

## Call for Papers to Session 109

on the XVIth World Economic History Congress, Stellenbosch, 9-13 July, 2012:

### **FOREIGN DIRECT INVESTMENT IN INFRASTRUCTURE: WHAT CONSEQUENCES FOR DEVELOPMENT? EXPERIENCES AROUND THE WORLD FROM THE POST-WAR TO THE PRESENT**

Infrastructure services are widely regarded as being essential for development. Developing countries, in particular, require reliable infrastructure to guarantee provision of basic services, such as energy, water and communications, to sustain economic and human development.

The historical pattern by which international infrastructure such as electricity and telecommunications has been financed over the last two centuries has been organised into three overarching phases (Hausman, Hertner and Wilkins 2009). From the post-war period, a gradual process of “domestication” occurred, but, over the last two decades, a cycle of “internationalization” took place, which is partly reminiscent of the first phase of the internationalization of infrastructure finance from the end of the nineteenth to the beginning of the twentieth century. During the second phase of internationalization, infrastructure Transnational Corporations (TNCs) from the developed world significantly increased their investment activities in developing countries. And yet, foreign capital in infrastructure is still concentrated in OECD economies, while developing countries still suffer under investment (UNCTAD 2008). Though developing countries have received recommendations from international economic organisations such as the World Bank, the IMF and Regional Development Banks on how to attract FDI, this advice is not always appropriate in the local context.

This session calls for papers examining the historical evidence on phases in infrastructure finance and the consequences for development. Attention will be paid to the international context, including experiences in Africa, Asia and Latin America, focusing in particular, on the post-war period to the present, characterised by de-colonialization, nationalization and then, internationalization.

In particular, scholars will be invited to examine historical evidence to address the following issues. Tensions often arise between foreign investors vis-à-vis domestic investors and host governments because they have different priorities, investors with commercial and financial interests, and governments with development and regulatory requirements. How has this affected the investment decision at different stages of the infrastructure building and operation? How does uncertainty in the form of financial booms and busts affect negotiation and implementation of FDI? How have the TNC and financial investors dealt with local (Municipal), regional (Provincial), national, cross-border or transnational projects and networks of infrastructure for development? What happens when conflicts break out among these various levels of public decision-makers? Have developing economies provided and acquired adequate human, managerial, engineering and technological capabilities or should the foreign investor come with their own capacities to improve development prospects.

Proposals for papers are welcome and should be sent to the corresponding organiser.

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