

UC Irvine

UC Irvine Previously Published Works

Title

Contribution to the understanding of contemporary economy

Permalink

<https://escholarship.org/uc/item/4x1589zh>

Journal

Teorija in Praksa, 52(3)

ISSN

0040-3598

Authors

Kanjuo Mrčela, A
Bandelj, N

Publication Date

2015

Peer reviewed

CONTENTS



ECONOMY AND SOCIETY

- Aleksandra KANJUO MRČELA and NINA BANDELJ:
CONTRIBUTION TO THE UNDERSTANDING OF
CONTEMPORARY ECONOMY 323–326
- Barbara HOBSON and Luwam BEDE: PRECARIOUSNESS
AND CAPABILITIES: MIGRANT CARE/DOMESTIC WORKERS
IN TWO INSTITUTIONAL CONTEXTS 327–349
- Aleksandra KANJUO MRČELA, Miroljub IGNJATOVIĆ:
FROM FLEXIBILITY TO PRECARIETY: ESCALATION OF
NEGATIVE CHANGES AT THE BEGINNING OF THE 21ST CENTURY 350–379
- Donald TOMASKOVIC-DEVEY: BEWARE FINANCIALIZATION,
ATTRACTIVE AND DANGEROUS, BUT MOSTLY DANGEROUS 380–391
- Miroslav STANOJEVIĆ: TRADE UNION STRATEGIES
IN TIMES OF CRISIS 392–414
- Yader R. LANUZA, Nina BANDELJ: THE PRODUCTIVE ROLE
OF CHILDREN IN IMMIGRANT FAMILIES 415–433
- Marjan SMRKE, Mitja HAFNER FINK: THE ECONOMY AND RELIGION:
ECONOMIC CRISIS AND THE ECONOMIC ORIENTATIONS
OF RELIGIOUS VS. NON-RELIGIOUS SLOVENIANS 434–453
- Branko ANČIĆ, Mladen DOMAZET: POTENTIAL FOR DEGROWTH:
ATTITUDES AND BEHAVIOURS ACROSS 18 EUROPEAN COUNTRIES 454–473
- Klemen PLOŠTAJNER: NEOLIBERALISM AND ITS MANIFESTATIONS
IN THE CITY 474–491
- Krešimir ŽAŽAR: EXPLORING THE BRIGHT SIDE OF
CONTEMPORARY GLOBAL CAPITALISM: THE PARTICIPATORY
POTENTIALS OF CREATIVE ECONOMY 492–508
- Marijana CAR, Aleksandra KANJUO MRČELA, Dana MESNER ANDOLŠEK:
ARTFUL MAKING: USE OF THE PRINCIPLES OF ARTISTIC CREATION
IN MANAGEMENT 509–535
- Andrej SRAKAR, Miroslav VERBIČ: INCOME INEQUALITY
IN SLOVENIA AND THE ECONOMIC CRISIS 536–551



REVIEWS

- Richard Westra (ur.), Dennis Badeen (ur.), Robert Albritton (ur.):
The Future of Capitalism After the Financial Crisis:
The Varieties of Capitalism in the age of austerity (Ana Podvršič) 552–555
- Sorein Keil (ur.), Bernard Stahl (ur.): The Foreign Policies of
Post-Yugoslav States. From Yugoslavia to Europe (Marko Lovec) 555–558
- William P. Cross (ur.), Richard S. Katz (ur.): The Challenges of
Intra-Party Democracy (Alenka Krašovec) 558–560



AUTHORS' SYNOPSES

561–566



EDITORIAL

CONTRIBUTION TO THE UNDERSTANDING OF CONTEMPORARY ECONOMY

This special issue of Theory and practice is dedicated to the analysis of the relationship between economy and society. This inquiry has been central to modern sociology since its beginnings but it seems even more critical to revitalize Weber's and Durkheim's "Sozialökonomik", Marx's critical analysis of the capitalist economic system, and apply the new analytic instruments advanced by social scientists who study the economy during the times of economic crisis in Europe and many other parts of the world. It is necessary to better understand the impact of the crisis on social systems and individuals, as well as the emergent reactions and responses to this crisis.

The field of new economic sociology, which has proliferated in the past three decades, is characterized by a sociological perspective on the phenomena which are core to economic analysis (such as money, capital markets, labor markets, or property rights), as well as by the study of phenomena left unexamined by the orthodox economic approach (such as social and cultural capital, trust, cooperation, or gender construction of economic life) (Kanjuo Mrčela, 2012).

Preliminary contributions to this special issue were first presented at the annual meeting of the Slovenian Sociological Society, with the theme of "Economy and Society," on October 24 to 26, in Bohinj, Slovenia. The purpose of the meeting was to use analytical tools and explanatory methods of a sociological perspective, in order to engage in a theoretical reflection and empirical understanding of the current economic issues and processes in Slovenia and the world. The meeting offered an opportunity to apply the sociological imagination towards an understanding of the vitality of the economic neoliberalism concept and practices, despite its negative social (and economic) consequences. Discussions focused on increasing inequality and social exclusion, environmentally (un)sustainable economic development, culturally specific reactions to economic crisis, developmental strategies of different national economies, changes in labor markets, trends in migration flows, economic consequences of educational system transformations, alternative/participatory economic developmental models, and other phenomena at the economy/society nexus. Some of the presented contributions are included in this special issue, and they correspond well with the central lines of inquiry in contemporary economic sociology, such as those on markets, consumption, finance and the interplay of economy and intimacy (Bandelj, Sowers and Tufail, 2016).

The article by Barbara Hobson and Luwam Bede begins this special issue with a reflection on a pertinent social problem, namely precarity of work in Europe. Their analysis focuses on women migrant workers, who engage in

carework and housework in Spain and Sweden. The comparison of immigrants' working and living conditions in these two countries reveals more similarities than one might expect, even if Spain and Sweden differ in terms of their economic standards and welfare (with the Swedish system still heralded as an example of welfare capitalism to emulate). This speaks to the relative universality of precariousness of work and employment today.

Precarity is also the subject of the contribution by Aleksandra Kanjoo Mrčela and Miroljub Ignjatović. The authors show that since the beginning of the current century, fewer and fewer workers in many European countries have had prosperous and secure work lives. Instead, many, and mostly young, workers face jobs which are intensive and uncertain. Their article also offers a series of recommendations for how to overcome the situation in which increasingly atomized individuals carry the heaviest burden of the risks of economic fluctuations. They seek an alternative to the neoliberal model of competitive market economy and utilitarian politics as well as point to a tendency toward a holistic new economic, political and social order; one based on the ideal of a better society and values of solidarity, empathy and social justice.

Donald Tomaskovic Devey discusses the financialization of global economy, which he identifies as one of the central projects of neoliberalism, evidenced by the ever growing political and economic power of financial and service corporations as well as an increasing presence and influence of financial strategies in the economic sphere writ-large. Using evidence from the United States, the author cautions us about the negative consequences of financialization, such as increases in systemic risk and rising income inequality, decline in employment and an overall less effective economy.

The crisis is also a moment in which economic and social actors act to defend their interests. Miro Stanojević analyzes the strategies of labor unions in situations of economic crisis to reveal that labor unions are, due to strategic inflexibility, in danger to digress into economic syndicalism, characterized by long term membership loss. The author presents a historical analysis of developments and circumstances of (de)unionization in three large European countries and new EU members and compares economic syndicalism with strategies of social partnership and class integration, which appear to obtain only in certain historical circumstances.

The article by Yader Lanuza and Nina Bandelj advances a new perspective in economic sociology, focused on relational work. Their essay reviews research on the productive contributions of children in immigrant families. The authors go beyond the understanding of children as "economically useless but emotionally priceless," advanced by what they call an investment model of children, which views them as passive receivers of resources from parents. Instead, the authors reveal the myriad of ways in which immigrant children productively contribute to their families, through academic help to

siblings, language translation help to parents, emotional support to family as well as financial contributions. The authors suggest that the perspective of relational work provides a useful lens to understand the role of children in immigrant families, which is not simply due to instrumental exchange or a reflection of collectivist culture. Rather, children make productive contributions by engaging in dynamic negotiation of economic and social relations within and outside of their families.

Marjan Smrke in Mitja Hafner Fink deal with one of the classic topics of economic sociology, that of the relationship between economy and religion. After reviewing recent approaches to economy and religion, the authors advance an understanding of a relationship between religion and neoliberalism as a dominant contemporary politico-economic paradigm, by analyzing economic attitudes of religious and non-religious Slovenians. The analyses reveal that religious respondents show a stronger rejection of the neoliberal values, compared to those who are non-religious or atheists, especially after the economic crisis. The authors conclude that such a reaction to economic crisis is influenced more by socio-economic position of respondents, rather than their religion, including income, gender and self-assessed ranking within a social hierarchy.

Branko Ančić and Mladen Domazet examine the potential to overcome long term problems of environmental risk due to unsustainable economic strategies. Their regression analyses of survey data show that residents of eighteen European countries are largely aware of unsustainable practices but they vary on how much such an awareness translates into actual support for a new growth paradigm, a degrowth scenario, which would stall the ecosystem failure. Their findings show that the degrowth development strategy is more strongly supported by younger people and inhabitants of richer countries.

Klemen Ploštajner joins in the discussion of the negative consequences of neoliberalism with a focus on its manifestations in cities. The pressure of market mechanisms and neoliberal demands is exemplified in the city through financial underpinnings of gentrification, investment into megaprojects, and city governance that follows a business logic. Instead of ensuring quality urban space for a city community, urban planning is central to a reproduction of capitalism and neoliberal social relations. Communities are becoming investments, driving out the poorer and bringing in the richer residents. The author's critical analysis advances our understanding of the processes in which the financial logic replaces the social substance of urban space and life.

In contrast, Krešimir Žažar focuses on potentially positive consequences of contemporary economic developments. He analyzes the creative economy, which has participatory and democratic potentials due to its emphasis on knowledge and widespread use of new technologies. The author recognizes that such potentials of the creative economy are difficult to realize and identifies issue areas (including education, organizational structures, socio-cultural

milieu, power relations and alignment of public interest with utilitarian economic logic), which could contribute to realization of the brighter side of contemporary global capitalism.

The article by Marijana Car, Aleksandra Kanjuo Mrčela and Dana Mesner is also poised to discuss the potential of the knowledge economy. The essay identifies the tenets of “artful making,” which are useful for our understanding of economic processes from an epistemological and application perspective. The affirmation of the principles of artful making is consistent with other attempts to overcome the uni-dimensional and rationality-based epistemological framework of knowledge and knowledge making. The principles of cooperation, trust, interdependence, play, and freedom used by artists are found to be very useful also in modern management and organizations, where performance measures depend on innovation and creativity.

Andrej Srakar and Miroslav Verbič analyze trends in income inequality in Slovenia, measured by data from the Statistical Office of the Republic of Slovenia, in the period of 1993 and 2012. They show that the income inequality in Slovenia, which is among the lowest in the world, decreased even further in the years of economic crisis. Given data limitations, and the context of increasing unemployment and rising risk-at-poverty in Slovenia, the authors do not take the declining income inequality results as indicative of decreasing overall inequality and poverty, but as a basis for further research into income inequality in times of crises, especially in light of possible institutionalized inequality.

As a whole, the contributions to this special issue aim to understand the assumptions, character and consequences of the contemporary variety of the capitalist economic system. The analysis of the present condition, in light of what is possible and desirable, is a critical response and a step toward finding solutions to personal problems and public issues. We hope that research presented in this issue will serve as a springboard for further analytic discussion and social action.

Dr. Aleksandra Kanjuo Mrčela and dr. Nina Bandelj
guest editors

REFERENCES

- Bandelj, N., E. Sowers and Z. Tufail (2016): *Economic Sociology in The Cambridge Handbook of Sociology* (in press, edited by Kathleen Korgen). New York: Cambridge University Press.
- Kanjuo Mrčela, A. (2012): *Ekonomska sociologija: prispevek k razumevanju ekonomskega dogajanja. Uvodnik v tematski sklop Ekonomska sociologija. Teorija in praksa*, št. 6, str. 831–837 (Economic sociology: a contribution to understanding of economic life. Introduction to a special issue *Economic Sociology, Theory and Practice*, No. 6, pg. 831–837).