

Capitalist Mutations

Condominiums and other Morbid Symptoms





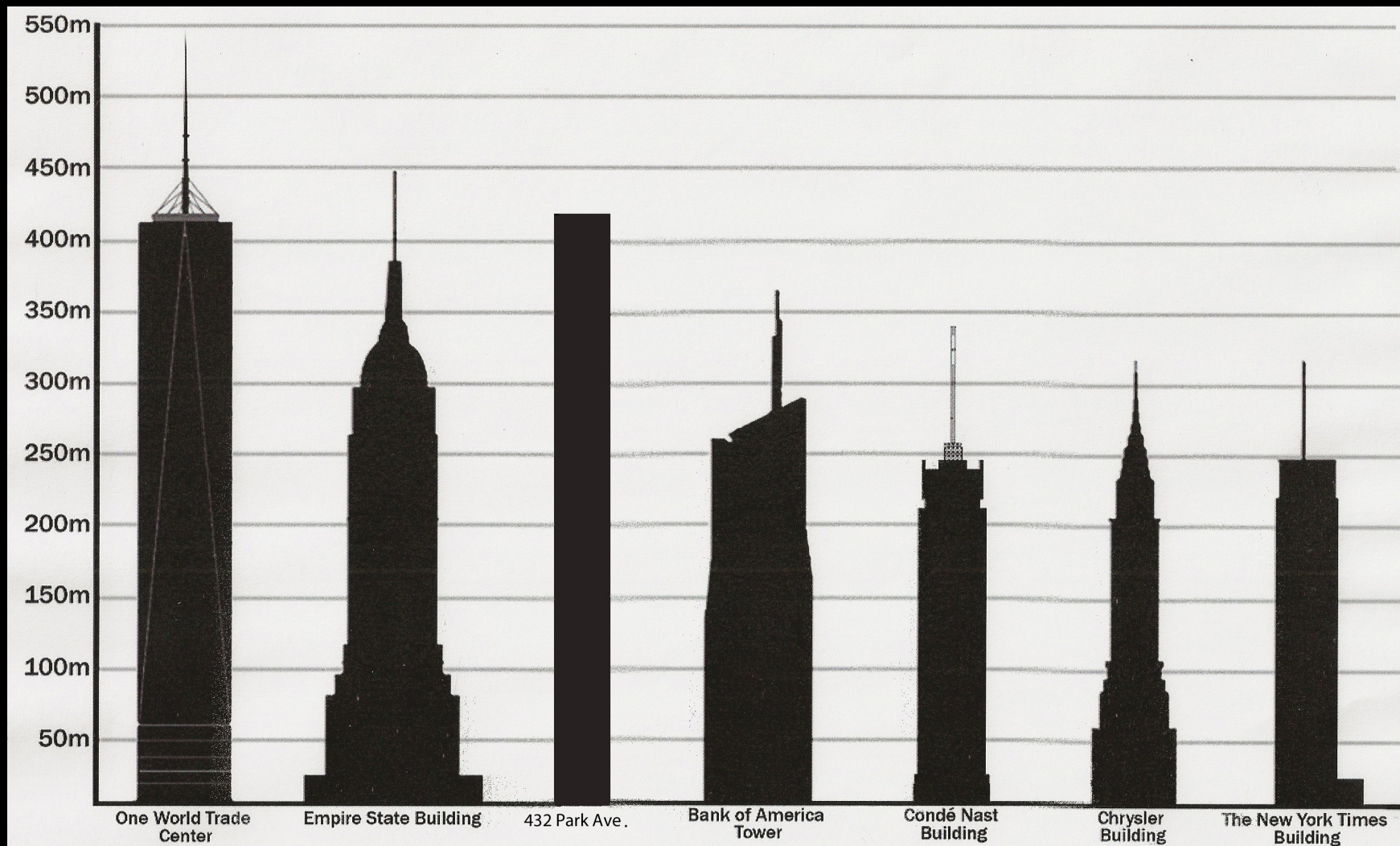
New York, 1912
Woolworth Building, 241 m



New York, 1912
Woolworth Building, 241 m



New York, 2015
432 Park Avenue, 426 m



Tallest buildings in New York City as of 2015



Vancouver, 2008:
Living Shangri-La, 197 m



Vancouver, 2008:
Living Shangri-La, 197 m



Edmonton, 2019:
Stantec Tower, 251 m



Vancouver, 2008:
Living Shangri-La, 197 m



Edmonton, 2019:
Stantec Tower, 251 m



Toronto, 2027:
Pinnacle One Yonge, 347 m

Capitalism can always escape into the future precisely because it harbours permanent and inherent contradiction. Accordingly, capitalism has now *mutated* into neoliberalism and financial capitalism, which are implementing a post-industrial, immaterial mode of production - instead of turning into communism.

Byung-Chul Han, 2017

It is no small shift that the tallest buildings in many cities in the world are no longer offices - a change that has happened during the ascent of financial capitalism. This change symbolically announces the shift from an emphasis on wealth accumulation through production to wealth accumulation through financial speculation.

Matthew Soules, 105

1916: Imperialism



1910: Finance Capital

1916: Imperialism



1910: Finance Capital

1916: Imperialism

1966: Monopoly Capital



1910: Finance Capital

1916: Imperialism

1966: Monopoly Capital

1972: Late Capitalism



Capitalism's movement must be seen as discontinuous but expansive. With each crisis, it mutates into a larger sphere of activity and a wider field of penetration, of control, investment and transformation.

Fredric Jameson, 1997

Systemic cycles of accumulation

M-C-M'

Systemic cycles of accumulation

M-C, C-M'

Systemic cycles of accumulation

M-C, C-M'

M-C, C-M'

M-C, C-M'

M-C, C-M'

Systemic cycles of accumulation

M-C, C-M'

Genoa

1340-1630

M-C, C-M'

Amsterdam

1560-1780

M-C, C-M'

London

1740-1930

M-C, C-M'

New York

1870-

The Long Downturn

(Average per cent change)

	1890–1913	1950–1973	1973–1996
GDP	4.0	4.0	2.9
GDP/hour	2.2	2.6	1.2
GDP/capita	2.1	2.5	1.8
Real wage (mfgr)	1.6	2.2	0
Gross capital stock	5.4	3.2	—
Gross capital stock/hour	3.4	1.7	—

Table 0.1. Comparing the postwar boom and the long downturn.
(Average annual rates of change, except for net profit and unemployment rates, which are averages.)

Manufacturing

	Net Profit Rate		Output		Net Capital Stock		Gross Capital Stock		Labour Productivity		Real Wage	
	1950–70	1970–93	1950–73	1973–93	1950–73	1973–93	1950–73	1973–93	1950–73	1973–93	1950–73	1973–93
US	24.4	14.5	4.3	1.9	3.8	2.3	—	—	3.0	2.4	2.6	0.5
Germany	23.1	10.9	5.1	0.9	5.7	0.9	6.4	1.7	4.8	1.7	5.7	2.4
Japan	40.4	20.4	14.1	5.0	14.5	5.0	14.7	5.0	10.2	5.1	6.1	2.7
G-7	26.2	15.7	5.5	2.1	—	—	4.8	3.7	3.9	3.1	—	—

G-7 net profit rate extends to 1990; German net capital stock covers 1955–1993; Japanese net profit rates and net capital stock cover in manufacturing 1955–1991.

Private Business

	Net Profit Rate		Net Output		Capital Stock		Gross Capital Stock		Labour Productivity		Real Wage		Unemployment Rate	
	1950–70	1970–93	1950–73	1973–93	1950–73	1973–93	1950–73	1973–93	1950–73	1973–93	1950–73	1973–93	1950–73	1973–93
US	12.9	9.9	4.2	2.6	3.8	3.0	—	—	2.7	1.1	2.7	0.2	4.2	6.7
Germany	23.2	13.8	4.5	2.2	6.0	2.6	5.1	3.0	4.6	2.2	5.7	1.9	2.3	5.7
Japan	21.6	17.2	9.1	4.1	—	—	9.4	7.1	5.6	3.1	6.3	2.7	1.6	2.1
G-7	17.6	13.3	4.5	2.2	—	—	4.5	4.3	3.6	1.3	—	—	3.1	6.2

G-7 net profit rate extends to 1990; German net capital stock covers 1955–1993.

Sources: OECD, *National Accounts, 1960–1997*, volume II, Detailed Tables; OECD, *Flows and Stocks of Fixed Capital*, various issues; P. Armstrong, A. Glyn, and J. Harrison, *Capitalism Since 1945*, Oxford 1991, data appendix, and their *Accumulation, Profits, State Spending: Data for Advanced Capitalist Countries 1952–83*, Oxford Institute of Economics and Statistics, July 1986 (updated by A. Glyn). (Henceforth, AGH).

Growth of the stock market

Number of companies:

1980: 17,000

2022: 48,000

Growth of the stock market

Number of companies:

1980: 17,000

2022: 48,000

Total value of stocks:

\$816 billion

\$106 trillion

Growth of the stock market

Number of companies:

1980: 17,000

2022: 48,000

Total value of stocks:

\$816 billion, 9% of GDP

\$106 trillion, 118%

Growth of the stock market

Daily volume of transactions on foreign exchange market:

1970s: \$10-20 billion

2000: \$2 trillion

2019: \$6.6 trillion

Growth of the stock market

Percentage of FE transactions that involved "trading of an actual product or service":

1975: 80

2000: 2

Financialization of US corporate profits

Percentage of profits earned in financial sector:

1982: 14

2000: 40

Liquidity



Illiquid



Liquid

[A] legal innovation without peer in its capacity to increase density of private ownership in land.

Douglas C. Harris, 2011



New York, 2014:
One57, 306 m



New York, 2022:
111 West 57th St, 435 m

Presale markets



Port Coquitlam, 2017:
Camping out for condos

Houses are for living, not for speculation.

Xi Jinping, 2016

References

- 1-8: Matthew Soules (2021), Icebergs, Zombies, and the Ultra-Thin.
9: Byung-Chul Han (2017), Psychopolitics, 5.
10: Soules, 10.
15: Fredric Jameson (1998), “Culture and Finance Capital,” 139.
16-19: Giovanni Arrighi (1994), The Long Twentieth Century. Arrighi, Hegemony Unravelling
20: Robert Brenner (2006), The Economics of Global Turbulence, xxvii.
21: Brenner (2006), 5.
22-27: Soules, 23-24; World Bank Group, World Bank Open Data.
29: Douglas C. Harris, 2011, “Condominium and the City: The Rise of Property in Vancouver”, Law and Social Inquiry 36, no. 3, p. 695.
29-31: Soules.
32: Xi Jinping Thought.