

Introduction to the special issue on theorizing contemporary capitalism

European Journal of Social Theory

1–8

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DOI: 10.1177/13684310241274435

journals.sagepub.com/home/est**Charles Masquelier** *University of Exeter, Exeter, UK*

Abstract

While capitalism continues to be regarded as the dominant socioeconomic system globally, some observers have sought to show that recent economic and technological developments could pave the way for something new and potentially more destructive than capitalism itself. In this special issue, the persistence of capitalism is highlighted. It is treated as a dynamic system, capable of adapting to the different challenges thrown at it, be they economic, political, cultural, or technological. The different contributions take stock of capitalism's latest evolutionary tendencies and offer analyses which reflect two themes central to capitalism's theorization: its characterization and critique. In this introduction I preview each article in the light of those themes and identify the two overarching contributions this special issue makes to the theorization of contemporary capitalism.

Keywords

Capitalism, evolution, social theory, characterization, critique

Introduction

Throughout its history capitalism has faced numerous crises, which at times threatened its existence. Instead of disappearing, capitalism was able to survive, often having to adapt and renew itself in the light of changing circumstances. For example, the aftermath of WWII saw the emergence of an “organized” model of capitalism, marked by Keynesian demand-side policies, a Fordist regime of production and redistributionist

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measures. The oil shocks of the early 1970s paved the way for an economic crisis and a new stage of capitalist development underpinned by neoliberal values.

But while neoliberal capitalism has risen to dominance within the global north over the past three to four decades, non-negligible developments have recently surfaced that have led many commentators to question whether it is still possible to speak of a neoliberal age. The 2007–2008 financial crisis, the COVID-19 pandemic, and, recently, the emergence of major geopolitical conflicts are thought to have created new circumstances to which capitalism is having to adapt. As it adapts to those, capitalism is also forced to evolve. Those adaptations can, at times, lead to major structural changes or new capitalist forms prompting new theoretical developments. The contributions making up this special issue could be differentiated into two overarching themes. Some contributors devote their attention in understanding the scale of the changes and the extent to which it is, for example, possible to speak of a new stage of capitalism. Their task consists in *characterizing* capitalism. The other contributors chose to place the focus of their theorization on the nature and role of *critique* under contemporary capitalism.

Characterizing contemporary capitalism

Questions about the nature of capitalism, its modus operandi, key characteristics, or about the very meaning of the term itself, have repeatedly been asked since capitalism became an object of sociological interest in the work of classical social theorists (Arnason, 2015). Karl Marx (2000a [1932]), for example, regarded as an economic system or “mode of production” that had a profound effect on the structure of society at large. Max Weber regarded the “rational permanent enterprise” governed by “rational capital accounting” as central to a fully fledged capitalism (Weber cited in Collins, 1980, p. 927). A central part of his characterization of capitalism consisted in making explicit the “spirit” (Weber, 2011) of a new and striking system of action that he treated as an “an expression of more general trends in rationalization” (Delanty, 2020, p. 68). Recently, Wolfgang Streeck (2016, p. 201) argued that while capitalism “is and always was about capital accumulation, or [...] economic growth,” it ought to be studied as more than an economy or economic system. He insists on treating it as a “society,” that is, “as a system of social action and a set of social institutions falling in the domain of sociological rather than today’s standard economic theory” (2016, p. 201). In a similar vein, Nancy Fraser (2016, p. 173) described capitalism as an “institutionalized social order” to emphasize the need for grasping “extra-economic arrangements that enable the endless expansion and private appropriation of surplus value” (Fraser, 2016, p. 173). Each approach tells a different story about what capitalism is, its defining features and mode of operation. But most tend to accept that capitalism’s reach cannot be strictly confined to economic relations.

But the form capitalism takes can vary across time and space. In the “varieties of capitalism” (Hall & Soskice, 2001) literature, for example, a particular emphasis is placed on varieties across *space*, that is, forms or types of capitalism infused with national or regional institutions, cultures, and histories. In this issue, however, the focus is predominantly on varieties across *time*, that is, through an approach to diversity interpreted through the lens of capitalism’s temporal evolution. No economic or social system is

static. In fact, a key feature of capitalism is its dynamism. This is why it is often better to speak of capitalist *stages* than of a single capitalist formation. For example, many sociologists agree that following WWII capitalism developed into a form radically different from what is often described as the “liberal” stage of its development. The post-WWII “organized” (Lash & Urry, 1987) or welfare capitalist stage is often said to involve a much greater degree of state intervention than during the preceding stage. It is often described as marked by a “class compromise,” at the intersection of the interests of both capital and labor (Harvey, 2005). But many disagree on their critical assessment of this capitalist stage. On the one hand, some have noted the rather unique and historically distinctive period of post-WWII industrial capitalism or Fordism as a “golden age” (Marglin & Schor, 1992) of capitalist development due to its high growth rates, high employment rates and economic stability. On the other, some have emphasized the acutely regimented and alienating character of the Fordist regime of production at the center of this stage (Braverman, 1974), or the intensely patriarchal and racist nature of organized capitalist societies (hooks, 1984). While the former tend to emphasize the historically unique character of this stage, the latter are more inclined to note the continuity or exacerbation of trends already present in the liberal stage. Recognizing an evolution in capitalism—such as a state more actively involved in welfare provisions—need not entail affirming a radical discontinuity with the past.

With the advent of what many have called “neoliberalism,” defining capitalism became a particularly complex and, at times confusing and controversial, affair. Indeed, while the term has been and continues to be extensively used in the academic literature, it often refers to widely different phenomena. Some, for example, use it to refer to the return of the free market following a period of intense state intervention under the organized stage (Venogupal, 2015). Others, such as Mary Robertson, Kate Bayliss, Ben Fine, and Alfredo Saad-Filho in this special issue, construe neoliberalism as a capitalist stage with a different, but no less acute, form of state intervention. Because of such seemingly pronounced variations in the use of the term, Rajesh Venogupal (2015, p. 183) concluded that neoliberalism has become a “problematic rhetorical device” or problematic concept for telling the story of contemporary capitalism. But recently, some have questioned whether it is even possible to use the term “capitalism” to describe the current situation. Noting major recent developments in the digital economy, the likes of Yanis Varoufakis (2024) and McKenzie Wark (2019), for example, have gone as far as suggesting that capitalism is dead. For them the question no longer consists in defining what capitalism is but in demonstrating its demise.

While they may be controversial and confusing concepts do matter. They are essential for revealing what is meaningful about the phenomena they aim to capture. In the original and bold opening article of this special issue David Inglis reflects on the relative usefulness of two terms that have been widely used to refer to the present condition in the sociological literature: “late capitalism” and “late modernity.” He concludes by arguing that, despite its limitations, the former is conceptually more fruitful than the latter, for by presupposing an end to capitalism, it offers the kind of hopeful insights that are needed to envision a world beyond the catastrophes it engenders. While it is “absurd” to assign a time limit to modernity without an “overly limited conception of what modernity is,” the same cannot be said about capitalism. Climate change and biodiversity loss help

tell the story of capitalism's potential overthrow, of its looming demise. In short, the term "late capitalism," Inglis argues, can "inspire meaningful collective action to avert unthinkable catastrophes." It is a lot more adequate at defining the contemporary situation than "late modernity" could ever be.

In their contribution, Mary Robertson, Kate Bayliss, Ben Fine, and Alfredo Saad-Filho tackle the end of neoliberalism thesis, claiming that the recent forms of state interventions do not signal the demise of neoliberal political-economic practices, but are in fact typical of them. Focusing on housing and water in the United Kingdom, they show how active the British state has been in financializing and commodifying those two sectors over the past few years. The story they tell is the striking and compelling story of a highly interventionist neoliberal state and of a resilient neoliberal capitalism, in the face of a global pandemic. The neoliberal state's response to the latter, they argue, "represented neoliberal crisis management *par excellence*, rather than a 'retreat' from neoliberalism."

In a similar vein, Jeremy Gilbert contests the recent claims that we are witnessing the end of capitalism and the emergence of something resembling a "technofeudal" system. He insists that we should instead understand the current accumulation regime as a change within the system, as a new "platform" stage of capitalist development, succeeding what is often referred to as "post-Fordism." Drawing on the tradition of the "regulation approach," Gilbert compellingly demonstrates the limitations of the claims made by the proponents of the "technofeudalism" thesis. He shows that the concept of "platform capitalism" was able to "accommodate the major economic, social, cultural, political, and technological shifts that other approaches have tried—with questionable success—to conceptualise as marking the emergence of a new [...] mode of production." By identifying this "platform" stage of capitalist development, Gilbert wishes to tell the story of capitalism's resilience in the face of such shifts—a change that signals both discontinuity and continuity with the previous regime of accumulation.

Critique and contemporary capitalism

The remaining contributions do not so much reflect on the nature of capitalism—although they of course partly do—as identify the sociologically relevant problems it engenders and the most appropriate ways of making sense of them. Contemporary capitalism is here being critically assessed using a broad range of conceptual tools.

Critical social theory, broadly construed, is guided by a social justice imperative (Collins, 2019). Under its guise, power, and domination are conceptualized in an effort to elucidate the conditions for human emancipation. Marx's (2000b [1888]) critical social theory, for example, explicitly sought to "change the world". His critique of the liberal stage of capitalist development sought to reveal the contradictions marking this highly exploitative and alienating "mode of production" and, in doing so, aimed to provide his readers with the conceptual tools needed for overthrowing it. While critique remained focused on the economic operations within the mode of production, its ultimate goal was to liberate society as a whole. Indeed, the injustices experienced by wage laborers were, for Marx, universal injustices. But as capitalism matured and mutated, it became necessary for critical social theorists to devise new conceptual tools. For example, with a concept like "hegemony" Antonio Gramsci (1971) sought to grapple

with the extra-economic conditions involved in sustaining exploitative and alienating conditions of existence. Conscious of capitalism's resilience in the face of crises and resistance, the Italian philosopher formulated a critique setting out to reveal the complex ways capitalists were able to secure their domination over society at large, at the same time as identifying conditions for countering it.

Recently, decolonial scholar Anibal Quijano (2007; 2000) formulated a critique of capitalism—inextricable from his critique of modernity—around a concept known as “coloniality of power.” Like Marx and Gramsci, his concept enhances our understanding of the operations of power and domination under capitalism. But instead of focusing on the inner workings of global north capitalism, he turned his attention to power relations between the global north and the global south. From this standpoint, one is not only able to appreciate more fully the role colonial domination played in sustaining capitalism, but also the acute physical and epistemic violence with which the bourgeoisie of the global north sought to enforce its worldview(s) and protect its interests across the globe. Under its guise, social injustice cannot be reduced to the experiences of exploited and alienated workers in the global north. Class, race, and gender all intermesh in complex ways in the operations of power and domination. Human emancipation is consequently thought to depend on how successfully different liberation struggles come to be integrated.

As capitalism evolves, so does critical social theory. However, as the above examples suggest, the variety of critiques cannot be explained merely in such evolutionary terms. There are other angles and foci critical social theorists choose for the development of their critique of capitalism. This is because capitalism rests on a broad range of mechanisms of power and domination for its reproduction. Some critiques simply choose to pay more attention to some than others. Take, for example, the contribution Harry Pitts makes to this special issue. Here the critique of contemporary capitalism is articulated around the relationship between what Marxists call the “forces of production” and what Robert Kurz and other *Wertkritik* proponents call the “forces of destruction.” The latter, Pitts argues, act as central conditions for the production and reproduction of capitalism. Understanding the relationship between economics and geopolitics, we are told, is essential for making sense of contemporary capitalism.

For Dimitris Soudias, the task of critique under contemporary capitalism ought to consist in challenging everyday neoliberal rationalities. But to do so, he further argues, critique must be in a position to do more than merely negate those rationalities. It must also “radically imagine politico-epistemological positions that are unintelligible to neoliberal rationalities.” He proposes a strikingly original combination of insights from pragmatic sociology with a “normative mode of critical inquiry” that makes it possible for social agents to defamiliarize modes of thought and everyday practices associated with neoliberal rationalities, as well as venturing beyond them.

The above article is followed by Florian Penz and Sabine Frerichs' article on critique and financialization. By integrating Thorstein Veblen's concept of “industrial sabotage” with recent literature on financialization, they invite us to engage in a critique that adequately recognizes long-term tendencies within capitalism. More specifically, they provide us with the concept of “monetary sabotage” needed for grasping an important phenomenon marking contemporary capitalism: the way financialization siphons funds

off production, while contributing to the exacerbation of socioeconomic inequalities and economic instability.

Each of the above critiques offers a new or revised conceptual lens through which to analyze the problems engendered by contemporary capitalism and/or envision a world beyond it by illuminating the conditions for social justice. The issue ends with an interview with Nancy Fraser, in which Bice Maiguashca and Charles Masquelier exchange with her on themes that lie at the heart of critical social theory. These include the role of the critical theory of the Frankfurt School and the status of feminism today, the theorization of power and domination under contemporary capitalism, as well as the prospects for anticapitalist resistance.

Beyond those individual pieces of work, it is possible to identify two overarching contributions the special issue (SI) makes to the theorization of contemporary capitalism. The first one mainly regards the relationship between the economic and extra-economic forces supporting the reproduction of capitalism, or between what Fraser (2018) described as the relationship between “background conditions” and “foreground features” of capitalism. The articles by Pitts, Robertson et al., Gilbert, and Penz and Frerichs all illuminate such a relationship. The contemporary regime of capital accumulation (foreground features of capitalism) is here said to depend on a state active in creating the conditions necessary for the economic relations and forces of production essential for capitalism’s reproduction. Whether those conditions are geopolitical (Pitts), financial (Robertson et al.), legal (Penz and Frerichs), or a mix of legal, social, cultural and technological components of a historically specific “regime of accumulation” (Gilbert), they reveal that capitalism is much more than an economic system. Those articles effectively shed light on the nature of the extra-economic forces upon which capitalism relies and the role they play for its survival and evolution/development. In doing so, they provide us with theoretical insights that serve to enhance our understanding of contemporary capitalism’s *modus operandi*.

In a different vein, Inglis and Soudias invite us to think about sociohistorical endpoints. While for Inglis the endpoint is capitalism or “late capitalism,” Soudias concentrates on the end of neoliberalism. They provide us with theoretical reflections and tools that enable us to imagine a world beyond the present situation. Their theorization of contemporary capitalism is therefore less about the conditions for its reproduction and more about the conceptual resources needed to imagine the world otherwise.

Finally, in her interview Nancy Fraser offers a broad range of valuable insights that bridge the two overarching theoretical contributions made in this special issue. In addition to clarifying her stance on the relationship between critical theory and capitalism, she offers important reflections on the value of intersectionality and labor for making sense of contemporary capitalism and integrating different struggles for liberation. She also addresses the status of the Left in the United States, as well as the “culture wars” and the challenge they pose for anticapitalist resistance. The crux of her contribution in this piece consists in clarifying the theoretical work required for a critique of contemporary capitalism that can successfully bring diverse anticapitalist struggles together in political action.

Declaration of conflicting interests

The author declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

Funding

The author received no financial support for the research, authorship, and/or publication of this article.

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