

Finance and the [re]structuring of production; foregrounding production in the process of financialisation

Abstract

Submitted for consideration to the Fourth Annual Conference in Political Economy

9-11 July, 2013

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Developments in capitalism over the last thirty years or so have been marked by both the unprecedented vertical disintegration and geographical dispersal of production processes across national borders - with various and changing contractual modalities between units of production and distribution - and the quantitative expansion of finance and financial markets and their permeation into new areas of social and economic life as well as those previously considered outside of their scope.

Despite their joint empirical significance in the processes of capitalist accumulation today, various commodity chain/global value chain/global production network studies, as well as post-fordist accounts of productive restructuring, have tended to be silent on the role of finance or financialisation in capitalist accumulation¹. At the same time, much of the literature has studied financialisation from the point of view of finance, without due attention to production, except for at the macro level where financialisation is understood as a process privileging financial investment at the expense of production.

This paper brings together two, hitherto, largely separate literatures in order to draw lessons from and point to a systemic understanding of financialisation and the restructuring of production since the 1980s. This is achieved, firstly, by theoretically reinstating production as the core of capitalist accumulation and understanding financialisation as the process by which the symbiotic relationship between finance and industrial capital are played out. Second, the material specificities on which concrete forms of the abstract relations that characterise the process of financialisation and the [re]structuring of production are conditioned will be revealed by drawing from empirical material in existing studies of global retailers (Baud and Durand 2011), Pacific manufacturers and assemblers for Apple (Froud et. al. 2012), Outsourcing by U.S. based TNCs (Milberg 2008), coffee chains (Newman 2009) and women workers 'at the base of' global commodity chains (Palpacuer 2008).

References

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¹ With a few exceptions mentioned below.

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