

- Emphasises the contradictory, and crisis-ridden nature of capitalism, but also its inherent spatiality

#### Spatial Fix 1: resolve issues

- NIDL aids profitability through:
  - Cheaper labour
  - Potential of less militant workforces (need the labour more so less demanding)
  - Fewer taxes/regulations (attracts FDI)
  - Outsourcing reduces welfare costs - pensions, maternity care, etc. (Lecture 9)
- Also opens up new markets:
  - For consumption - capitalism needs motion
  - For production - cheap access to raw materials
- But does increase international levels of competition - companies in the US itself become vulnerable (solving a problem now, creating a problem for later down the line)

#### Spatial Fix 2: set in place

- To increase productivity and deal with over-accumulation of capital, heavy investment in fixed/constant capital
- Benefits for capital:
  - Increase in productivity
  - Reduction of production costs - wages/variable capital
  - Reduction in the chance of strikes
- Challenges for capital:
  - High initial costs - favouring certain sectors (e.g. robots are useful to the car industry but not to the textile industry)
  - Creates 'sticky' points of capitalism - vulnerable and outdated
  - Ultimately leads to rate of profit falling

#### Spatial Fix 3: feeding the addiction

- Crises are not resolved, just moved around
- Provides short term respite, but is not a long-term solution (like an addiction)
- Returns to the structure of capitalism
  - E.g. Spatial Fix 2 highlights internal tensions and weaknesses - dialectical and antagonistic relationship between capital and labour
  - Consistent falling of profit

#### Technical/logistical Fix

- Hand-in-hand with spatial fixes (Lecture 15)
- Profit is only possible if the whole process of production, distribution, advertising, etc. is cheaper - difficult as production networks are increasingly complicated (Lecture 4)
- Has driven great innovations and slashed the price of commodities, but runs into similar problems of spatial fix 2

#### Neoliberalism as spatial/technical fix

- Managed to (temporarily) restore profitability, but...
- One-off injection of cheap labour?
  - Lucky to coincide with the boom of China's population (USSR and India also)
- At the cost of living/working conditions or much of the world
  - Precarious/flexible labour, low wages, un(der) employment
- Cheaper goods offset declining real wages
  - But consumption and demand still declined
  - Challenges circulation of capital, presaging next crises