



Aberdeen Political Economy Group



Aberdeen Political Economy Group (APEG), IIPPE Training Workshop
and IIPPE Financialisation Working Group

Invite you to a two day workshop on

“Neoliberalism and the political economy of money and finance in Scotland and the UK”

June 25-26th 2015

Venue: Fraser Noble Building, University of Aberdeen

The UK economy is likely to be the terrain on which tensions will emerge between an emboldened austerity-driven Conservative government unexpectedly elected with a small but clear overall majority, and a triumphant Scottish National Party committed to oppose public spending cuts.

The Aberdeen Political Economy Group (APEG) and the International Initiative for Promoting Political Economy (IIPPE) are therefore pleased to announce this timely two-day workshop supported by the Radical Independence Campaign in Aberdeen. The workshop aims to address fundamental questions relating to the nature of money and the role of finance in contemporary capitalism and how they impact specifically in relation to Scotland and the rest of the UK.

The outbreak of the financial crisis in 2007 has been followed by a resurgence of interest in political economy as mainstream economic theory has proven inadequate as a framework for understanding and explaining the crisis. Arguably mainstream approaches have also underpinned the politics of neoliberalism and provided the logic for some of the highly questionable financial models and practices of banks and financial institutions in the run up to the banking collapse. In Scotland, the referendum campaign and the general election have raised a number of issues on finance, debt and currency on which political economy has much to say. In fact, the aftermath of the referendum has massively re-invigorated radical politics in Scotland and there has been a renewed interest in economic ideas and political activity around the need for progressive social change. The immediate result of this has been a surge in interest in learning more about political economy in relation to the Scottish economy.

This workshop brings to Aberdeen, for the first time, a panel of expert speakers who work on the political economy of capitalism from the perspective of its contradictions and conflicts. A critical evaluation of the monetary system, the pivotal role of finance in capitalist crisis, and the impact of neoliberal politics and austerity economics are at the heart of this workshop, which will be of interest to a wide audience both in the academic world and the wider progressive political community in Scotland and the rest of the UK.

To encourage the widest possible attendance, costs have been kept to a minimum. However a small charge of £5 per day will be necessary to cover catering costs. This will be payable at the registration desk on arrival.

For further details, please contact: Keith Paterson at APEG keithpaterson@abdn.ac.uk
or tel 07793 655 410.

The two-day workshop programme and a campus map showing the location follow below.

PROGRAMME

Thursday 25th June 2015

09:30-10:00 Registration

10:00-17.30 *Financialisation and the Political Economy of Money and Finance* - Simon Mohun, John Weeks and Joseph Choonara.

10:00-11:15 'Introduction to Marx's method and the production & distribution of surplus value' by Simon Mohun

- Simon will introduce the workshop by providing a theoretical framework for understanding the complexities of contemporary capitalism. He will outline what is distinctive and original about Marx's method, the centrality of the labour theory of value for explaining the nature of exploitation and the source of profit and the distinction between productive and unproductive labour in a capitalist context.

11:15-11:35 Coffee/tea break

11:35-12:35 'Introduction to money, capital and finance' by Simon Mohun

- Expanding on the framework established in the first session, Simon will discuss the origins, forms and functions of money, the emergence of money capital and the development of credit and its role in facilitating the circuit of capital. He will show how the potential for crisis is embedded in the very nature of capital and set the scene for the next two sessions by discussing the rate of interest and the topicality of Marx's concept of fictitious capital for understanding financial bubbles.

12:35-13:00 Discussion

13:00- 14:00 **LUNCH**

14:00-15:15 'The political economy of finance and crisis and the economic consequences of the election' by John Weeks

- John Weeks will deepen the analysis introduced by Simon when considering money, credit (such as interest bearing capital and fictitious capital), speculation and crisis. He will then show how financial instability and other crisis tendencies combine and interact in contemporary capitalism. This analysis will then be applied to how governments have responded to the crisis, the contradictions of austerity economics and the post election dilemmas facing the Conservative government.

15:15-15:35 Discussion

15:35-15:55 Coffee/tea break

15:55-17:10 'Financialisation - the growth and impact of finance over recent decades' by Joseph Choonara

- Financialisation is a concept that has emerged in the last decade to describe the increasing importance of financial markets, financial motives, financial institutions, and financial elites in the operation of the economy, from the day-to-day experiences of families to the governing institutions of capitalism at national and international level. Joseph Choonara will discuss the meaning and application of this concept while

outlining the relevance of contrasting theories of financialization to understanding the nature of capitalism in the twenty-first century and how these relate to explanations of the crisis.

17:10-17:30 Discussion

Friday 26th June 2015

10:00-17:30 *Money, Finance, Neoliberalism and the Crisis in UK and Scotland* – James Foley, James Meadway and Neil Davidson.

10:00-11:20 ‘From Finance Capital to Financialisation in Scotland’ by James Foley

- This session will consider how the decline of an industry-focused political and economic bloc in Scotland (described as “finance capitalist”), and the move towards an autonomous logic of financialisation has impacted on Scottish politics and devolution

11:20-11:40 Discussion

11:40-12:00 Coffee/tea break

12:00-13:20 ‘The UK’s second wave of crisis: the failure of neoliberalism, the collapse of growth, and the rise of the transfer state’ by James Meadway

- The period since 2008 has been marked by the complete failure of a return to ‘normality’ across the developed world. For the UK, whilst interest rates remain wedged at record lows and asset prices balloon, real wages have scarcely recovered, measured productivity has flatlined and the current account deficit is at record levels. This paper places the conjunction of multiple, long-term problems in the context of the UK’s deep political crisis, and examines the consequences for the unitary UK state.

13:20-13:40 Discussion

13:40-14:40 LUNCH

14:40-16:00 ‘The Political Economy of Neoliberalism and the Potential for Capitalist Self-Destruction’ by Neil Davidson

- Neil will address the extent to which neoliberalism may now be acting as an impediment to long-term accumulation strategies for capital, partly by eroding the capacity of nation-states to represent the collective interests of capital, and partly through the importation of the kind of short-termism typical of financial capital into the behaviour of mainstream politicians.

16:40-17:00 Discussion

17:00-17:30 Final Remarks

Speakers' Biographies:

Simon Mohun is Emeritus Professor of Political Economy, Queen Mary University. Simon's research interests are primarily concerned with the theoretically informed measurement, description and explanation of trends in aggregate profitability in developed capitalist economies since the 1960s. He has written extensively on rates of profit and productive and unproductive labour in capitalist societies.

John Weeks is Professor Emeritus of the School of Oriental and African Studies of the University of London. His research interests include Economic Policies for Growth, Employment and Poverty Reduction. He published extensively and his most recent critically acclaimed book sets out a major challenge to mainstream economics:

Economics of the 1% How Mainstream Economics Serves the Rich, Obscures Reality and Distorts Policy (Anthem Press)

<http://www.anthempress.com/catalogsearch/result/?order=relevance&dir=desc&q=John+Weeks>

Joseph Choonara is currently undertaking research for a PhD on the restructuring of the working class in Britain at Middlesex University. He is the author of *Unraveling Capitalism: A Guide to Marxist Political Economy* (Bookmarks, 2009) and a member of the editorial board of *International Socialism*

<http://www.bookmarksbookshop.co.uk/view/2945/Unravelling+Capitalism>

James Foley is currently completing his PhD on the Sociology of the Scottish economy since 1971 and will speak on *'From Finance Capital to Financialization in Scotland'*. He is co-author of *'Yes: the Radical Case for Scottish Independence'* Pluto Press

http://www.plutobooks.com/results.asp?st1=james+foley&sf1=keyword index%2Cpublisher&sort=sort_plut

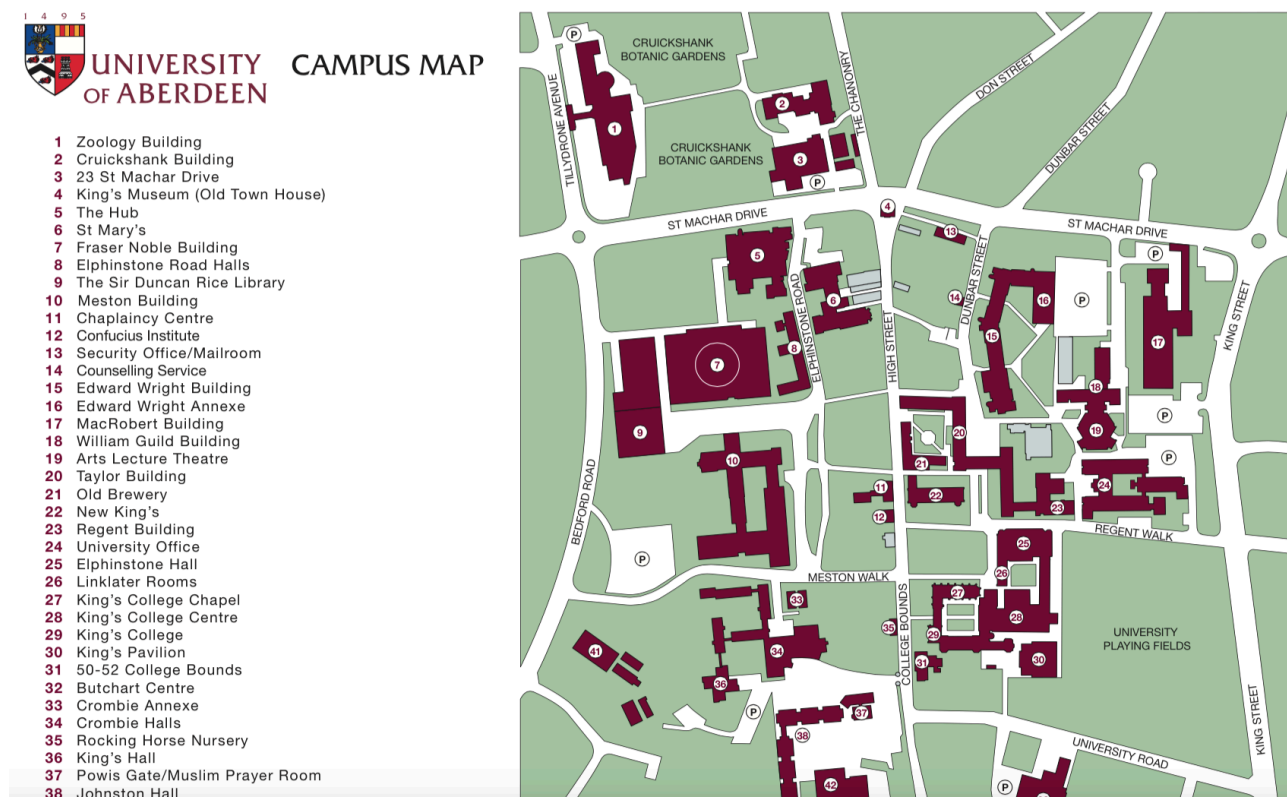
James Meadway is Senior Economist at the New Economics Foundation where he leads their work on responses to austerity and the crisis, and in developing macroeconomic alternatives. He has previously worked as a policy advisor at HM Treasury, and senior policy advisor at the Royal Society. He speaks and writes regularly on austerity, financialisation and the Scottish economy. <http://www.neweconomics.org/people/entry/james-meadway>

Neil Davidson lectures in Sociology at the University of Glasgow. A former Deutscher Memorial Prize winner (2003), he has written extensively on the bourgeois revolution and the transition from feudalism to capitalism, on uneven and combined development, on nation-states and nationalism, and on the history, content and impact of neoliberalism. He is particularly interested in how these themes relate to Scotland. His latest book is *We Cannot Escape History* (Chicago: Haymarket Books, 2015).

<http://www.haymarketbooks.org/pb/We-Cannot-Escape-History>

Venue and Transport

Fraser Noble Building, University of Aberdeen



Buses from Aberdeen Town Centre - 19 route is from Union Street via Bedford Road; 20 is from Littlejohn Street via College Bounds and High Street; 1 and 2 routes from Union Street are via King Street

Organisation:

APEG – Aberdeen Political Economy Group

IIPPE – International Initiative for Promoting Political Economy

IIPPE – Financialisation Working Group

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