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THE STRUCTURAL CRISIS AND ITS CONSEQUENCES IN CONTEMPORARY

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Abstract: This article aims to point out trends in the contemporary crisis of capital, seeking to emphasize the functionality of crises in the reproduction of the capitalist system, as well as the tendency of capital to threaten its own existence. In this sense, a historical-critical perspective, based on Marxian theory, will be sought to point out the genesis of the structural crisis that unfolded in the 21st century, in order to understand the responses of capital and the consequences for humanity as a whole. The bibliographic methodology is used, dialoguing with Marx and the authors of the Marxist tradition. This way, the study is aimed at understanding the responses of the structural crisis of capital, and also, pointing out the consequences for the working class and the world of work. This way, the paradigms of the structural crisis of capital experienced in the 21st century are evidenced.

Keywords: Capitalism, Structural crisis, Marxian Theory.

INTRODUCTION

In the movement of history, the development of capitalism was composed of successive economic crises, marked by periods of falling profit rates, propagating instability and stagnation in the production process. In this context, the crisis is the result of existing contradictions within the scope of capitalism, thus presenting itself as ineliminable to the system, given that it drives the reorganization of the process of production and social reproduction.

In this sense, this article aims to address aspects of the capitalist crisis, as well as its functionality for the system. For this, we will seek to point out the approach of the Marxian theory and the authors of the Marxist tradition, in order to apprehend the causes and developments of the crisis in the economic, political and social spheres.

In view of this, the structural crisis of capital in orbit since the 1970s is explained, whose coping strategies caused societal transformations, to which Gomes (2007, p. 100) points out as the formation of a “culture of the new order”. This way, it affects global capital, involving the entire system in a structural way, manifests itself in a more aggressive way and revolutionizes the form of production, extending to the socio-political dimension.

These strategies led to productive restructuring, which altered the production base, adopting a new production model. In this case, Fordism/Taylorism was replaced by Toyotism or flexible accumulation, impacting the world of work and its technical-social division. Through the neoliberal offensive, an interventionist action of the capitalist State is developed, in order to avoid the collapse of the system. It is also pointed out the outbreak of the 2008 crisis, considered an unfolding of the unprecedented crisis in force.

However, this article presents the conditions under which the crisis reorganizes capitalist society, as well as the bases for sustaining the current system. So that, explain the negative consequences for the world of work and the class that lives from it. The impacts of the crisis sustained in the hands of workers who sell their labor power, and at the same time have it extracted by capital;

THE FUNCTIONALITY OF THE CRISIS FOR THE CAPITALIST PRODUCTION MODE

In the dynamics of the capitalist system, crises are permanent and inherent to the cycles of capital, thus composing their contradictory nature, being considered an essential stage through the mechanisms that propelled accumulation in capitalism. According to Mézaros (2000, p. 7), the

contemporary crisis of capital is a structural crisis characterized as a period of long recession of capital, causing fundamental changes in social metabolism.

Demonstrating unique characteristics, in recent decades capital faces a crisis that had its genesis in the 1970s, after the “Golden Years”, and extends to the present, causing consequences at a global level, as Mészáros (2011) points out:

The immense speculative expansion of financial adventurism – especially in recent decades – is naturally inseparable from the deepening crisis in the productive branches of industry, as well as the resulting disturbances that arise with the absolutely lethargic accumulation of capital (in fact, failed accumulation) in the productive field of economic activity. Now, inevitably, also in the domain of industrial production, the crisis is getting much worse (MÉSZÁROS, 2011, P. 25)

From this perspective, the Marxian work reveals that the capitalist mode of production moves towards the expansion of capital, in which social inopia can be contracted as mechanisms used in favor of the generation of value. For Marx, in “Capital”, in the movement of capital there is a tendency to fall in profit rates, which in turn, generate crises in the capitalist production model, to which Marx (2001) refers below:

[...] the magnitude of accumulation is the independent variable, the magnitude of the salary the dependent variable, and not the other way around. Thus, for example, in the crisis phase of the industrial cycle, the general fall in commodity prices is expressed as an increase in the relative value of money, whereas, in the boom phase, the general rise in commodity prices is expressed as a fall of the relative value of money (MARX, 2001, p. 454).

Therefore, capitalism generates capitalism, by itself it develops its expansion process and creates its own barriers, so that crises are part

of this process of devaluation of value and restructuring of modes of production, that is, there is no capitalism without crisis. Obstacles to accumulation are severely trampled in this process, being compelled by the new strategies announced by capital.

From this perspective, in agreement with Harvey (2011, p. 18), through the crisis, capital is reconfigured, creating new development models, new investment fields and new forms of class power. This means that it is through it that its forms of exploitation are reinvented, so that it does not reach its structure, protecting the forms of capital accumulation.

In view of this, in capitalist society the wealth generated by work is appropriated by capitalists, insofar as the working class produces higher amounts than it returns in the form of wages, more precisely, the workforce generates surplus value, which Marx designates as added value. In this sense, Harvey (2013, p. 100) explains this process as: “surplus value arises because workers work beyond the hours necessary to reproduce the equivalent value of their workforce”.

Due to this process, the consumption power of the working class is limited, the goods produced are constantly in excess, as workers do not have the material conditions to buy them. Furthermore, that said, directs us to one of the aspects pointed out as the cause of crises in Marxian theory and in the interpretations of Marxists, underconsumption.

The theory of underconsumption is about the accumulation of goods resulting in the overproduction of use values, since capital produces more goods than it can sell, high production does not meet balanced consumption, which implies the realization of capital, surplus value is not transformed into profit and the supply of commodities is exceeded, that is, there is no equivalent demand. Furthermore, when this fraction

of production cannot be sold, it causes overproduction and the economy to shrink, profit reduction and investment stagnation.

Another factor identified as causing the crisis in capitalism is centered on overaccumulation, in which there is an increase in investment in constant capital to the detriment of variable capital, as indicated by Alves (2016).

As Antunes observes, after Marx, “the ‘decrease of the subjective factor of the labor process in relation to its objective factors’ or ‘the increasing increase of constant capital in relation to variable capital’ relatively reduces, but does not eliminate, the role of labor. collective in the production of exchange values. (ANTUNES, 1995). The crisis of abstract labor (what actually produces value) resulted from the increase in the organic composition of capital, that is, the increasing increase in constant capital in relation to variable capital (in terms of value) (MARX, 2013) (ALVES, 2016), pp. 685-686).

In other words, the insertion of new technologies and machines; the replacement of living work by dead work; the evolution of techniques. Both compositions aim to generate more profit for capital, as it accelerates production. However, with the decrease in the workforce and the tendency to increase the exploitation of the workforce, internal tensions also increase and workers exert pressure for wage increases. In which Marx (2001), exemplifies:

If from a given capital, for example, calculated as a percentage, 50% was originally invested in means of production and 50% in workforce, later, with the development of the degree of labor productivity, 80% are invested in means of production and 20% in labor power, etc. This law of the increasing increase of the constant part of capital in relation to its variable part is corroborated at every step by the comparative analysis of the prices of commodities, comparing different economic epochs of a single nation

or different nations at the same epoch. While the relative magnitude of the price element, which represents only the value of the means of production consumed, that is, the constant part of capital, will be in direct proportion, the relative magnitude of the other price element, which represents the part that pays for labor or the variable part of capital, will be in inverse proportion to the progress of accumulation (MARX, 2001, 456).

However, in the course of this mechanization process to increase productivity, problems develop, directly implying the price of the commodity, in the search to sell it, the market becomes more competitive, thus reducing prices.

For Marx, the complexity of the crisis was the result of a joint action of the aforementioned factors, since crises do not have a single cause, which determines them as a pluricausal of crises. Thus, the causes predominantly pointed out are: the anarchy of production, the fall in the rate of profit and the underconsumption of the working masses.

However, the consequences of the crisis become visible through various manifestations, such as: some segments of capitalists benefit from the increase in the concentration of wealth, to the detriment of the bankruptcy of small capitalists; the working class, impacted from various angles, suffers from the increase in unemployment, withdrawal of labor rights, retraction of social policies, reduction of wages and increase in working hours. In fact, it promotes the growth of the industrial reserve army, pauperism and inequality.

For this, at the top of the pyramid remain the big capitalists, through a global financial oligarchy, increasing economic power, with that the concentration of wealth. Thus, the onus of feeding this process falls on the working class.

THE CONTEMPORARY CRISIS OF CAPITAL AND ITS CONSEQUENCES

Considering the previous discussion, it appears that the contemporary structural crisis had its first signs, still in the 20th century, more precisely in the years 1974-1975, which according to Gomes (2007):

[...] this crisis is presented by a situation of overaccumulation of capital, becoming manifest in the mid-70s with the increase in crude oil prices on the international market and materializing in the 80s, through the expansion of the financial market and high interest rates, requiring large capital, adjustment measures with a view to restructuring the world economy (GOMES, 2007, p. 101).

From this perspective, the adjustments used for the recovery of profit rates and the production cycle focused on the following measures, productive restructuring, the globalization of capital, neoliberalism and financialization.

The productive restructuring, in turn, within the industry, incorporated a transformation in the technical basis of production, which was based on technological and organizational changes. In short, there was a change in the predominant production model, introducing the flexible accumulation mode through the Japanese production model, designated as Toyotism (ANTUNES; DRUCK, 2013).

For the world of work, the transformations caused by the new model had harmful impacts, since jobs were affected by new information technologies, generating increased exploitation of the workforce, unemployment, underemployment, outsourcing and informality. The mass of the industrial reserve army, fighting for its survival, is faced with informality, once again facing the deregulation of labor rights, Antunes and Druck (2013) point out the

consequences of this process:

A preliminary phenomenology of the precarious ways of being demonstrates the marked expansion of jobs submitted to successive temporary contracts, without stability, without registration in the portfolio, working inside or outside the productive space of the companies, whether in more unstable or temporary activities, when not in the unemployed status. Increasingly, the search for the “instrumental rationality” of capital has been driving companies to make work relationships, working hours and remuneration more flexible, reintroducing new relationships and forms of work that often assume an informal feature (ANTUNES; DRUCK, 2013, p. 218).

In addition, continuing the measures of capital, through the globalization of capital, the large capitalist groups in central countries expanded their production beyond borders, settling in countries of peripheral capitalism in which both raw material and labor -work are cheap, to exemplify, Alves (2006) points out:

The structural crisis of value appreciation due to the reduction in relative terms of the productive work of surplus value did not mean, at all, the disappearance of the organic nucleus of productive workers of capital, which grew in absolute terms, although not in relative terms, in the capitalist industry and services, especially in countries with late capitalist development. Despite its quantitative reduction (in relative terms), the being who works producing goods still maintains a structuring role in the systemic dynamics of capital. For example, the expansion of industrialization through China, Southeast Asia and even Africa, and the movement of privatization and expansion of capitalist services, increased, in absolute terms, the mass of productive workers in the whole “class” of the world proletariat. (ALVES, 2016, p. 686).

In the sphere of the State, through the Washington Consensus¹ the implementation of the neoliberal agenda was expanded worldwide, with the objective of dismantling the Welfare State. This, drives the refunctionalization of the State, so that its expansion to the social and expand to the capital decreased. This time, through the minimization of the State, there is an attack on the social rights and achievements of workers. According to Netto (2012).

anti-statism was incorporated as a prioritization of civil society, and also, as a democratic demand, from which two phenomena arise: 1) the transfer, to civil society, as an “autonomous initiative”, of responsibilities previously allocated to state action (here, the astonishing multiplication of NGOs is emblematic); 2) the minimization of democratic struggles aimed at affecting state institutions. (NETTO, 2012, p. 422-423).

To this end, the Neoliberal project rests on a tripod: the flexibilization that implies the restructuring of the mode of production, the deregulation that implies the opening of national markets and the privatization that implies the redirection of public wealth to capital. His main criticism is precisely the interventionist character of the State, defending this way the resizing of the state apparatus.

This development model, in the light of neoliberalism, operates in conditions of boosting the market economy, based on the rules of the international economic environment. This way, it adapts to the requirements imposed on peripheral countries, fulfilling their recipes: opening up economies to international trade and finance,

reducing public spending (privatization, breaking of monopolies and cutting social spending), deregulation of markets (emphasis on private investment), fighting inflation and greater fiscal discipline.

By reducing the regulatory dimension of the State, the first measure was to remove social policies that focused on the model of the Welfare States, cutting social rights, as it directed him as one of those responsible for the crisis, due to public spending on social services. Social policies are massively impacted, since they resize the universal character, making them focused and selective.

However, the policy of fiscal adjustment is adopted, to which capitalist states direct the fees and taxes collected to terminate public debts, relieving creditors of responsibility and directing them to inject capital into banks and companies at the time of crisis, through financialization. This way, the resources extracted from work, more precisely, from the hands of the working class are shifted to private capital.

The functionality of public debt for capital gains prominence in this period of crisis, by resizing its assumptions in the valuation of fictitious capital. In order to analyze the development of capitalism and the particularities assumed in the contemporary world, it is necessary to understand these propelling means of the system. The mode of production establishes the dissociation between workers and the means of production, from the moment that capital becomes more independent, it does not focus on this dissociation, expressing the contradiction, however reproduction is disseminated in a more comprehensive way.

1. Novaes (2008) clarifies that [...] this prescription “prescribed” by these financial bodies, the symbol of such liberalizing policies was defined as the Washington Consensus. According to Batista (1995), in November 1989, officials from the US government, the IMF, the World Bank and the IDB met in Washington (US capital) to assess the economic reforms promoted in the area. The result of these analyzes was the recognition of the “excellence” of the reforms promoted until then in the region (with the exception of Brazil and Peru). Under the auspices of the US government, the recommendation to implement neoliberal policies was endorsed as a condition for granting bilateral or multilateral external financial “cooperation” (NOVAES, 2008, p. 6).

In view of this, it can be observed that “the structural crisis of capital is the serious manifestation of the encounter of the system with its own intrinsic limits” (MÉSZAROS, 2000, p. 14). As it creates its development barriers, through its measures to face it, it resizes its impacts, in agreement with JÚNIOR (2016),

The duration of the process of recomposing the conditions that allows a resumption of accumulation will be determined by the time necessary for the digestion of the absolute surplus of capital, a necessary condition —albeit insufficient— for the opening of new fronts for the expansion of capitalism (JÚNIOR, 2019, p. 174).

This way, the developments in the contemporary world are accentuated, around the years 2007 and 2008, in which from the “subprime crisis” (HARVEY, 2011), which started in the United States, the long wave of recession continued, and also of global proportions. The mortgage catastrophes hit US financial institutions, triggering a global crisis, expanding its proportions from Eurocentric countries to Latin America.

Furthermore, the successive crises intensify the corrosion in the world of work, and the precariousness that already plagued the working class, now, once again, the onus of this crisis process falls on it. And finally, their class consciousness drifts away due to the intense attack on labor organizations and the struggle for survival.

But, nevertheless, even in a totally adverse context, the strength for its reorganization is sustained and sought. Even in an unfavorable scenario, workers remain at the forefront of claims, tirelessly raising their banners in the search for social justice, fair working hours, basic rights, expanded social protection, maintenance and consolidation of their achievements.

Finally, it is worth mentioning that the class struggle is not stagnant through this

process, because the working class, through the correlation of forces, rises in the fight against the oppressions and exploitation of the capitalist system. In this sense, the expressiveness of the contradiction is noted, visible in the antagonism of social classes, which as a result of capitalist crises are exacerbated.

CONCLUSION

It can be seen that through the crisis the movement of capital rebuilds the necessary apparatus for its production and social reproduction. The developed answers aim at the return of the productive process and the increase of the profit rates, to reach its objective it dismantles the work as it expands the forms of exploitation. Workers face structural changes, return to the intensification of working hours, reduction of jobs and structural unemployment.

Therefore, it is observed that through the crisis, the impacts generated for the worker reach him from all angles, from the intensification of exploitation to the retraction of social policies. The new production processes established, cause the alarming reduction of work, and with that the growth of the industrial reserve army of late capitalism occurs.

At the top of the pyramid remains the great capitalists, asserting themselves through a global financial oligarchy, increasing economic power, thus the concentration of wealth. This change in social stratification brings with it a change in the demographic profile of the population, with the expansion of urban centers, as well as the growth of service activities, dissemination of formal education and social communication circuits.

In the cultural sphere, late capitalism disseminates the dissemination of consumption, encouraging the working class to consume certain goods, and this diffusion

takes place through the media. This way, society propagates the culture of consumption, and the circulation of goods becomes increasingly fast, immediately producing an incessant replacement of new products, thus also impacting on social life, immediacy.

Therefore, the capitalist paradigms through the structural crises get new clothes, in which the Bourgeois State will be used, maintaining the class character. In this direction, societal transformations govern relations in the capitalist system, which in the 21st century faces new challenges for the class that lives from work, to fight against the cruel logic of capital.

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