

# **Title: Competitiveness and underdevelopment: a heterodox view**

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## **Abstract**

It is usually thought that what has to be done with an underdeveloped country is giving it the means for it to be able to improve its national competitiveness, to grow faster than other nations and to capture larger parts of the world market. At the same time, this would allegedly be the proper policy which should be taken for the periphery of the system as a whole (the “South”), even if in this case there are some additional problems concerning the difficulties of coordination among different underdeveloped countries.

However, after looking at the microeconomic foundations of the theories of international trade, and economic competitiveness and development, from the point of view of the labour (and endogenous technical change) theory of value, we are led to conclude that there is small room for success by using such policies.

Since the roots of economic underdevelopment is the huge inequality in the national levels of scientific development, as expressed in the different technological level of their firms and in the different skills and qualifications of their labour forces, all of them risen to such high level due to competition (i.e., the abolition of systematic cooperation), the first requirement for surmounting underdevelopment is to substitute a world-scale cooperative mode of production for the present mode of production.

Efficiency without competitiveness, competition and markets: this is what we need.