
Editorial: Capitalism and the global crisis – provocations

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This is the second in a series of provocations in the *International Journal of Management Concepts and Philosophy*. I hope that these will become a regular event. Our first provocations appeared in Vol. 4, No. 1, 2010 and were on the subject of the economic crisis and business schools. We were possibly the first journal in the English speaking world to offer a series of challenges in which the significance of the crisis that began in 2007–2008 was considered for those involved in business schools. Subsequently, the *British Journal of Management* (Vol. 21, March 2010, special supplement) had its issue and the journal *Ephemera* offered some critical reflections (Vol. 9, No. 4, 2009, but published after our issue).

Aside from such notable exceptions, given the scale of the crisis, the relative silence of the more established journals has been strange. In part this might be explained by the long lead times in publishing but it may also be a product of inertia. Some have no doubt hoped that the storm would pass over them if they sat tight and hung on to the pieties of the past. After all Hillarie Belloc once advised children that it was good practice to ‘always keep a-hold of nurse/for fear of finding something worse’. But although the global economic difficulties have moved into new phases they have not passed as the problems in Greece, Ireland, Hungary, Portugal, and Spain have shown. Huge difficulties also still remain to be confronted in business and banking. There are also interesting variations in how governments have responded to the crisis including whether to use the justice system to deal with some of the business behaviour that led to the crisis.

In this context, we make no apology for running a second set of provocations. This time our contributions come from a much more openly critical perspective and offer radical challenges to our understanding. We are fortunate to be able to draw on four short papers that reflect the work being done by some leading radical scholars. The papers approach different aspects of crisis drawing especially on Marx’s framework but seek to go beyond a rehearsal of past positions. The authors share a critical and sceptical view of both the concepts used to analyse the economy and business and dispute some key aspects of the conventional wisdom about international business and economics. But they also offer interesting contrasts amongst themselves as to how to develop a deeper critique – contrasts that demonstrate a vibrancy of discussion over basic issues that is as sharp as anything found in the more mainstream discussions.

Ironically, perhaps the discussion of the scale and nature of the crisis has been sharper amongst business specialists writing in practitioner outlets. In the March 2011 issue of the *Harvard Business Review*, for example, Dominic Barton – the head of McKinsey – argues that the crisis that began in 2007–2008 is ‘the defining issue for the current generation of executives’. Barton’s account echoes that of some of contributors here but from the perspective of someone who wishes to help save the system from itself.

“In the past three years we’ve already seen a dramatic acceleration in the shifting balance of power between the developed West and the emerging East, a rise in populist politics and social stresses in a number of countries, and significant strains on global governance systems. As the fallout from the crisis continues, we’re likely to see increased geopolitical rivalries, new international security challenges, and rising tensions from trade, migration, and resource competition. For business leaders, however, the most consequential outcome of the crisis is the challenge to capitalism itself.” [Barton, (2011), p.85]

No radical believes that capitalism will collapse of its own accord. The conflict over its future is always a conflict of politics. But equally Barton suggests that it is foolish to imagine that the system can continue on a ‘business as usual’ approach. Here, there is a divergence between our radical contributors and more mainstream reformers. Radical commentators dispute how much reform is possible; they dispute how deep the proposed reforms might be; and they dispute whether those in charge of the system can rise above the narrow calculus of short term self interest that Barton pictures as being at the heart of recent problems.

This does not mean that there cannot be a muddling through but it does raise the question of whether a renewed ‘capitalism for the long term’ can emerge. It would be strange indeed if a journal concerned with encouraging critical approaches to management thinking and concepts did not also encourage a wider debate when the *Harvard Business Review* can published an article from a senior business commentator and adviser which says that in his world “there is growing concern that if the fundamental issues revealed in the crisis remain unaddressed and the system fails again, the social contract between the capitalist system and the citizenry, may truly rupture, with unpredictable but severely damaging results” [Barton, (2011), p.86].

References

Barton, D. (2011) ‘Capitalism for the long-term’, *Harvard Business Review*, March, pp.85–91.