

# Variegated Capitalism as an approach for understanding globalisation and crisis

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# Background and Motivation

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- Motivations:
  - Conjuncture: COVID-19, global economic and social crises, shifting contours of globalised capitalism
  - In the literature: this period was often recognised as a product of globalised capitalism - not simply an 'exogenous' shock
  - Application of Comparative Capitalisms approaches
- Comparative Capitalisms
  - VoC (+ post-VOC), Demand and Growth Regimes, and Regulation Theory
  - These Comparative Capitalism (CC) approaches suffer from various limitations.
- Variegated Capitalism reveals these limitations and provides alternatives
  - Key motivation: highlighting and communicating Variegated Capitalism as an alternative or supplementary analytical framework

# Variegated Capitalism

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- Variegated Capitalism as a critical theoretical approach
  - Rooted in Critical Economic Geography, Comparative Political Economy, Critical International Political Economy, Economic Sociology.
  - Aimed to consider practical, real-world applications of what can be an abstract and dense set of theories.
  - Highlight areas where CC approaches and Variegated Capitalism complement each other
- Understands the broader dynamics of globalised capitalism as being produced by the mutually constitutive relationships between the interconnected components that make up the system.

We distill it into main areas of analysis, which we see as essential to a critical analysis of globalised capitalism :

Theory of Capitalism	Class, social categories, labour
	The state
	Crisis, contradictions, stability
Spatio-temporal dynamics	Interconnectedness & interdependencies
	Multiscalar analysis
	Historical approach

# Theory of Capitalism | Class, Social Categories, Labour

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## **Theoretical foundations**

- Centring Marxist perspective that accumulation “depends on substantive economic exploitation and class domination” (Jessop 2014: 56).
- However, labour exploitation interacts with many other forms of hierarchical social categories (e.g. gender, race, migratory status).
- We must analyse how global capitalist expansion and variegation interacts with class and social hierarchies.
- Agency of social and identity groups; Social Blocs.
  - Results in historically specific political formations and institutional setups.

## **An analysis rooted in Variegated Capitalism emphasises**

- A more nuanced understanding of labour and labour power through its interaction with other forms of social hierarchies.
- Social conflict and power relations as drivers of political/economic constellations and changes.

# Theory of Capitalism | The State

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## **Theoretical foundations**

- The state as the central actor in securing the functioning of capitalism.
- A robust theory of the state is required; the state plays a central role in maintaining a functioning capitalism, but also, following Poulantzas, has the unique responsibility of “maintaining social cohesion in a class-divided society” Jessop (2006, p. 161).
  - This is a heavily contradictory role.
- Political shifts and activities of the state are the product of social relations and their resulting political and social coalitions.

## **An analysis rooted in Variegated Capitalism emphasises**

- The economic systems we analyse are deeply reliant on the functioning of the state.
- The state and governance on any scale are geographically and historically specific, and globalised capitalist processes are influenced by these.

# Theory of Capitalism | Crisis, Contradictions, Stability

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## **Theoretical foundations**

- Capitalism is defined by inherent contradictions which produce crisis-tendencies.\*
  - Crisis positioned as endogenous, *within* 'normal' functioning of capitalism.
- These contradictions are mediated (or regulated) to maintain stability by shifting or externalising them geographically or in time.
  - “Spatio-temporal fix” (Harvey 2003, Jessop 2006)
  - Only resolves the tensions “partially and provisionally” (Jessop 2006, p. 162).
- The state plays a major role in this.
- Perennial process of capitalism; the formation of interconnected zones of stability and crisis across many different scales (national, regional, industrial) shapes the dynamic evolution of capitalism on a global scale.

## **An analysis rooted in Variegated Capitalism emphasises**

- The examination of patterns of stability and crisis at any level (e.g. ecological, industrial, national, local, social) and how these are interconnected with stability or crisis in other areas or levels.
- That these all emerge from one single, variegated process of capitalist expansion.

# Spatio-Temporal Dynamics | Interconnections & Interdependencies

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## **Theoretical foundations**

- Understands capitalism as a single yet variegated system
- Prioritises a geographic and temporal examination of how various political economies have co-evolved, related to the spatio-temporal fixes and patterns of expansion that characterise capitalist accumulation
- Relational perspective as opposed to methodological nationalism - emphasis on power dynamics, asymmetries and hierarchies
- Focus not just on differences and divergence, but on similarities, interconnections and interdependencies
- Asymmetrical codependence, ecological dominance characterise core/periphery dynamics
  - “The dominant model cannot be adopted everywhere” (Jessop 2014, p. 49) – perspectives that result from other approaches are not necessarily viable in the real world, not all countries can implement the same policies...this ignores the reality of relational give & take that shapes the world market

## **An analysis rooted in Variegated Capitalism emphasises**

- Moving away from focus on convergence/divergence - toward more nuanced conceptions like ‘Uneven and Combined Development’
- Crisis and contradiction often found at spaces of connection and dependency

# Spatio-Temporal Dynamics | Multiscalar Analysis

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## **Theoretical Foundations**

- “Multiscalar” analytical focus as opposed to “monoscalar” – equal value placed on local, regional, sectoral, transnational and global dynamics (as well as the interactions and relationships between and across scales).
- Globalisation is then understood as a “complex array of multiscalar transformations” (Peck & Theodore 2007, p. 760)

## **An analysis rooted in Variegated Capitalism emphasises**

- How globalised capitalism evolves across and between each scale, and moves away from understanding a specific nation-state’s institutional constellation as internally created and sustained
- Geographical complexity which is useful for studying global production, Global Value Chains



# Spatio-Temporal Dynamics | Historical Approach

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## **Theoretical Foundations**

- Considers role of colonial and imperial legacies, how they continue to shape the world today
- Stability not necessarily the result of coherent institutional configurations and diligent domestic policy making - often the result of dispossession

## **An analysis rooted in Variegated Capitalism emphasises**

- Power asymmetries, international hierarchies, patterns of domination/subordination
- Political economic, social & institutional change
- Decolonial and anticolonial perspectives, makes solely Eurocentric/US-centric analysis more difficult

# Discussion: Imagining Alternatives

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- Analytically:
  - Institutional theories of Uneven and combined development and the regulation of uneven development
  - Exploring crisis and globalisation
- Politically:
  - What are the limits of the problem-solving orientation of other forms of CC research? Can contradiction, crisis, exploitation, etc. be eliminated by advanced and rigorous policy making?
  - Variegated Capitalism, as a political and critical approach, opens analysis to imagine radical alternatives and creates a basis for solidarity

# Table: Comparing Comparative Capitalisms

	VoC	PK Growth and Demand Regimes	Regulation Theory	Variegated Capitalism
Class, social categories, labour	Absent.	Analysis of social blocs and how these influence economic regimes through the capital/labour conflict.	Social blocs foundational, institutions shaped by class compromise, “social system of production”	Other hierarchical social categories interact with class to determine exploitation of labour. Coalesced social interests in blocs engender historically specific economic and political institutions.
The state	Focus on national institutions, firms/business associations	The state as a vehicle for regulation. Focus on national economic institutions and policy-making.	Vehicle for regulation of accumulation. Key space of analysis, social & relational.	State has dysfunctional role in both mediating capitalism and maintaining social cohesion.
Crisis, contradictions, stability	Equilibrium and stability assumed, crisis considered exogenous	Stability or ‘equilibrium’ can be created through proper regulation. Crisis exogenous or due to disequilibrium, rather than endogenous to normal capitalist functioning.	Crisis and contradiction as endogenous and structural, periods of stability the result of social compromise	Disequilibrium and inherent crisis tendencies assumed. Stability is achieved through temporary displacement of crisis tendencies. State plays a central role in this.
Interconnectedness & Interdependencies	Absent. Focus primarily on isolated national economies.	Typically analysed through interdependencies through trade, but only of national economies. To a lesser extent, power asymmetries (e.g. financial subordination).	Particularly between institutions.	Economic phenomena at given scale are interdependent with others, and all emerge through one interconnected process of global capitalist expansion.
Multiscalar analysis	Largely absent. Methodological nationalism.	Largely absent. Analyses nearly exclusively at national level.	Institutions analysed at international-national-regional scales	Economic changes made up of many, co-occurring multiscalar transformations.
Historical analysis	Limited - concerned with convergence/divergence of national types.	Some. But potentially less attention given to the continuation of power asymmetries due to factors outside of the immediate economic realm.	Focuses on historical specificities of capitalism	Colonial and imperial legacies shape patterns of domination and subordination. Historical specificity of any economic/social arrangement.

# References

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