

The New Social Reality: Post-Capitalist Challenges

Karim El Guessab and Oleksandr Masalykin*

Abstract: The article explores the modern socio-philosophical dynamics of late capitalism and its crisis, and considers the new functioning principles of the post-capitalist model of the future. It is emphasized that the main characteristics of the new social post-capitalist model will be automation of labour, reduction of the working week, unconditional basic income, which guarantees a sufficient amount to live on. A special attention is paid to the main human value, namely to be together and overcome the “end of the social”, to the desire to achieve something universally significant; however, capitalism is constantly tightening competition, which makes many people fall into frustration. Thus, the authors aim to search for instrumentalism in the development of a social state, post-capitalist type of society existence. The article focuses on the significant problem of our time: inequality, with “new peasants”, “new lords”, “new global aristocracy”, including not only financial institutions, but also digital platforms. It is noted that the structure of complex networks shows why modern capitalism tends to neo-feudalism. The integrated networks undermine equality and strengthen hierarchy through inclusiveness, free choice and democratic participation. Therefore, the search for new models of coexistence in the global world becomes an urgent scientific problem for the socio-philosophical discourse.

Keywords: post-capitalism, late capitalism, inequality, digitalization, platform capitalism, neo-feudalism

INTRODUCTION

In recent years, the economic challenges entailing painful social consequences worldwide have aroused a tremendous interest in analysing the conception of the change in the society model in which modern humanity exists. We are entering the post-capitalist era and, according to many researchers, the future changes are based on information technologies, innovative ways of work performance, and

* Karim El Guessab; Oleksandr Masalykin (✉)

Department of Social Philosophy and Administration, Zaporizhzhia National University, Zaporizhzhia, Ukraine

e-mail: karimk@ukr.net; masalykin194@ukr.net (corresponding author)

the economy of joint life activity, which will result in the formation of a new sociality. The old ways are going to disappear for long; replacement of capitalism with post-capitalism will be accelerated by external shocks and formed by emergence of a new type of people.

The aim of our article is to determine the current socio-economic dynamics of late capitalism and its crisis as well as to consider the new functioning principles of the post-capitalist model of the future.

The socio-philosophical specifics of studying the problems of late capitalism brings to the fore the fundamental issues of the social structure of late capitalism and position of a man in this system. Speaking of sociality and formation of social experience, we mean the area of people's relations significantly conditioned by the development of standard patterns of behaviour, activity and communication patterns, moral and legal norms, aesthetic ideals, the adoption and use of which relate a person to a certain social model. These issues will serve as a methodological basis for the emergence and understanding of the new social structure of the post-capitalist reality.

RESULTS AND DISCUSSION

Any discussion of the post-capitalist future should begin with the analysis of the current economic, social and environmental context and the 'monsters', which we are currently being faced with.

The problem of late (modern) capitalism is increasingly being raised in modern social research. One of the most important contributions, which social philosophy can make to social economics as well as anthropology, is the clarification of the types of beings that are postulated in their theories as the existing ones. In other words, philosophers can clarify the ontological foundations of each individual theory of society, since modern theories of society or theories of social development are rooted in the criticism of capitalism. At the same time, modern socio-philosophical theorists not only expose and criticize the negative trends of modern society, but they also offer scenarios for solving the problems of the "ontology of poverty" and lack of social justice.

The acquaintance with the analytics and social criticism of late capitalism and presentation of a new social model of development can be made through the works belonging to P. Mason, P. Anderson, J. Dean, T. Piketty, N. Srnicek and A. Williams, F. Jameson, O. Obukhivska, and others. These works are the clue to understanding the social problems associated with the interpretation of the hegemonic

role of techno-mediated communication forms and their involvement in the introduction of new models of inequality, discrimination and labour exploitation.

Thomas Piketty, in his famous book *Capital in the Twenty-First Century*, draws some quite disappointing conclusions, namely, he convincingly shows that by the beginning of the 21st century there is a sharp increase in inequality, “forces of divergence”, which are characterized by the processes of “accumulation and concentration of wealth when growth is weak and the return on capital is high” (Piketty 2015, 23).

Inequality has reached new heights; an estimated \$32 trillion has been hidden in tax havens by wealthy corporations. Multinational corporations are taking over state and public functions, being facilitated by the trade and investment regime, aiming to secure corporate power in the judicial and legislative fields and increase profits disrupting the best plans of governments with the threat of expensive lawsuits. The goal is to privatize everything (“Building post-capitalist futures” 2018).

At the heart of the deepening crisis of our times there lies a touching belief that capitalism, free markets and democracy go hand in hand. Wolfgang Streeck (2016) has deconstructed this myth, exposing deeply illiberal, irrational, anti-humanistic tendencies of modern capitalism. According to the German analyst, there is a widespread opinion today that capitalism is in critical state, the worst it has ever been since the end of the 19th century. He argues that the crisis of capitalism is expressed in five different maladies: long-term stagnation; extreme inequality; privatization and decline of the welfare state; political corruption; international instability. The paradox, however, is that, despite its own crisis, capitalism has won a Pyrrhic victory, getting rid of the social and political restrictions, which were the only grounds to build an alternative to it: “while we see it disintegrating before our eyes, we see no successor approaching” (Streeck 2016, 35). The author declares that the world, therefore, will experience a long period of uncertainty; and new crises are “neither transformative nor adaptive”, and unable to replace the existing system with a new one (Ibid, 37). To describe this period, Streeck refers to a well-known fragment from Antonio Gramsci’s *Prison Notebooks*: “...‘the old is dying but the new cannot yet be born, ushering in an interregnum in which pathological phenomena of the most diverse sort come into existence’...” (Ibid, 36).

This reality presents the fact that most of the world is experiencing the brutal realities of extreme forms of late capitalism. In the opinion of Jodi Dean, the trends of modern ('communicative') capitalism are such that it can be reborn into "something worse", namely, neo-feudalism. She argues:

By 'capitalism' I mean a system in which private property, wage labour, and commodity production are the basis for valorization, or the increase of fixed capital. For its own reproduction and legitimization, the capitalist system needs a specific state form, a bourgeois legal state that claims to be fair and neutral. Modern communicative capitalism is a system that tends to neo-feudalism, as its own processes become more intense and turn against themselves (Dean 2019, 86).

Indicating the neo-feudal tendencies, the author proceeds from the idea of Rosa Luxemburg that capitalism has always been based upon and superimposed on other production and accumulation modes, and exploited them. In fact, by integrating non-capitalist relations, capitalism makes them worse, destroying the conditions of their existence and subjecting them to alien laws. According to Jodi Dean,

The monopolistic concentration of modern communicative capitalism, rapidly growing inequality, subordination of the state to the market are resulting in neo-feudalism, where accumulation is made not only through production, but also through rent, debt and power. For instance, at the global level, knowledge and technology intensive industries gain more rental income from intellectual property rights than through production of goods (Ibid, 87).

As we can see, a new form of capital is emerging. Capital is increasingly less reinvested in manufacturing, but "is accumulated on accounts, squandered or redistributed as rent" (Ibid.).

In modern sources, terms such as 'digital rent', 'information-digital rent', 'communication rent' are used. Defining this set of categories, the researchers emphasize that "first of all, digital rent is some superprofit, additional income that digital technology carriers receive." Secondly, it is believed that this income arises from the commodification of information accumulation and processing with the aid of specific digital methods. Finally, it is argued that digital rent is formed as a result of the monopoly of private ownership of information resources, the "digital capital" (Yatsky 2020).

Returning to the work by Jodi Dean, we should mention she argues that a special ‘cognitive’, ‘platform’, ‘surveillance’ capitalism is forming. The use of the term ‘capitalism’ in such phrases emphasizes the meaning and various aspects of the ‘communicative revolution’ caused by digitalization. This not only transformed individual social and cultural practices, but it altered the very basis of these practices, capitalism. The ‘communicative capitalism’ is a new economic and ideological formation, which has resulted from the development of networked communications technologies and global media that “capture” their users, while simultaneously entertaining and putting them under surveillance (Dean 2010, 4).

It follows from this definition that the emphasis in network communication is not placed on the content of what we will talk about, but only on its informational dimension, i.e. on the ‘contribution’ to the circulating flow of content. This transforms the fact of communication into the raw material for a new capitalist production and makes it the basis for new forms of alienation.

According to Eduard Safronov (2020, 239-240), “this seemingly vague definition contains the key characteristics of the concept. Production, which includes not only digital occupations, but also affective, unpaid work to fill in the network, enjoyment, which is also inextricably linked to communication, and surveillance, the relevance of which has only grown over the past ten years”.

Thus, inequality is becoming an essential problem of today, wherein there are and will be “new peasants”, “new lords”, “new global aristocracy”, which include financial institutions and digital platforms:

The structure of complex networks shows why modern capitalism tends to neo-feudalism. Integrated networks undermine equality and strengthen hierarchy through inclusiveness, free choice and democratic participation. Hierarchy is an integral feature of networks characterized by freedom of choice, growth and preferred connection. At the same time, in communicative capitalism, practices related to democracy, such as freedom of speech and discussion, are concentrated in separate affective networks, where politics is reduced to daily expressed indignation. Liberated from the fetters of democracy, but still claiming democratic legitimacy, the state turns into a sophisticated instrument of coercion, surveillance and control, becomes a means of maintaining order in conditions of expropriation, general ruin and fragmentation (Dean 2019, 107).

Overall, we note that with a long decline in manufacturing profitability, capitalism has turned to data, now seeking for a source of economic growth and vitality in them. This aspect is further considered by Nick Srnicek in his work *Platform Capitalism*.

In the paradigm of the critical theory of late capitalism, Srnicek describes *platform capitalism* through criticism of the economic structure, believing that it is the economy that sheds the most light on modernity. In addition, politics results from the economy of platforms, the choice of which as the main actor of capital is sufficiently obvious: even if platforms try to present themselves “as an empty vessel for market forces”, these forces shape “the appearance of a new market” (Srnicek 2019, 45). The author argues that in the 21st century, on the basis of changes in digital technologies, data become core to companies and their relations with employees, customers, and other capitalists. The new business model has emerged, that is the platform, capable of extracting and controlling large amounts of data, and with this shift we have seen the rise of large monopolists. Today the capitalism in high and middle-income countries is increasingly dominated by these monopolistic companies, and thus, the trend is only going to continue and form a new social being of the world and man (Ibid, 5).

In the monograph *Inventing the Future: Postcapitalism and a World without Work*, Nick Srnicek and Alex Williams present the idea of techno-optimism, the faith in the ability of technologies to bring the scenario of social development closer to the “society of abundance” model. The authors see the prospect of exponential growth in labour productivity due to what is called “full automation” based on information technologies, robotics and artificial intelligence. The future has not yet come, but Srnicek & Williams suggest making full automation a political demand. The implementation of this idea is possible with the introduction of a universal basic income, and it is precisely in this part of their concept to present the scenario of the post-capitalist future, a new sociality, that is the project of a ‘post-work society’. Moreover, in this post-capitalist project of the future we can see an attempt to transform the ideological foundations of the ‘capitalist man’ (constantly working to prove the value to capitalism). The main characteristics of the new social post-capitalist model will be automation of work, reduction of the working week, provision of unconditional basic income, which not only ensures satisfaction of

minimum needs, but also guarantees a “sufficient amount to live on” (Srnicek & Williams 2019).

However, what we have in reality is that half of all jobs are under the threat of automation; technization, digitalization as well as artificial intelligence will eliminate a huge number of jobs in the next twenty years, even in such areas of human activity as medicine and education.

The desire to achieve something universally significant remains the main human value, but capitalism is constantly tightening competition, which makes many people frustrated. Therefore, the search for instrumentalism for the development of a social state, post-capitalist existence, is becoming more relevant than ever.

In this context, we should emphasize that an unconditional basic income is an instrument of the welfare state. An increase in taxes on wealth is suggested as a financial security for basic income. However, this is only one of the features of the new model of human existence. Being of relevance for creating the new post-capitalist future, the problem of unconditional income, as a possibility of transition from the ‘kingdom of necessity to the kingdom of freedom’, will be studied in our further works. But for now, it is worth noting that it is the logic of capitalism development that gave birth to the idea of introducing an unconditional basic income. According to David Graeber (2012, 151), since the 1960s, “the number of workers employed as domestic servants in industry and in the farm sector has collapsed dramatically”. At the same time, “professional, managerial, clerical, sales, and service workers” tripled, growing “from one-quarter to three-quarters of total employment”. Modern societies do not have sufficient high-quality jobs for everyone. The work that remains in excess is usually unskilled and, by definition, low-paid; thus, Graeber speaks about ‘bullshit jobs’, the phenomenon of pointless jobs: “employees find themselves... working forty- or even fifty-hour weeks on paper but effectively working fifteen hours... since the rest of their time is spent organizing or attending motivational seminars, updating their Facebook profiles, or downloading TV box sets” (Ibid, 152).

To understand what a ‘bullshit’, useless job is, it is enough to ask: What will change in the world if this job disappears? Let us emphasize on the philosophical specifics of the question asked by David Graeber. Indicating the meaninglessness of many works, he leads us to suggest that the values of the person and the work are interrelated, and the process of self-fulfilment is ontological, existential for a human being. In this aspect, we agree with the researcher Nikolai Afanasov, who

described in detail the correlation between the concept of *human value* and social tools that support it or try to destroy it, in the style of modern reality: “A ‘valuable’ human is no longer needed by modern digital and platform capitalism as a producing unit” (Afanasov 2020, 61). Therefore, it is worth addressing the problem of constructing images of the future without work in terms of philosophy and revalorization of the individual.

In the post-capitalist reality, work should become a means of human liberation since it should form the basis for a free and comprehensive development of human abilities. To confirm our thought, we cannot help quoting Karl Marx (1962, 386-387), who declared: “In fact, the realm of freedom actually begins only where labour which is determined by necessity and mundane considerations ceases; thus in the very nature of things, it lies beyond the sphere of actual material production”.

We should overcome the framework of capitalism as a whole, as a system, in order to give full play to the development of new human, social, and community trends. Labour should become a means of a human’s liberation. The main idea of the post-capitalist sociality is the transformation of a man ‘on the other side of material production’ into an end in itself for moral and spiritual development, where free time should become a measure of wealth, in contrast to the worker, where the labour is imposed by ‘necessity and mundane considerations’. Therefore, the basic income, if it is realized properly, allows each person, each family to have an income level that allows them not to worry about survival in terms of physiology, but to fundamentally change, to choose an occupation, a job that corresponds to their inclinations – the ways, in which they would like to fulfil themselves.

CONCLUSION

Capitalism is changing its nature; the historical realities change the nature of capitalism. The socialization of capitalism creates a society increasingly meeting the needs of a working man, decreases exploitation, and creates space for free individual development.

Currently, under the conditions of painful search for non-violent ways of global coexistence of citizens and peoples, all totalitarian patterns of thinking based on the unilateral exaltation or belittling of certain forms of human development in the society are equally dangerous.

In *The Poverty of Historicism*, Karl Popper argues that capitalism, socialism, and communism will lose their essential significance for many people. We should not oppose them, or cause a clash between people, imposing this division on them for political reasons, but mobilize both groups against the real enemies of the human community.

The real foes of the human community are war, poverty, destitution, diseases, all types of extremism, terrorism and various kinds of human aggression manifestations. The study of the processes of forming new facets of social reality under conditions of post-capitalism will determine the dignity of a particular model of society, bringing the possibility of understanding the extent to which future societies will efficiently affect the solution of global problems of humanity.

REFERENCES:

- Afanasov, Nikolai. 2020. "The loss of human value: Basic income and deprofessionalisation." *Herald of Tver State University. Series: Philosophy*, 1(51): 59-69.
- Anderson, Perry. [2000] 2007. *Passages from Antiquity to Feudalism / Perekhody ot antichnosti k feodalizmu*. Translated by A. Smirnov. Edited by D. Furman. Moscow: Territorija budushhego.
- "Building post-capitalist futures." 2018. Transnational Institute Fellows' Meeting – Amsterdam 7-10 June, 2018. <https://www.tni.org/en/publication/building-post-capitalist-futures> [accessed: 17.04.2021].
- Dean, Jodi. 2010. *Blog Theory: Feedback and Capture in the Circuits of Drive*. Cambridge: Polity Press.
- Dean, Jodi. 2019. "Communism or Neo-Feudalism?" *Logos*, 6 (133): 85-116.
- Graeber, David. [2004] 2012. "On the phenomenon of bullshit jobs". In *Fragments of an Anarchist Anthropology / "O fenomeny bespoleznykh rabot"*. *Fragmenty anarkhistskoi antropologii*. Translated by Aleksandr Trutanov, Aleksandr Akulov, Iaroslav Zhogan, Lora Timarova. Edited by Lora Timarova. Moscow: Radikalnaia teoriia i praktika.
- Jameson, Fredric. [1991] 2008. *Postmodernism, or, The Cultural Logic of Late Capitalism / Postmodernizm, abo Logika kul'tury` pizn`ogo kapitalizmu*. Translated by P. Denysko. Kyiv: Kurs.
- Marx, Karl. 1962. *Capital*. Vol. III. In Karl Marx and Friedrich Engels, *Sobranie sochinenii / Collected Works*, (2nd ed.), vol. 25, part II. Moscow: Gosudarstvennoe Izdatelstvo Politicheskoi Literatury.
- Mason, Paul. 2015. *Postcapitalism: A Guide to Our Future*. Allen Lane.
- Obuhivska, Olena. 2004. "Concept of the post-capitalist society in the modern social philosophy." *MAGISTERIUM*, 13: 21-26. http://ekmair.ukma.edu.ua/bitstream/handle/123456789/14063/Obukhivska_Kontsept_postkapitalistichnoho_suspilstva.pdf?sequence=1 [accessed: 16.03.2021].
- Piketty, Thomas. [2013] 2015. *Capital in the Twenty-First Century / Kapital v XXI veke*. Translated by A. Dunaev. Moscow: Ad Marginem.

- Popper, Karl [1957] 1993. *The Poverty of Historicism / Nishcheta istoritsizma*. Translated by S. Kudrina. Moscow: Progress-VIA.
- Safronov, Eduard. 2020. "Jodi Dean's concept of communicative capitalism." *Znanie. Ponimanie. Umenie*, 1: 236-247. doi: 10.17805/zpu.2020.1.20.
- Srnicek, Nick. [2017] 2019. *Platform Capitalism / Kapitalizm platform*. Translated by M. Dobrjakova. Moscow: Vysshaja shkola jekonomiki.
- Srnicek, Nick, and Alex Williams. [2015] 2019. *Inventing the Future: Postcapitalism and a World without Work / Izobretaja budushhee: postkapitalizm i mir bez truda*. Translated by N. Okhotin. Edited by E. Lavut. Moscow: Strelka Press.
- Streeck, Wolfgang. 2016. *How Will Capitalism End? Essays on a Failing System*. London/ New York: Verso.
- Yatsky, Sergey. 2020. "Digital rent: problems of definition." *Vektor ekonomiki*, 11. http://www.vectoreconomy.ru/images/publications/2020/11/economic_theory/Yatsky.pdf [accessed: 10.05.2021].