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Title: A LACK OF SPACE—THE BIRTH-CRISES OF
ULTRACAPITAL

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INTRODUCTION

The systemic economic crises described in the Communist Manifesto of 1848 as an “epidemic of over-production” have long been accepted as integral, critical even, to capitalism. Schumpeter absorbed crisis into capitalist theory as the fundamental process within capitalism – “This process of Creative Destruction is the essential fact about capitalism. It is what capitalism consists in and what every capitalist concern has got to live in.” The global financial and economic disruptions dating from 2007-2008 and current global vulnerabilities can be and therefore have been explicated as no more than the latest iterations of systemically endemic crises. Following the events of 2008, Wallerstein’s (2009) Kondratieff B phase and Harvey’s (2010) six potential barriers to the reproduction of capital took root in the assertion that: “there is, therefore, nothing unprecedented, apart from its size and scope, about the current collapse (Harvey, 2010: 10).” As a counterpart, different bodies of literature on critical capitalism have engaged with capitalism in a variety of different ways, from viewing capital as an abstraction of relationships of power (Nitzan and Bichler, 2012) to viewing capitalism itself as an evolving system punctuated by stabilizing and destabilizing stimuli.

In 2009 the author published the first of a series of pieces on a theoretical research optic referred to as Ultracapital, an analytical take on the mass of information concerning global financial services processes, markets and activities that became more widely available following the global systemic crisis of the last seven years. The proposal suggested that economic analysis derived from the neoclassical mainstream was incapable of explaining crises or indeed what was ‘really going on’ with 21st Century capitalism. Most analysis, mainstream and critical, has failed to address the agency of two ICT-enabled aspects of that capitalism, space and connectivity. They derive their importance as evolutionary components by exemplifying Bourdieu’s (1983) take on social capital, acting as conduits for the ways in which power, privilege and capital are structured, produced and reproduced.

The proposal of ultracapital began with the assertion that ICT revolution of the 1990s had equipped globalizing capitalism with new dimensions in cyberspace¹, enabling activities and processes that have fundamentally changed the potential of capital and the nature of capitalism itself. Whereas other bodies of literature around (for instance) the topic of financialization deal partially with the spectrum of phenomena the ICT revolution allowed, they have yet to theorize the ontological changes permitted by these new realms of space and connectivity in the same depth that the phenomenological approach to finance is being undertaken.

Work re-envisioning capital and capitalism continues to be undermined by the historical problematic of what capital is, beginning with Karl Marx himself: “It is therefore impossible for capital to be produced by circulation, and it is equally impossible for it to originate apart from circulation. It must have its origin both in circulation and yet not in circulation (Marx 1887, 163).” The debate over the nebulous understanding of what is and is not capital continues to the current day, not least through academics rooting their conceptual development in the work of Marx himself: “How capital is measured is through social determinations of value, itself “a social relation in relational time-space” (Harvey 2007, xx). More recently, the work of Thomas Piketty has rekindled the debate over capital; his definition is conceptually both more generalized and less helpful, equating as he does capital to

¹ “a social setting that exists purely within a space of representation and communication . . . it exists entirely within a computer space, distributed across increasingly complex and fluid networks.” (Slater, 2002)

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