to other areas, like education policy (for example, extended education versus early specialization).

Yet the truth is that the fundamentally redistributive nature of the French state has narrowed the gap between the two sides considerably in recent decades. At the same time, divergences within the two main camps have grown, making it much more difficult to distinguish clearly two opposing perspectives.

For example, the far-right National Front denounces "handouts," as is typical of the right, and yet embraces state-led redistribution. That leftist demand, however, is

mediated by the Front's identity politics, particularly its vehement opposition to immigration. Redistribution, in other words, is only for "us," the "real" French people.

As for the left, it has not become fragmented so much as atomized. There remains a clear distinction between the "governing left" and its "radical" counterpart. Yet that divide runs even through the once-dominant Socialist Party.

The left is deeply divided on virtually all issues – Europe, secularism, education, business, and more – making it extremely difficult to identify what exactly constitutes "leftist" policies nowadays. In fact, the Socialists have started distinguishing themselves not by what they are, but by what they are not, touting the line, "neither Macron nor Mélenchon" (a reference to the far-left Jean-Luc Mélenchon).

Yet that distinction may not be as powerful as the Socialists may believe. After all, it was their center-left voters who got Macron elected. And they knew what they were voting for: every policy he has implemented thus far was included in his campaign platform. This suggests that France's center-left largely accepts the current approach.

To be sure, Macron's incentive-based economic policies are further to the right than anything France has known for a very long time. And the center-right has, so far, backed every one of them. (Macron's cooptation of most of the center-right's economic program has actually compounded the challenge it faces, leaving it with little choice but to use identity politics to stand out.)

At the same time, Macron's social policies aim to produce roughly the same level of redistribution as before. So, while his approach challenges the left's political template, it comprises what are fundamentally center-left policies.

Of course, it will take some time for these policies' effects to be felt. But it will not be the poor who ultimately lose out; it will be the relatively affluent households that were not previously subject to the wealth tax.

The idea that eliminating a wealth tax can benefit an entire economy is difficult to defend. The expectation that the benefits will "trickle down" to the middle and lower classes is highly dubious. Yet, in a country where capitalism has historically been very weak, there is something to be said for the incentive-driven logic behind the move. In an innovation-oriented economy that is now funded by capital rather than debt, the wealth tax had become a historical handicap, thwarting French industry and entrepreneurship.

The French model, which focuses on redressing excessive social inequalities through transfers, was built at a time when the number of losers was relatively small. But, as the share of losers has grown alongside the emergence of a postindustrial economy, this model has reached its limits, with the growing amount of redistribution undermining economic efficiency.

What Macron is trying to do is update France's economic operating system, shifting from the reparative approach of the past to a preparatory model that can better address the challenges generated by digital technology, globalization, and rapid innovation. Far from ignoring inequalities, this approach aims to prevent them from taking hold. The traditional redistributive logic will be abandoned in favor of a pre-distributive approach.

In practice, this means that unemployment would be addressed not by expanding the public-sector workforce, but by strengthening training via programs that reflect businesses' real needs. It means that educational inequalities would be reduced not simply by increasing resources, but with an interdisciplinary approach that balances early intervention to support the most vulnerable with greater institutional autonomy. And it means that the health-care system's quality will be improved not by throwing more money at it, but through a greater emphasis on preventive medicine.

Macron's melding of the left and right has created something of an existential dilemma for France's traditional political parties, which are now struggling for survival. The 2019 European parliamentary elections may amount to a kind of reckoning.

But that isn't the point. At a time of deepening inequality, the primary challenge France faces is to shift its focus from damage control to damage prevention. Macron's policies will need to be assessed on the basis of that goal, not according to ideological labels that have lost significance.

## **Inequality Comes to Asia (Lee Jong-Wha – 20/11/2017)**

*Lee Jong-Wha, Professor of Economics and Director of the Asiatic Research Institute at Korea University, served as Chief Economist and Head of the Office of Regional Economic Integration at the Asian Development Bank and was a senior adviser for international economic affairs to former President Lee Myung-bak of South Korea. His most recent book, co-authored with Harvard's Robert J. Barro, is Education Matters: Global Schooling Gains from the 19th to the 21st Century.*

\* \* \*

From China to India, Asian countries' rapid economic expansion has lifted hundreds of millions of people out of poverty in recent decades. Yet the income distribution has lately worsened, with inequality now potentially even more severe in Asia than in the developed economies of the West.

From 1990 to 2012, the net Gini coefficient – a common measure of (post-tax and post-transfer) income inequality – increased dramatically in China, from 0.37 to 0.51 (zero signifies perfect equality and one represents perfect inequality). It rose in India as well, from 0.43 to 0.48. Even the four “Asian Tigers” – Hong Kong, Singapore, South Korea, and Taiwan – which had previously grown “with equity,” have lately faced rising inequality. In South Korea, for example, the share of income held by the top 10% rose from 29% in 1995 to 45% in 2013.

This trend is being driven largely by the same forces that have fueled Asia's economic growth in recent decades: unbridled globalization and technological progress. Increasingly open borders have made it easier for businesses to find the cheapest locations for their operations. In particular, China's entry into global markets has put downward pressure on the wages of low-skill production workers elsewhere.

Meanwhile, new technologies raise demand for skilled workers, while reducing demand for their less-skilled counterparts – a trend that fuels the expansion of the wage gap between skilled and unskilled. Capital owners also reap major benefits from technological progress. In short, as the Nobel laureate Angus Deaton has acknowledged, by creating new opportunities for a certain group of millions of people, while subjecting an enormous number of people to wage stagnation, unemployment, and economic precarity, globalization and technological innovation have helped to widen the gap between the haves and have-nots.

Exacerbating this trend, income inequality often goes hand in hand with inequality of opportunity. With limited educational and economic prospects, talented youth from disadvantaged backgrounds end up running in place. As inequality becomes increasingly entrenched, it can erode the consensus in favor of pro-growth economic policies, undermine social cohesion, and spur political instability.

To avoid such a future, Asian countries need to change the rules of the game, providing opportunities for youth, whatever their background, to ascend the income ladder. Market mechanisms are not enough to achieve this. Governments must take action, complementing their pro-growth policies with policies aimed at ensuring that the gains are shared much more equally and sustainably.

To be sure, some Asian governments have been attempting to tackle inequality with progressive redistribution policies. For example, South Korea's government recently announced that it will raise the minimum wage next year by 16.4%, to 7,530 won (\$6.70) per hour, and up to 55% above its current level by 2020. It will also raise tax rates for the highest income earners and companies.

But, while such measures have strong public support, they could end up hurting the economy, by reducing business investment, for example, and impeding job creation. In fact, the first rule of thumb in combating today's inequality should be that simplistic egalitarian policies are not a permanent solution – and may, in fact, have adverse long-term consequences.

Consider the Venezuelan government's decision, in the late 1990s, to implement populist redistributive policies, without addressing the economy's overreliance on the oil industry and lack of competitiveness. That choice has pushed the country to the edge of bankruptcy, while fueling large-scale social unrest and political turmoil. Venezuela's national catastrophe should serve as a warning to everyone.

The best way to enhance both equity and growth is effective development of human capital, which not only supports higher incomes today, but also ensures intergenerational mobility tomorrow. This requires enhanced social safety nets and redistributive tax-and-transfer programs, as well as access to quality education for all.

The good news is that many East Asian economies are already investing more in public education, in order to expand opportunities for all population groups. But more must be done.

Asia needs to improve further the quality of its higher education as well, reforming curricula to ensure that young people are getting the knowledge and skills they need to prepare them for the labor market. Meanwhile, the labor market should be made more efficient and flexible, so that it can match people with the right jobs and reward them adequately. As technology continues to transform the economy, life-long education and training is needed to enable workers to keep up.

Promoting the participation of girls and women in education and economic activity is also important. Furthermore, governments should create an environment that fosters small innovative startups. And, of course, they should sustain pro-growth policies that boost overall job creation and reduce unemployment, while rejecting barriers to trade or innovation.

In today's charged political environment, there is a growing temptation to reject globalization and embrace populist redistribution policies that could end up doing far more harm than good. Asia's leaders must do better if they are to realize the true promise of "growth with equity."

---

Fonte: Project Syndicate

## **How Women Shape Coups (Raj Persaud e Peter Bruggen – 20/11/2017)**

*Raj Persaud is a psychiatrist based in London, and co-author of the forthcoming book *The Street-wise Guide to Getting the Best Mental Health Care*. Peter Bruggen also is a psychiatrist based in London, and co-author of the forthcoming book *The Street-wise Guide to Getting the Best Mental Health Care*.*

\* \* \*

Last week, Zimbabwe's generals took President Robert Mugabe into custody in an effective coup (though they insist on not calling it that). Days later, the country's ruling party, the Zimbabwe African National Union – Patriotic Front (ZANU-PF), moved to expel the 93-year-old president from its ranks. But it may not have been Mugabe himself, the quintessential "big man" leader, who catalyzed this revolt, despite the ruthlessness that has characterized his nearly four-decade rule. Quite the contrary, it may have been Mugabe's possible successor – his wife, Grace.

In the last couple of years, the 52-year-old Grace Mugabe has become increasingly active politically, even declaring her hope to succeed her husband. Just a week before the coup, Mugabe sacked his deputy, Emmerson Mnangagwa, to promote Grace to that position.

According to new research by Theresa Schroeder of Radford University and Jonathan Powell of the University of Central Florida, female heads of state may be more likely to provoke military coups in countries where armies are powerful enough to stage them. The paper cites several examples of attempted coups against woman leaders.

---

For example, Corazon Aquino, the first woman president of the Philippines, survived four coup attempts. Benazir Bhutto was not just Pakistan's first woman prime minister; she was the first woman to lead a democratic government in a Muslim-majority country. In 1995, she also faced a coup attempt – which was ultimately foiled – by renegade military officers.

One possible explanation for this tendency, proposed by Schroeder and Powell, is that female leaders can be viewed as direct threats to the interests of the generals, because women are more likely to favor, say, reduced military spending and less pugnacious policies. And, indeed, Aquino took a more diplomatic approach to dealing with rebels in the Philippines than her country's military command advocated.

Another reason why female leaders might be more likely to attract coups is the belief, conscious or unconscious, that a woman in charge must have obtained her post through family or marital connections. She was not actually tough enough, in other words, to get to the top on her own.

As Schroeder and Powell point out, this reading is not entirely baseless: in some parts of the world, female leaders have disproportionately obtained office through familial ties. One survey they cite found that 33% of female leaders in office from 1960 to 2007 had family ties to prominent politicians.

But there are vast regional disparities, with familial ties most likely to drive female leaders to the top in Latin America and Asia – regions with low gender equality overall and little respect for women's rights. In fact, until recently, the only women who had become heads of state in Latin American countries were daughters or wives of political leaders.

None of this is to say that gender provides a decisive, much less comprehensive, explanation for a coup. Powell himself points out that, in Zimbabwe, many women fought for the country's independence in the Rhodesian Bush War. Among that war's female veterans was Joice Mujuru, who later served as vice president for a decade, ostensibly without having her competence challenged by the military.

Ironically, Mujuru was once viewed as a potential successor to Mugabe. But in 2014, she was apparently censured for purportedly plotting against him – allegations that cost her both her post as vice president and her position in the ZANU-PF leadership.

In fact, gender may also play a role when it comes to executing a coup. Planning a successful coup requires a significant degree of instrumental reasoning – that is, the tendency to use other people as tools to advance one's own goals. And, according to new study, this "Machiavellian" tendency – which encompasses the intention and ability to use manipulative tactics, a cynical view of human nature, and a disregard for conventional morality – may manifest differently in men and women.

The new research, which took into account the results of three studies, suggests that men who exhibit a high degree of Machiavellianism tend to be self-aggrandizing, boisterous, and vain, with an exploitative approach to relationships and an opportunistic worldview. Machiavellian women, by contrast, may be defensive, anxious, and introverted. The study concludes that men may be more likely to engage in assertive and violent forms of manipulation, while women may resort to covert, restrained, and concealed deceptive tactics, such as rumors and gossiping.

Because power reflects perception, rival coup leaders ruthlessly manipulate potential enemies and collaborators. Yet they may not realize how gender bias is shaping their own strategies. Sometimes, it's this psychology that explains an unexpected fall from grace.

In Zimbabwe, as in all coups, much behind-the-scenes plotting continues to take place. But who the eventual winners and losers are might depend, among other things, on the gender of the plotters.

---

Fonte: Project Syndicate

## Inconvenient Truths About Migration (Robert Skidelsky – 22/11/2017)

*Robert Skidelsky, Professor Emeritus of Political Economy at Warwick University and a fellow of the British Academy in history and economics, is a member of the British House of Lords. The author of a three-volume biography of John Maynard Keynes, he began his political career in the Labour party, became the Conservative Party's spokesman for Treasury affairs in the House of Lords, and was eventually forced out of the Conservative Party for his opposition to NATO's intervention in Kosovo in 1999.*

\* \* \*

Sociology, anthropology, and history have been making large inroads into the debate on immigration. It seems that Homo economicus, who lives for bread alone, has given way to someone for whom a sense of belonging is at least as important as eating.

This makes one doubt that hostility to mass immigration is simply a protest against job losses, depressed wages, and growing inequality. Economics has certainly played a part in the upsurge of identity politics, but the crisis of identity will not be expunged by economic reforms alone. Economic welfare is not the same as social wellbeing.

Let's start, though, with the economics, using the United Kingdom – now heading out of the EU – as a case in point. Between 1991 and 2013 there was a net inflow of 4.9 million foreign-born migrants into Britain.

Standard economic theory tells us that net inward migration, like free trade, benefits the native population only after a lag. The argument here is that if you increase the quantity of labor, its price (wages) falls. This will increase profits. The increase in profits leads to more investment, which will increase demand for labor, thereby reversing the initial fall in wages. Immigration thus enables a larger population to enjoy the same standard of living as the smaller population did before – a clear improvement in total welfare.

A recent study by Cambridge University economist Robert Rowthorn, however, has shown that this argument is full of holes. The so-called temporary effects in terms of displaced native workers and lower wages may last five or ten years, while the beneficial effects assume an absence of recession. And, even with no recession, if there is a continuing inflow of migrants, rather than a one-off increase in the size of the labor force, demand for labor may constantly lag behind growth in supply. The “claim that immigrants take jobs from local workers and push down their wages,” Rowthorn argues, “may be exaggerated, but it is not always false.”

A second economic argument is that immigration will rejuvenate the labor force and stabilize public finances, because young, imported workers will generate the taxes required to support a rising number of pensioners. The UK population is projected to surpass 70 million before the end of the next decade, an increase of 3.6 million, or 5.5%, owing to net immigration and a surplus of births over deaths among the newcomers.

Rowthorn dismisses this argument. “Rejuvenation through immigration is an endless treadmill,” he says. “To maintain a once-and-for-all reduction in the dependency ratio requires a never-ending stream of immigrants. Once the inflow stops, the age structure will revert to its original trajectory.” A lower inflow and a higher retirement age would be a much better solution to population aging.

Thus, even with optimal outcomes, like the avoidance of recession, the economic arguments for large-scale immigration are hardly conclusive. So the crux of the matter is really its social impact. Here, the familiar benefit of diversity confronts the downside risk of a loss of social cohesion.

David Goodhart, former editor of the journal *Prospect*, has argued the case for restriction from a social democratic perspective. Goodhart takes no position on whether cultural diversity is intrinsically or morally good or bad. He simply takes it for granted that most people prefer to live with their own kind, and that policymakers must attend to

this preference. A laissez-faire attitude to the composition of a country's population is as untenable as indifference to its size. For Goodhart, the taproot of liberals' hostility to migration controls is their individualist view of society. Failing to comprehend people's attachment to settled communities, they label hostility to immigration irrational or racist.

Liberal over-optimism about the ease of integrating migrants stems from the same source: if society is no more than a collection of individuals, integration is a non-issue. Of course, says Goodhart, immigrants do not have to abandon their traditions completely, but "there is such a thing as society," and if they make no effort to join it, native citizens will find it hard to consider them part of the "imagined community."

A too-rapid inflow of immigrants weakens bonds of solidarity, and, in the long run, erodes the affective ties required to sustain the welfare state. "People will always favor their own families and communities," Goodhart argues, and "it is the task of a realistic liberalism to strive for a definition of community that is wide enough to include people from many different backgrounds, without being so wide as to become meaningless."

Economic and political liberals are bedfellows in championing unrestricted immigration. Economic liberals view national frontiers as irrational obstacles to the global integration of markets. Many political liberals regard nation-states and the loyalties they inspire as obstacles to the wider political integration of humanity. Both appeal to moral obligations that stretch far beyond nations' cultural and physical boundaries.

At issue is the oldest debate in the social sciences. Can communities be created by politics and markets, or do they presuppose a prior sense of belonging?

It seems to me that anyone who thinks about such matters is bound to agree with Goodhart that citizenship, for most people, is something they are born into. Values are grown from a specific history and geography. If the make-up of a community is changed too fast, it cuts people adrift from their own history, rendering them rootless. Liberals' anxiety not to appear racist hides these truths from them. An explosion of what is now called populism is the inevitable result.

The policy conclusion to be drawn is banal, but worth restating. A people's tolerance for change and adaptation should not be strained beyond its limits, different though these will be in different countries. Specifically, immigration should not be pressed too far, because it will be sure to ignite hostility. Politicians who fail to "control the borders" do not deserve their people's trust

---

Fonte: Project Syndicate

## **The Platform Economy (Anne-Marie Slaughter e Aubrey Hruby – 21/11/2017)**

*Anne-Marie Slaughter, a former director of policy planning in the US State Department (2009-2011), is President and CEO of the think tank New America, Professor Emerita of Politics and International Affairs at Princeton University, and the author of Unfinished Business: Women Men Work Family. Aubrey Hruby is co-founder of the Africa Expert Network and Senior Fellow at the Atlantic Council.*

\* \* \*

Hardly a day goes by without another article, conference, or research initiative devoted to the future of work. The robots are coming, or they're not coming as fast as we think; when they do come, they'll put everyone out of work, or they'll create as many jobs as they destroy. Thus the conversation goes. But what if, instead of trying to predict the future, we look at realities that exist today for billions of people?

Some 80% of the global population lives in emerging economies – defined by informal markets and fluid employment structures. The SHIFT: Commission on Work,

Workers, and Technology invited groups in five cities across the United States to imagine four scenarios along two axes of change – more or less work, and more jobs or more tasks. Participants were divided as to the amount of future work, but almost all foresaw the continuing disaggregation of jobs into tasks in both low- and high-end work, from driving to lawyering. That is the reality in emerging economies today.

Examining work patterns in these diverse countries yields three key lessons. First, people layer multiple work streams and derive income from more than one source. Second, platform economies are emerging rapidly and build on traditional networks. Finally, these work patterns often go hand in hand with dramatic income inequality.

Flexibility and uncertainty define informal markets in developing countries. Those lucky men and women who have formal jobs (less than 40%) often have “side hustles” through which they sell their time, expertise, network, or ideas to others in an effort to hedge against an uncertain labor market. A Nigerian saying – “you have a 9 to 5, a 5 to 9 and a weekend job” – aptly describes the environment of layered work.

The same pattern is starting to emerge in developed countries. A report by the JPMorgan-Chase Institute concludes that platform jobs are largely a secondary source of income, used to offset dips in regular income.

A key difference, however, is that in emerging economies flexible networks of individuals or small businesses take the place of formal employers. Kenya’s informal sector – called in Kiswahili the Jua Kali (“hot sun”) – is the country’s main job creator. The 2017 Economic Survey in Kenya showed that the Jua Kali generated 747,300 jobs the previous year, whereas the formal sector added only 85,600.

The Jua Kali comprises sector-based associations among workers and artisans that harken back to medieval guilds. The associations – of carpenters, mechanics, plumbers, and so on – enable pooled savings, provide opportunities to upgrade skills, and create a form of market regulation.

As technology has been added, many of the associations are going online to match supply and demand in the informal labor market more effectively. Go-Jek in Indonesia (named as a pun on ojek, a motorcycle taxi) is a \$2.5 billion company that delivers everything from food to hairdressers by motorbike through an app. The company, with more than 200,000 drivers on the platform, boosts Indonesians’ productivity in the face of snarling traffic.

The market for low-cost legal services in Accra, Ghana, provides another interesting example. Journalist Joseph Warungu describes a “narrow alleyway at the back of the court buildings” teeming with notaries, commissioners for oaths, letter writers, and lawyers offering services from witness statements to contracts, all “processed efficiently and at a pocket-friendly rate.” That alleyway is a platform, bringing together multiple sellers of separate legal services together with buyers, in contrast to a traditional law firm, which requires clients to purchase multiple services from the same source. It simply needs to migrate online.

Developed economies are only beginning to catch up. Bliss Lawyers has “a bench” of more than 15,000 lawyers across the US who are paid over \$200 an hour for “work on an engagement basis for in-house legal department and law firm clients.” More broadly, the Business Talent Group provides “in-demand business talent on-demand,” across a wide range of professional services.

Emerging markets also offer a cautionary tale concerning the downside of the on-demand economy. They have some of the highest levels of inequality in the world. The world’s 50 most unequal economies are in Sub-Saharan Africa and Latin America, with South Africa taking the prize for the highest income inequality.

Informal markets, lack of access to finance, and poor educational opportunities in these countries continue to trap most people in relative poverty. Gig economy platforms that provide small jobs without benefits or career progression can supplement income and buffer other employment, but they do not add up to the security and advancement opportunities of a formal job. Indeed, most emerging-market workers turn to the gig economy not out of a desire for flexibility or to follow their passions, but simply to make ends meet.

Nonetheless, informal markets in developing countries provide a vast field for experimentation to transform a patchwork of jobs into a steady upward path for workers. Tailoring education to allow workers to get the on-demand skills they need when they need them, and creating verifiable work histories through blockchain, are two ways to help gig economy workers find suitable opportunities more efficiently and capture more value from selling their labor.

While developed countries in Europe, North America, and Asia are rapidly aging, emerging economies are predominantly youthful. By 2040, one in four workers worldwide will be African. They are products of dynamic informal markets, and that should ease their absorption into a tech-enabled gig economy. Nigerian, Indonesian, and Vietnamese young people will shape global work trends at an increasingly rapid pace. We can learn from them today to prepare for tomorrow.

---

Fonte: Project Syndicate