



SWEDISH
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REGULAR SESSION INFORMATION

Session: Crisis and Decline of Western Capitalism. Society, Politics and Rights in the Age of the New Hegemony of Global Market

Session Convener(s): Tito Marci, University of Rome "La Sapienza"

Chair: Tito Marci, University of Rome "La Sapienza"

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Mohsen Hooshmand, Shahid Chamran University of Ahvaz

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ABSTRACTS

Session description

In the fourth chapter of the *Wirtschaftsgeschichte*, dedicated to "the origin of modern Capitalism", Max Weber indicated "the rational, that is calculable, right" as one of the foundations of the capitalist economy of the modern world. He observed that if "the capitalistic enterprise must behave in a rational way, it has to be judged and administered in a calculable way". In other words, Weber suggests a mutual dependency between modern Capitalism, modern State and rational and formal rights, considered as an element and, at the same time, a product of the typical political development of the modern West.

Today, as we know, the new Capitalism with its financial aspect has completely different characteristics from the spirit of western Capitalism which Weber analyzed 100 years ago. At the same time, the "globalization" of the economy is fragmenting the "rational and legal" State that, according to the German sociologist, had centralized in its hands all the power to establish norms in society. Effectively, the new rights of the economy tend to have an "extra-legislative" face. We continuously assist in the production of new legal rules. In other words, the market gives rise to new forms of law.

In this way, the new global Capitalism does not tend so much to rationalize, as to deregulate. But this doesn't force us to reformulate an idea of "anomie" because Capitalism itself, through deregulation, intends to impose its norms in hegemonical way.

As we know, the global market corroded many democratic institutions. Politics has no more autonomy; it does not manage a proper sphere of relationships. So, a set of questions are raised. What is the future of democracy? What is the future of social relationship? What's about the culture of rights? How can social sciences explore the emergence of new structures of hegemony?

Papers

1) *Capitalism and the Transformation of Western Democracies*

Lorella Cedroni, University of Rome "La Sapienza"

Over the last two decades the unprecedented triumph of global capitalism and its stronger power of transformation is impacting on Western democracies, changing the nature of political community and its institutions, transforming the conditions of democratic politics and governance (Sandel 1996; McGrew 1997; Boltanski-Chiapello 1999; Hutton and Giddens 2000; Held 2000; Cunningham 2002; Mongardini 2007; Reich 2007).

Economic globalization, many argue, has exacerbated the tension between democracy, as a territoriality rooted system of rules, and the operation of global markets and transnational networks of corporate powers. Governments have lost the capacity to manage transnational forces in accordance with the expressed preferences of their citizens, and the very essence of democracy, namely self-governance is decidedly compromised.

In this paper I will consider two main perspectives in this framework of analysis. The first is – what I call – the “compatibility controversy”. In this perspective three positions will be examined: the liberal view – *free market in liberal state* – and “transformationalist” vision of democracy and capitalism. As Marx, Weber, and Schumpeter – from different perspectives – have pointed out – capitalism rather than just an economic mode of organization, is a “mentality”, a “social logic”, a “way of life”, that influences and reshapes political structures, and culture (Marx

1859; Weber 1930; Schumpeter 1942), At the same time democracy is considered a historically *contingent* “form of politics” (Rancière 2007), and more and more it is reduced to a form of economic relation (Mongardini 2007).

There is a sort of - what I call - “*conceptual isomorphism*” that assimilates capitalism and democracy, and leads us to examine their overlapping destiny. For many authors, liberal democracy, capitalism, and socialism purely economically conceived, are compatible models insofar as they all contribute to an objectionably individualistic and passive culture.

Arguments that liberal democracy is essentially capitalistic are given both by antiliberal-democratic socialist and antisocialist liberal democrats. Central to theses about the historical association of liberal democracy and capitalism is that liberal democracy affords political justification and protection for capitalist markets against both residual feudalism and working-class threats (Macpherson 1977).

II) *Modern Capitalism and the Rationalization Process: After the Western Hegemony*

Maria Cristina Marchetti, University of Rome "La Sapienza"

Max Weber opened the Introduction to *The Protestant Ethic and the spirit of capitalism*, with the question: “A product of modern European civilization, studying any problem of universal history, is bound to ask himself to what combination of circumstances the fact should be attributed that in Western civilization, and in Western civilization only, cultural phenomena have appeared which (as we like to think) lie in a line of development having *universal* significance and value”. Science, Arts, Modern State and Capitalism are the all the products of the Western culture and of the rationalization process it introduced with modernity. Moving from this assumption we are used to think about that all these phenomena are strictly related. What is capitalism without the Modern State? What is capitalism without rights and democracy?

According to the reading proposed by the *Weber-Renaissance* (Bendix, Schluchter, Tenbruck, Habermas) and to the central role it tributes to the Weber’s masterpiece – *Sociology of Religion* - the rationalization process is not only a product of western culture. What is typical of Western culture is only the high degree this process reached in this context. In this perspective the rationalization process is wider than we have been considering for a long time and it involves different culture in different time.

Nowadays we assist to the widespread of capitalism apart from the sphere of influence of protestant ethic. What’s the new ethic of capitalism? Has capitalism cut any reference to a specific ethic?

Moving from this framework, the paper will focus on:

1. The relationship among the rationalization process, Western culture
2. The relationship between Capitalism and Religion (*Sociology of Religion*)
3. Can capitalism survive without any reference to the culture of rights and democracy?

III) *Capitalist Economy as Factor on Consumer Confuse*

Ali Hossein Hosseinzadeh, Shahid Chamran University of Ahvaz

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Consumer confuse in choosing and buying products is an important issue in marketing so that considering its factors and avoiding of them will result to consumer satisfaction of buying and brand loyalty. But the importance

of this issue, there has been little studies in this field. This article, investigates the effects of socioeconomic (capitalist economic) factor on consumer confuse using a sample of 386 students.

With the use of SPSS, Results show that variables of culture, media and social class have direct positive relation with consumer confuse. Reference group and market environment had no effect on consumer confuse. Also, moderator variable, gender, is related to consumer confuse, so women confuse more than men. According to conceptual model of the study we use regression test which result to $R^2 = 45\%$, that shows independent variables declare 45% variance of dependent variables. At the end, we provide some theoretical implications for future researches and suggestions for executive managers.

Key words: consume, culture, media. Socio-economic status

IV) *Rule of Law and Risk Regulation: The Role of Private Norms and Standards in Globalized Market. The State towards an "Heterotrophic" Regulation?*

Astrid Zei, University of Rome "La Sapienza"

The regulation of globalized markets is dominated by the interaction of different normative orders: national and international law, legislative regulation and voluntary market standardization, public law, social norms and private technical standards.

Health, safety controls and environmental protection rely on a set of norms which are not wholly public and not wholly private, and therefore, they are not compulsory.

Private standards, set by (almost) private trade organizations in their own interest, are originally elaborated as a facultative set of rules and best practices for different purposes: health, environmental and consumers protection is taken into due consideration among a wide range of grounds, goals and justifications which lay behind the standards setting.

At the same time, the legislatures tend to attribute to such standards a *quasi*-legal validity: frequently the law states that products and technical processes complying with private standards are presumed to be in conformity with the general requirements set by the law itself. By this way, the legislative tends to delegate the detailed regulation to such standardization bodies and limits itself to the formulations of some essential and very general safety requirements.

Such hybrid regulation is becoming more and more diffuse. For instance, law's reliance on private standards appears as a crucial element in the legislative strategy of the European Union for the harmonization of national legislations and for the removal of technical barriers to trade inside the European market.

Thus, standardization gained a pre-eminent role among the instruments of normative orders: it is based on consensus, it synthesizes a wide range of interests, it relieves the legislative from the heavy task of a detailed regulation. It may be considered as a cornerstone for a consensus driven normative ordering in some crucial sectors.

Notwithstanding many attempts to impose various forms of public control over the standardization processes or bodies, at national and supranational level, standards setting remains an activity which is basically oriented towards the satisfaction of (a sum of) genuine private interests, which are not necessarily completely coincident with the political and constitutional welfare.

By this point of view, the legal status which is given to technical standards may be considered as a form of "heterotrophy" of the legislative, which is not fulfilling his task as it is not setting the rules by itself and as such rules are drawn from non-public subjects

Thus, today the legal status which is given to private standards still arises many crucial questions which affect the general and social theories of law.

V) *European Juridical Culture as a European Specific*

Simona Andrini, University of Rome 3

There is a clearly weberian colour which I would insert into the title of the talk I was asked to give.

Why do I mention Weberian colour? Because, in fact, the title of my talk does not concern European Juridical Culture in general, but instead Juridical Culture as a European “Specific”.

There can be few people insensitive to the echoes in the title of my speech of Weber's statement "Nur im Okzident" – "Only in the West", which symbolised the manner in which modern law was formed and the peculiar characteristics of its rationality.

One can note, however, that Weber spoke of the West as a whole, rather than of Europe, while our subject is this latter. But if one takes into account the fact that there is a very close relationship between the term “The West” and the European tradition, one can well understand why the Weberian motto touches the heart of our subject.

Even though the noisy clamour about Europe is very strong, the overriding sensation that one receives is, on the contrary, that the deep significance of this word is progressively being lost, and furthermore its cultural meaning is also vanishing; meaning which is strictly linked to the concept of the West, to that Weberian “Nur im Occident”, and which consists in asserting the primary position of culture among our values. Facing the issue of juridical culture as a European specific means once again discussing the Western destiny in the Weberian sense.