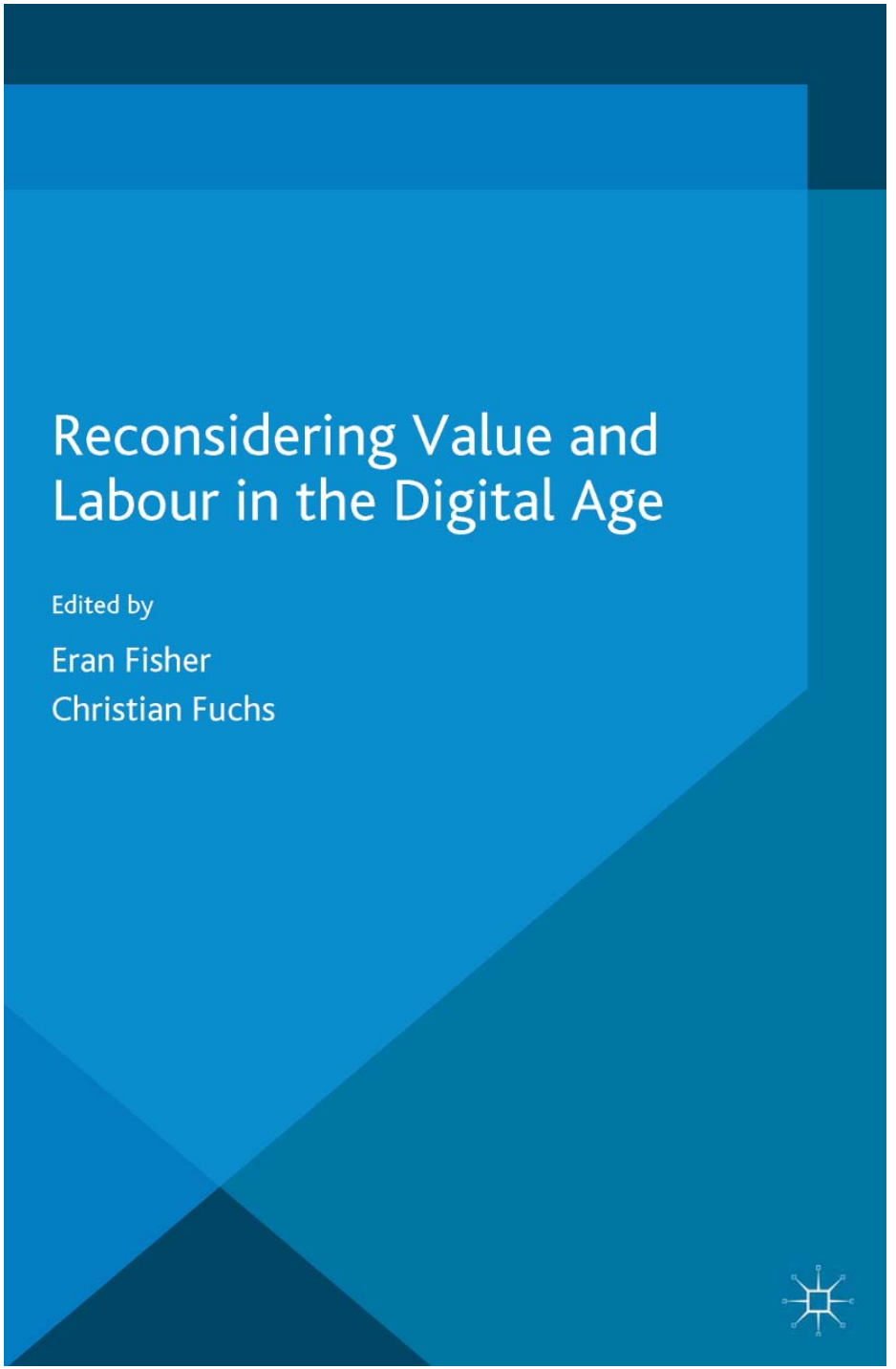

Reconsidering Value and Labour in the Digital Age

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Contents

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1

Introduction: Value and Labour in the Digital Age

Christian Fuchs and Eran Fisher

This book attempts to point our attention to contemporary transformations in capitalism by focusing on a single question: how has the process of extracting value from labour changed with the recent digitization of capitalism? This question makes two, seemingly contrasting, assumptions. One is that digital communication technologies have not transformed our society in a way that changes its underlying capitalist nature. Hence, we can and should analyse contemporary capitalism with established analytical and theoretical categories, first and foremost Marxist theory. The other is that digital communication technologies are implicated in a radical transformation in capitalism, one which requires us to re-evaluate, re-formulate, and update our Marxist categories to account for these transmutations.

Capitalism, so agree both Marxian and non-Marxian theorists, has historically been the most flexible and adaptable social system. We therefore need a flexible and adaptable theoretical framework to account for the constants and variables in the ever-changing social environments it faces.

The labour theory of value is one of the core tenets of Marx's theory of historical materialism, and of his understanding of capitalism. It is the theory that connects value to class structure, and that unveils the exploitative social relations that lay behind the prices of commodities. It is obvious, therefore, why contemporary scholars interested in Marxian theory would be keen to find out to what extent Marx's categories still stand and also to what extent they need to be modified to reflect contemporary realities.

If – as the labour theory of value would have it – the source of capital, and the motor for its accumulation is labour, and labour alone, this puts the burden on contemporary Marxian theorists to unveil the new modes by which labour is organized and subsumed to the control of

capital under the new realities of peer production, free social media, the commodification of life itself, the emergence of "playbour", and many other empirical realities of contemporary digital capitalism.

In this introduction we first outline the background around which these questions emerge: transformations in capitalism, transformations in communication and media technology, and the intersection between the two (1). We then offer two general discussions concerning the return of Marxist theory to social science in general and to media and communication in particular (2) and a recap of Marx's theory of value and labour (3). Lastly, we discuss how key Marxian concepts – value, productive labour, class, rent, subsumption and so forth – are revised and updated in the context of digital media, and give a brief outline of the chapters that make up this volume (4).

1. Social media, value, and labour

Recent developments in digital technology – from "social media"/"Web 2.0", such as Facebook, YouTube, Twitter, Weibo, LinkedIn, Pinterest, and Foursquare, to mobile devices – have spurred the development of new forms of production. A variety of terms have been used to describe the new production practices and new products enabled by the internet, including participatory culture, co-creation, mass collaboration, social production, commons-based peer production, mass customization, prosumption, produsage, crowdsourcing, open source, social production, user-generated content, user participation, folksonomics, wikinomics, collaborative innovation, open innovation, user innovation (see, for example, Hippel 2005; Benkler 2006; Tapscott and Williams 2006; Bruns 2008; Howe 2009; Jenkins 2009).

These terms and debates are often over-optimistic, celebratory, lacking any critical understanding of "social media" as a site of social contestation, and thereby ignoring the social problem-dimension of "*social* media". The multiplicity of neologisms is also a symptom of a "technologistic" outlook, which assumes that each technical innovation brings about a paradigmatic change in culture and in society and more democracy and a better society (Robins and Webster 1999). While such a multiplicity of terms attests to a phenomenology of technological innovation and diversity, it is also an analytical and theoretical liability, as it ignores some unifying coordinates underlying these forms, giving precedence to the trees over the forest.

Concurrent with this dominant approach, there have been attempts for a systematic critical analysis of new forms of online production,

digital labour and commodification on social media through the prism of the labour theory of value (see, for example, Fuchs 2014a, 2014b, 2015), as well as the ideologies that have emerged with the turn towards digital and online media (see, for example, Fisher 2010a, 2010b). Such theoretical approaches attempt to apply a unified conceptual framework in order to gain better understanding of the socio-economic foundations of digital media and the social relations, power relations and class relations on which they are founded and which they facilitate. They also help to connect these new productive practices with a long-standing theoretical tradition emerging from Marxian political economy.

In recent years, the labour theory of value has been a field of intense interest and debates, particularly in respect of the appropriateness of using Marxian concepts in the digital context. This discussion has focused on a multitude of such concepts: value, surplus-value, exploitation, class, abstract and concrete labour, alienation, commodities, the dialectic, work and labour, use- and exchange-value, general intellect, labour time, labour power, the law of value, necessary and surplus labour time, absolute and relative surplus-value production, primitive accumulation, rent, reproductive labour, formal and real subsumption of labour under capital, species-being, and social worker.

The critical conceptualization of digital labour has been approached from a variety of approaches, including Marx's theory, Dallas Smythe's theory of audience commodification, Critical Theory, Autonomous Marxism, feminist political economy and labour process theory.

This collected volume explores current interventions into the digital labour theory of value. Such interventions propose theoretical and empirical work that contributes to our understanding of Marx's labour theory of value, proposes how the nexus of labour and value are transformed under conditions or virtuality, or employ the theory in order to shed light on specific practices.

2. Marx's return and communications

Since the onset of the new global economic crisis in 2008, there has been an increased public, academic, and political interest in Marx's works. Among the books that have been published about Marx since 2008 are titles such as *Digital Labour and Karl Marx* (Fuchs 2014a), *Reading Marx in the Information Age: A Media and Communication Studies Perspective on Capital Volume 1* (Fuchs 2016), *Marx and the Political Economy of the Media* (Fuchs and Mosco 2015), *Marx in the Age of Digital Capitalism* (Fuchs and Mosco 2015), *Deciphering Capital*: *Marx's* Capital *and its Destiny*

(Callinicos 2014), *Value in Marx: The Persistence of Value in a More-than-Capitalist World* (Henderson 2013), *Karl Marx: An Intellectual Biography* (Hosfeld 2013), *A Companion to Marx's* Capital (Harvey 2013, 2010), *Karl Marx: A Nineteenth-Century Life* (Sperber 2013), *Capitalism: A Companion to Marx's Economy Critique* (Fornäs 2013), *Beyond Marx: Confronting Labour-History and the Concept of Labour with the Global Labour-Relations of the Twenty-First Century* (van der Linden and Roth 2013), *In Marx's Laboratory: Critical Interpretations of the Grundrisse* (Bellofiore, Starosta and Thomas 2013), *Karl Marx* (Ollman and Anderson 2012), *Marx for Today* (Musto 2012), *A Guide to Marx's* Capital, *Vols I–III* (Smith 2012), *An Introduction to the Three Volumes of Karl Marx's* Capital (Heinrich 2012), *Love and Capital*: *Karl and Jenny Marx and the Birth of a Revolution* (Gabriel 2011), *The Marx Dictionary* (Fraser 2011), *Why Marx Was Right* (Eagleton 2011), *Why Marx Was Wrong* (Eubank 2011), *How to Change the World: Marx and Marxism, 1840–2011* (Hobsbawm 2011), *Representing Capital: A Commentary on Volume One* (Jameson 2011), *Marx Today* (Sitton 2010), *Karl Marx and Contemporary Philosophy* (Chitty and McIvor 2009), *Zombie Capitalism: Global Capitalism and the Relevance of Marx* (Harman 2009).

Figure 1.1 shows that there was a relatively large academic article output about Marx in the period 1978–1987: 3,247 articles. The data were obtained from the social sciences citation index. One can observe a clear contraction of the output of articles that focus on Marx in the periods 1988–1997 (2,305) and 1998–2007 (1,725). Given the historical

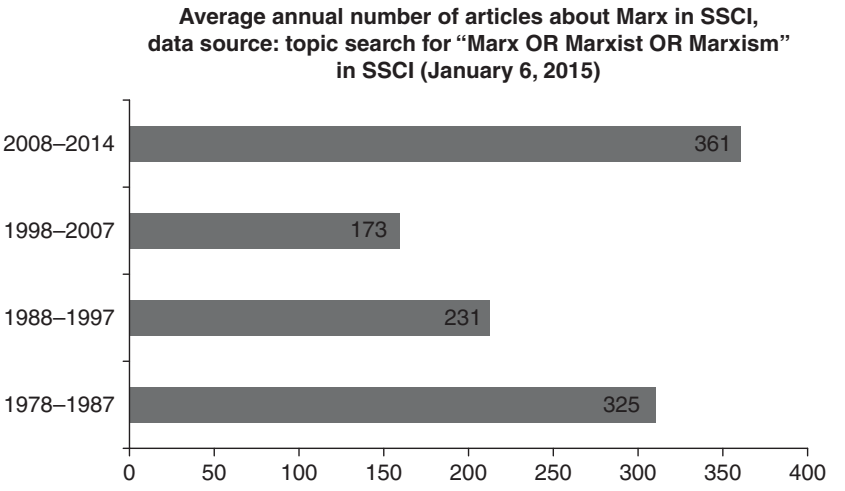

Figure 1.1 Articles published about Marx and Marxism in social sciences citation index

increase in the number of published articles, this contraction is even more severe. This period has also been the time of the intensification of neoliberalism, the commodification of everything (including public service communication in many countries), the end of the Soviet Union – an event that allowed ideologues in the West to argue for an end of history and the endlessness of capitalism – and a strong turn towards postmodernism and culturalism. One can see that the average number of annual articles published about Marxism in the period 2008–2014 (361) has increased in comparison with the periods 1998–2007 (173 per year) and 1988–1997 (239 per year). This circumstance is an empirical indicator for a renewed interest in Marx and Marxism in the social sciences as effect of the new capitalist crisis. The question is if and how this interest can be sustained and materialized in institutional transformations.

This intellectual interest in Marx, however, has not been accompanied at the political level by a substantial strengthening of left-wing parties and movements. Rather, in many countries far right, fascist, neo-Nazi, and conservative parties and groups have been strengthened and there has been a further deepening of neoliberalism. Post-crisis developments are complex, dynamic, unpredictable, and long-term in nature. The general elections held in Greece in 2015 were won by Syriza, which thereby became the only left-wing government in Europe. This development has, first and foremost, tremendous political significance because it is a symbol that governments that question neoliberalism are possible, something which can give an impetus and practical hope to the left in general. It is possible in the near future that a similar development could take place in Spain if Podemos wins the 2015 general elections. Furthermore, there is a chance that the left in other countries in a sort of domino effect is strengthened and gains new confidence.

The period since 2008 has also seen the strong growth of the interests in and the number of users of "social media" such as YouTube, Facebook, Twitter, Weibo, LinkedIn, Pinterest, Instagram, Tumblr, Blogspot, Wordpress, Wikipedia, and so on. This reflects in part the interest of users and citizens in using the internet for networking, community maintenance, and the generation and sharing of content, and is partly an effect of the increasing shift of advertising expenditures from print to the internet. In times of capitalist crisis, targeted online advertising seems for many companies to appear as a more secure, effective and efficient investment than print advertisements, which explains that the share of online advertisement in global advertising expenditure has increased from 15.6% in 2009 to 24.8% in 2013, whereas newspapers and magazines' combined share decreased from 32.3% to 25.2% (data source: Ofcom International Communications Market Report 2014).

Table 1.1 Number of articles in the journal *Historical Materialism* that contain certain title keywords, Vol. 14 (2006) – Vol. 22 (2014), data

Title keyword	Number of articles
Marx	41
capital	40
capitalism	37
history	31
political	30
Marxism	25
economy	24
class	23
politics	23
crisis	22
labour	21
critique	20
global	17
revolution	17
social	15
imperialism	14
American	12
historical	11
development	8
technology	2
media	1
internet	1
digital	1
communication	0
communications	0
information	0
computer	0
ICT(s)	0
cyberspace	0
web	0
WWW	0

Source: Social sciences citation index.

Although the analysis of communication from a Marxian perspective has since the start of the new world economic crisis in 2008 gained some impetus within media and communication studies (see Fuchs and Mosco 2012, 2015a, 2015b), there has been, with some exceptions, no comparable interest in any study of media, the digital, and communications within general Marxist theory and critical political economy. This becomes evident if, for example, one considers the number of times that specific keywords are mentioned in article titles in the journal *Historical Materialism* over a period of nine volumes (Table 1.1).

Historical Materialism is arguably one of the significant journals of Marxist theory. The analysis in Table 1.1 indicates that it is a journal that focuses on the Marxist critique of the economy and politics in contemporary capitalism. The subjects of media, communications, and the digital have received little attention, illustrating that 38 years after Dallas Smythe (1977) published his famous *Blindspot* article, communications remains the blind spot of Marxist theory. Marxists often consider to regard issues relating to information, communication, culture, and the digital as a mere superstructure that is not worthy of any detailed engagement. Today, however, communications is a capitalist industry of significant size and employing a significant amount of communication workers. Communication processes are at the core of the organization of any modern economic production, exchange and distribution. Communication cuts across the base/superstructure divide. We do not want to lament the fact that relatively little attention is paid to communication(s) in Marxist theory, but it is important to acknowledge the fact.

3. Marx on labour, value, productive labour, and rent

Labour is a key relational and historical category in Marx's theory. One central characteristic that Marx ascertains for labour in capitalism is its dual character as both abstract and concrete labour – that is, human activity that creates both value and use-value. He writes in *Capital, Volume 1*: "On the one hand, all labour is an expenditure of human labour-power, in the physiological sense, and it is in this quality of being equal, or abstract, human labour that it forms the value of commodities. On the other hand, all labour is an expenditure of human labour-power in a particular form and with a definite aim, and it is in this quality of being concrete useful labour that it produces use-values" (Marx 1867, 137).

Similar formulations can already be found in earlier drafts of *Capital*:

- *Grundrisse*: "In the relation of capital and labour, exchange value and use value are brought into relation; the one side (capital) initially stands opposite the other side as exchange value, and the other (labour), stands opposite capital, as use value" (Marx 1857/1858, 267–268).
- *A Contribution to the Critique of Political Economy*: "As useful activity directed to the appropriation of natural factors in one form or another, labour is a natural condition of human existence, a condition of material interchange between man and nature, quite independent of the form of society. On the other hand, the labour which posits exchange value is a specific social form of labour" (Marx 1859, 278).
- *Economic Manuscript of 1861–1863*: "As the commodity is itself from one aspect use value, from another exchange value, so naturally must the commodity *in actu*, in the process of its origin, be a two-sided process: [on the one hand] its production as use-value, as product of useful labour, on the other hand its production as exchange value, and these two processes must only appears as two different forms of the same process, exactly as the commodity is a unity of use value and exchange value" (Marx 1861–1863, 67–68).

It is interesting to see that in these earlier drafts Marx tends to speak of the unity and opposition of use-value and exchange-value, whereas in *Capital* he stresses the duality of use-value and value that forms a dialectic, in which exchange-value emerges from and mediates the relationship of use-value and value. Labour is a relational category: It stands in a class relation to an exploiting class. The notions of concrete labour and use-values have a specific role in capitalism, but at the same time point afore and beyond capitalism because activities that create needs-satisfying goods and services exist in all economies. The distinction between concrete and abstract labour and between use-value and value can be better pinpointed in English than in German because the first allows a distinction between *work* and *labour.* In German, the term *Werktätigkeit*, which is little used today, corresponds to the English word *work*. Both have their origin in the Indo-European term *uerg*, meaning making/doing/acting. The terms *Arbeit* in German and *labour* in English, in contrast, have their roots in the German term *arba* (slave) and the Latin word *laborem* (toil, hardship, pain), which shows that they necessarily characterize class-divided and alienated forms of human activity.

Work and labour are crucial categories for Marx. Table 1.2 shows how his original six-book plan of *Capital* can be mapped onto the actual final structure of *Capital*'s three volumes. We have italicized the chapters that focus on labour and work issues.

The lines that connect Table 1.2's left and right column show how Roman Rosdolsky (1977, 56) reconstructed the way Marx transformed the original six-book plan of *Capital* into the three-volume edition (respectively four volumes if one takes into account the *Theories of Surplus Value* as an additional volume focusing on the history of classical political economy theory). Marx formulated the six-book plan in 1857 and the three-book plan in 1865 (Rosdolsky 1977, 10). He made his

Table 1.2 Mapping of the original six-volume plan of *Capital* and the final three volumes

Original plan (6 books)	***Capital* volume I–III**
I. On capital	Book I: The process of production of capital
I.1 Capital in general	I.1 Commodity and money
I.1a Production process	Chapter 1: The commodity
	…
	1.2 The dual character of the labour embodied in commodities
	I.2 The transformation of money into capital
	…
	Chapter 6: The sale and purchase of labour-power
	I.3 The production of absolute surplus-value
	Chapter 7: The labour process and the valorization process
	…
	Chapter 9: The rate of surplus-value
	Chapter 10: The working day
	I.4 The production of relative surplus-value
	…
	Chapter 14: The division of labour and manufacture
	Chapter 15: Machinery and large-scale industry [effects of machines on workers, struggle between worker and machine, repulsion and attraction of workers]
	I.5 The production of absolute and relative surplus-value
	Chapter 16: Absolute and relative surplus-value [concept of productive labour]
	Chapter 17: Changes of magnitude in the price of labour-power and in surplus-value
	I.6 Wages
	Chapter 19: Transformation of the value of labour-power into wages
	Chapter 20: Time-wages
	Chapter 21: Piece-wages
	Chapter 22: National differences in wages
	I.7 The process of accumulation of capital
	Chapter 24: The transformation of surplus-value into capital [5: labour fund]

Table 1.2 (Continued)

Original plan (6 books)	***Capital* volume I–III**
	Chapter 25: General law of capitalist accumulation [growing demand and relative diminution of labour-power, relative surplus population]
	I.8 So-called primitive accumulation *[double-free labour]*
I.1b Circulation process	Book II: The process of circulation of capital
	Chapter 16: The turnover of variable capital
	…
	Chapter 20 [7: Variable capital and surplus-value in the two departments, 10: Capital and revenue: Variable capital and wages]
	Book III: The process of capitalist production as a whole
	III.1–3 Profit and profit rate
	Chapter 5: Economy in the use of constant capital [2: Saving on the conditions of work at the workers' expense]
	Chapter 11: Effects of general fluctuations in wages
	Chapter 14: Counteracting tendencies to the law of the tendential fall in the rate of profit [intensification of labour, reduction of wages below their value]
I.1c Profit and interest	III.4 Merchant's capital
I.2 Competition	III.5 Interest and credit
I.3 Credit system	III.6 Ground-rent
I.4 Share-capital	III.7 Revenues
	Chapter 48: The trinity formula
II. On landed property	*Chapter 52: Classes*
III. On wage labour	
IV. State	
V. Foreign trade	
VI. World market	

Sources: Marx an Ferdinand Lassalle, 22. February 1858, MEW 29, 551. Marx 1857/1858 (German), 188. Marx 1857/1858 (English), 264

Sources: Marx (1867, 1885, 1894)

first mention of the three-/four-book version in a letter to Engels dated 31 July 1865 (MEW Band 31, 131–133) and formulated it in greater detail in a letter to Ludwig Kugelmann dated 13 October 1866 (MEW Band 31, 533–534). Kugelmann was a friend of Marx and Engels as well as a member of the German Social Democratic Party and the International Workingmen's Association.

In Table 1.2 we departed from Rosdolsky's mapping of the book on wage labour. Rosdolsky maps it to *Capital*, *Volume I*'s Part VI (chapters 19–22), in which Marx discusses the transformation of the value of labour-power into wages, time-wages, piece-wages, and the national differences in wages. Labour, however, plays a role throughout the entire three volumes of *Capital*, especially in *Volume I*, but not just in its sixth part.

Marx's first plan was based on the idea that bourgeois society consists of three classes – capitalists, rentiers, and labour – that should each have been the subject of an individual volume (Rosdolsky 1977, chapter IV.5), followed by three additional books – on the state, foreign trade, and the world market. The initial plan, therefore, reflected capitalism's class structure and inner logic. The basic change was that the book on landed property became part of *Capital, Volume III*, that Book I was extended over *Capital*'s first two books, and that Marx never found the time to start work on books 4–6 and therefore began to see them as subject for a possible continuation (Rosdolsky 1977, chapter V). One cannot easily agree with Rosdolsky (1977, 53) that the "material for the third book (on wage-labour) was incorporated in the last section but one of Volume I", namely section VI, where Marx deals with wages. As Table 1.2 shows, labour and wage-labour are important topics in all of *Capital*, *Volume I's* eight sections.

Rosdolsky (1977, 54) argues that Marx abandoned the idea of a separate book on wage labour and an incorporation into *Volume I* in order to "create one of the necessary 'links' between the value-theory in Volume I and the theory of prices of production developed in Volume III". Marx saw that although capital and labour form different classes, meaning not just that they have opposing interests, but also that they have analytically distinct qualities, they are inherently connected in a labour–capital dialectic in the production process. Marx made the dialectic of the class relation an epistemological principle and a principle of presentation in *Capital*, which explains why many chapters on capital contain sections on labour. Earlier he had formulated this dialectic in the *Grundrisse* in the following way: Capital "presupposes labour which is not capital, and presupposes that labour has become its opposite – not-labour"

(Marx 1857/1858, 288). Labour is not-capital and opposed to capital and produces capital.

Labour is not-capital because it does not own the means of production, but it is at the same time the source of and activity that creates value and general wealth. It is simultaneously both capitalism's absolute poverty and also the foundation of wealth.

"Separation of property from labour appears as the necessary law of this exchange between capital and labour. Labour posited as not-capital as such is: (l) not-objectified labour [nicht-vergegenständlichte Arbeit], conceived negatively (itself still objective; the not-objective itself in objective form). As such it is not-raw-material, not-instrument of labour, not-raw-product: labour separated from all means and objects of labour, from its entire objectivity. This living labour, existing as an abstraction from these moments of its actual reality (also, not-value); this complete denudation, purely subjective existence of labour, stripped of all objectivity. Labour as absolute poverty: poverty not as shortage, but as total exclusion of objective wealth. Or also as the existing not-value, and hence purely objective use value, existing without mediation, this objectivity can only be an objectivity not separated from the person: only an objectivity coinciding with his immediate bodily existence. Since the objectivity is purely immediate, it is just as much direct not-objectivity. In other words, not an objectivity which falls outside the immediate presence [Dasein] of the individual himself. (2) Not-objectified labour, not-value, conceived positively, or as a negativity in relation to itself, is the not-objectified, hence non-objective, i.e. subjective existence of labour itself. Labour not as an object, but as activity; not as itself value, but as the living source of value. [Namely, it is] general wealth (in contrast to capital in which it exists objectively, as reality) as the general possibility of the same, which proves itself as such in action. Thus, it is not at all contradictory, or, rather, the in-every-way mutually contradictory statements that labour is absolute poverty as object, on one side, and is, on the other side, the general possibility of wealth as subject and as activity, are reciprocally determined and follow from the essence of labour, such as it is pre-supposed by capital as its contradiction and as its contradictory being, and such as it, in turn, presupposes capital" (Marx 1857/1858, 295–296).

In *Capital*, Marx has made this dialectical relationship of capital and labour a fundamental methodological principle so that when he is discussing capital he immediately relates it to labour. Already in *Capital Volume I*'s chapter 1, Marx introduces the dialectic of concrete and abstract labour, in the analysis of the commodity contained in the

chapter's second section. This corresponds to the dialectic of use-value and value with which he starts the analysis in chapter 1's section 1. Concrete labour produces the commodity's use-value and abstract labour its value. Marx bases the analysis of the commodity on two related dialectics (of the commodity and labour), i.e. a dialectic of dialectics. The distinction between these two levels can be interpreted as the commodity's dialectic of structure and agency. The dialectic of the commodity and labour is sublated in the capital form, which practically speaking, describes the capital accumulation process M – C.. P – C′ – M′, in which capital as starting point purchases labour-power and means of production as commodities so that labour based on the commodity form produces a new commodity C′ that, after the sales process, is turned into capital M′.

In chapter 6, Marx introduces a dialectic of the use-value, value, and exchange-value of labour-power. In chapter 7, he discusses the dialectic of the work process and the valorization process. In it, he conceives both the work process and valorization as a dialectic of subject and object. In chapter 9, Marx introduces the notion of the rate of surplus-value that he also terms the rate of the exploitation of labour. Parts III and IV focus on the class conflict, i.e. the relationship between capital and labour as not-capital, or labour and capital as not-labour. Here the methods of absolute surplus-value production (especially in chapter 10) and relative surplus-value production (especially in chapters 14 and 15) as well as their relation (section V, especially chapters 16 and 17) play a role. Further aspects of labour in *Capital* include, for example, the notion of the collective worker (in various parts of *Volume I*, especially chapter 16), wages (*Volume I*'s section 6, chapters 19–22), surplus population (=the unemployed, *Volume I*'s chapter 25), and double-free labour (*Volume I*'s section 8), variable capital (especially *Volume II*'s chapters 16 and 20), class conflict and the tendential fall in the profit rate (*Volume III*'s chapter 14), and class relations (*Volume III*'s chapters 48 and 52).

Marx did not write a separate book on labour because he realized that the dialectic of capital and labour in the class relation requires its analysis as part of the analysis of capital in general. As part of this analysis Marx also presents the various dialectics of labour. The dialectical analysis of labour that Marx in the *Grundrisse*, for example, formulated as the dialectic of labour and capital as non-labour, and capital and labour as non-capital, became in *Capital* a systematic epistemology and a method of thought and presentation that represents the actual dialectical character of capitalism.

For theorizing digital labour, especially three Marxian concepts have thus far been evoked: value, productive labour, and rent.

In the *Grundrisse*, there is only one section that is explicitly dedicated to the analysis of ***value***. It appears right at the end before the manuscript breaks off (Marx 1857/1858 [English], 881–882). Value, however, repeatedly plays a role throughout the discussion of the category of capital in general in the *Grundrisse* (see, for example, 136–140 [English]). In *A Contribution to Critique of Political Economy*, Marx (1859) starts the book's analysis of capital in general with a chapter on the commodity that distinguishes between use-value and exchange-value as the two dimensions of the commodity. Marx here does not clearly discern between value and exchange-value, but gives attention to the value category. Also in the *Economic Manuscript of 1861–63*, Marx (1861–1863) speaks on numerous occasions of the commodity's "unity of use value and exchange value" (68, 80, 92) or the "unity of exchange-value and use-value". In *Capital*, Marx (1867) discusses value in Volume I's chapter 1 as forming together with use-value the two factors of the commodity. He also analyses the forms of value in the same chapter and the valorization process in chapter 7. Volume III Part 2 (The Transformation of Profit into Average Profit, chapters 8–12) focuses on the transformation of commodity-values into production prices. In the *Theories of Surplus-Value*, Marx (1862/1863) discusses how other economists conceived value and surplus-value. This includes the discussion of the Physiocrats and Adam Smith's value concepts in *Theories of Surplus Value Part 1*, those of David Ricardo and Adam Smith in *Part 2*, and the ones by Thomas Robert Malthus, Robert Torrens, James Mill, John Ramsey McCulloch, Edward Gibbon Wakefield, Patrick James Stirling, John Stuart Mill, and George Ramsay in *Part 3*.

The notion of ***productive labour*** is for Marx closely related to the concept of value. This connection becomes evident in *Capital, Volume I* when Marx (1867, 644) writes that the "only worker who is productive is one who produces surplus-value for the capitalist, or in other words contributes towards the self-valorization of capital". There are some passages in the *Grundrisse*, in which Marx (1857/1858, 93, 271–274, 305–306, 310, 328, 418, 494, 538, 625, 709, 716) talks about productive labour. The category of productive labour does not play an important role in the two chapters that Marx (1859) published as *A Contribution to Critique of Political Economy*. In the *Theories of Surplus-Value*, Marx (1862/1863) devoted Part 1's chapter IV to the discussion of *Theories of Productive and Unproductive Labour*, in which he considered the ideas of many earlier thinkers, including those of the Physiocrats,

the Mercantilists, Adam Smith, David Ricardo, Jean Charles Léonard de Sismondi, Charles D'Avenant, William Petty, John Stuart Mill, German Garnier, Charles Ganilh, François-Louis-Auguste Ferrier, James Maitland Lauderdale, Jean-Baptiste Say, Destutt de Tracy, Henri Storch, Nassau Senior, Pellegrino Rossi, and Thomas Chalmers. There is furthermore an addendum on *Productivity of Capital. Productive and Unproductive Labour*. Part 3 has sections discussing *Malthus on Productive Labour and Accumulation* and [Richard] *Jones' Views on Capital and the Problem of Productive and Unproductive Labour*. In the *Economic Manuscript of 1861–63*, Marx (1861–1863, 306–317) wrote a *Disgression on Productive Labour.* In the *Results of the Immediate Process of Production*, a draft that was not included in *Capital Volume 1*, Marx (1863–1865) provided a subsection titled *Productive and Unproductive Labour*. In *Capital Volume I*, chapter 16 (*Absolute and Relative Surplus-Value*) is devoted to the discussion of productive and unproductive labour. In *Capital Volume II*'s (Marx 1885) chapter 6 that discusses costs of circulation and in *Capital Volume III*'s (Marx 1894) Part IV (chapters 16–20) that focuses on commercial capital, the notion of productive labour plays an implicit role, but in the German original Marx makes barely any mention of the terms "produktive Arbeit" (productive labour) and "unproduktive Arbeit" (unproductive labour) in these chapters. Whereas in the *Grundrisse*, Marx had formulated some ideas on productive labour; in the *Theories of Surplus-Value* he engaged in a detailed study of classical political economy's views on this topic, which resulted as part of this work as well as in the *Economic Manuscript of 1861–63* and the *Results of the Immediate Process of Production* in the formulation of some of his own reflections on productive labour. He revised these ideas further and then chose to present his analysis of the issue in *Capital Volume I*'s chapter 16 (chapter 14 in the German edition), where he also connects the idea of the collective labourer (*Gesamtarbeiter*) to the one of the productive worker (Marx 1867, 643–644).

The notions of ***rent and ground-rent*** are mentioned a couple of times in the *Grundrisse*, *A Contribution to Critique of Political Economy* and the *Economic Manuscript of 1861–63*, but there is no systematic analysis of its genesis and role in capitalism, which shows that Marx was planning a more systematic engagement with it outside of the analysis of capital in general. In Part I of the *Theories of Surplus-Value*, Marx (1862/1863) discusses Adam Smith's concept of rent (chapter III's sections 6 and 7) and in an addendum to the same work he also considered John Locke's treatment of the same matter. In part II, chapter VIII is devoted to an analysis of Johann Karl Rodbertus' theory of rent, chapters IX–XIII focus

on David Ricardo's theory of rent, chapter IV focuses on Adam Smith's concept of rent, and there is an addendum on Thomas Hopkins' views on the relationship between rent and profit. In *Capital Volume I*, Part VIII includes a discussion of the role of ground-rent in emerging capitalist societies that experienced primitive accumulation. In *Capital Volume I*, Marx mentions briefly Smith, Ricardo, and Rodbertus' concepts of rent. *Capital Volume I* contains a detailed discussion of rent in Part VI: *The Transformation of Surplus Profit into Ground-Rent* (chapters 37–47). It is here that Marx realized parts of the initially planned separate book *On Landed Property*. Marx analyses differential rent I (chapter 39), differential rent II (chapters 40–43), and absolute ground-rent (chapter 45). He also discusses monopoly rent (chapter 46) and the genesis of capitalist ground-rent (chapter 47). In chapters 48 and 49, he takes up the discussion of ground-rent again as part of the analysis of the trinity formula that relates ground-rent to profit and wages. In chapter 52, Marx distinguishes between the three modern classes of workers, capitalists, and landowners. The latter earn ground-rent. The chapter remained unfinished and therefore breaks off abruptly. It becomes evident that, for Marx's analysis of rent, *Capital Volume I* is the key work.

4. Marx, labour, value, productive labour, and rent in the digital age

This volume features 14 chapters, all of which attempt to grapple with this basic question of how the creation and extraction of value has changed in contemporary capitalism and how Marx's theory may account for that.

The book is organized into five parts, each employing the categories of Marx's labour theory of value differently, or dealing with another aspect of it.

Part I of the book, **Foundations**, presents a broad engagement with the very idea of employing Marx's labour theory of value to contemporary capitalism. In addition to this introductory chapter, it includes two more chapters. Christian Fuchs' chapter "The Digital Labour: Theory of Value and Karl Marx in the Age of Facebook, YouTube, Twitter, and Weibo" discusses Marx's notions of labour-time, productive labour, rent, and fetishism and how to make sense of them in attempting to understand digital labour. It is in part a response to authors who claim one of the following: that users' digital labour on Facebook and other corporate social media is not exploited, but is part of the sphere of circulation of capital that only realizes, but does not create value; and/or

that users' activities are one or several of the following: unproductive, no labour at all, less productive, a consumption of value generated by paid employees in sectors and companies that advertise on social media, the realization of value generated by paid employees of social media corporations, or an expression of a system where what appears as profits are rents derived from the profits of advertisers. This approach and critique has been developed in more detail in chapter 5 of the book *Culture and Economy in the Age of Social Media* (Fuchs 2015). Fuchs argues for theorizing social media users as labourers. Against the notion that social media companies are rentiers of advertising space, and users are indeed merely using a free service and not creating value (a position held by Fraysse, this volume), Fuchs argues that they are a capitalist institution engaged in the accumulation of surplus-value based on users' exploitation. By denying the productivity of audience labour we fail to see the exploitative nature of social media companies, but also neglect to see users as a class, thus failing to see an opening for a class struggle from within digital capitalism.

The last contribution in this part is Marisol Sandoval's "The Hands and Brains of Digital Culture. Arguments for an Inclusive Approach to Cultural Labour". Sandoval offers us to rethink our basic concept of cultural labour. Contrasting the idyllic tendency to see cultural labour as merely symbolic and informational, and hence mental and immaterial, she suggests considering the full spectrum of work – including physical, manual work – sustaining the production of cultural, immaterial, digital products. All labour – however immaterial, mental, and cognitive it may be – is founded also on very material labour, which is often organized and governed by "old" industrial techniques and rationale.

Part II of the book features two chapters that approach the question of value from the angle of **Labour and Class**. One of the central themes that emerges in many of the chapters is the blurring of boundaries between work and leisure, work and play, production and reproduction, production and consumption, and so forth, distinctions that were part and parcel of modernity in general and modern, industrial capitalism in particular.

In "A Contribution to a Critique of the Concept Playbour", Arwid Lund deconstructs one of the epitomes of these blurred boundaries: the notion of playbour. Lund asks the critical question of whether this is purely an ideological construct aimed at infusing images of fun, play, and self-realization into the labour process, or whether indeed the two can be fused to create an economy where play becomes productive and satisfying – both in its process and in its results. Lund dismantles

the ideological concept of "playbour", by a careful examination and definition of the concepts playing and labouring along shared dimensions: degree of voluntariness, form of practice, historic or trans-historic character, organizing purpose, and associated feeling. Lund furthers the investigation by focusing on the character of the relation between the two categories. He sees a potential for the empowerment of labourers by demanding that which playbour – ideologically – promises: freedom and open access to the commons.

In Chapter 5, "Marx in Chinese Online Space: Some Thoughts on the Labour Problem in Chinese Internet Industries", Bingqing Xia offers an analytical review of the class position of workers in the internet industries in China. Anchored in Marxist, neo-Marxist, and Weberian conceptions of class, she argues that Chinese internet workers suffer twice: from being deprived of ownership over the means of production in the capitalist market and from their lack of political power within the power structure of state capitalism. Precariousness of digital labour, then, takes on an especially poignant flavour in the Chinese context.

Part III of the book looks at **The Labour of Internet Users**, a relatively new realm of value creation in capitalism, closely linked with the emergence of digital communication technology.

Brice Nixon too engages the question of value and labour in the digital age through a consideration of audience labour theory. In Chapter 6, "The Exploitation of Audience Labour: A Missing Perspective on Communication and Capital in the Digital Era", Nixon upholds the necessity to analyse the forms of labour underlying cultural consumption as a particular form of digital labour. He suggests the notion of communicative capital to capture this. According to him, the main problem with contemporary scholarship on digital labour has been neglecting to account for the relationship between communicative capital and digital audience labour, a relationship that defines digital media users as consumers of meaning. Nixon then offers us a reconceptualization of digital cultural work of audience by putting together Marxist political economy and cultural studies.

If Nixon theorizes the cultural work of users, mostly as consumers, Eran Fisher seeks to highlight the production of the mundane by users. In Chapter 7, "Audience Labour on Social Media", Fisher underlines the everyday fragments of users' data that cannot merely be said to be collected by social media companies. Instead, he argues, we should think of social media as a platform for the production of such information. Furthermore, he describes the "social compact" between social media companies and its users as consisting of a trade-off: the exploitation

of users' labour is based on the ideological promise of social media for de-alienation through communication.

The ideological underpinnings of this arrangement are further explored in a chapter by Yuqi Na, entitled "Advertising on Social Media: The Reality behind the Ideology of 'Free Access': The Case of Chinese Social Media Platforms". Na offers us an ideology critique of the notion of free access in the context of social media platforms. Social media companies, Na argues, exploit user data as commodity and hide this purpose behind the ideologies of "free access", "connecting", and "sharing" – a phenomenon prevalent also in China. Both chapters by Fisher and Na exemplify their theoretical arguments by reference to empirical case studies: Facebook's Sponsored Stories advertising program and Chinese social media companies, respectively.

Part IV of the book, **Rent and the Commons**, continues the discussion on the political economy of social media, bringing to the foreground alternative interpretations grounded in Marxist theory.

In Chapter 9, "Mapping Approaches to User Participation and Digital Labour: A Critical Perspective", Thomas Allmer, Sebastian Sevignani, and Jernej Prodnik offer an overview of critical perspectives on user-generated content, one of the key promises of new media. They identify and present two central critical conceptualizations to user-generated content in the Marxian tradition: one framing users' actions online as labour (also presented in Part III of this volume); the other revising the notion of rent to the digital age. This, they argue, is not merely a scholastic argument, but has concrete political implications: to the extent that social media involves exploitation, it places users at the centre of digital capitalism, possibly as antagonistic to contemporary class arrangements. If however, users generating content cannot be seen as part of the process of capital accumulation, then this puts them into a marginal situation.

In Chapter 10, Olivier Frayssé asks the question: "Is the Concept of Rent Relevant to a Discussion of Surplus-Value in the Digital World?" Frayssé examines the question of value creation in the digital age through the concept of rent, insisting on the polysemy of that notion. He distinguishes between different interpretations of the concept from classic political economists to Marx's notions of differential and absolute ground-rent. Frayssé suggests that the Marxian notion of rent sheds some light in the case of the underpinnings of the political economy of the internet – advertising and market research. In advertising, it brings to the fore the ability of media owners to monopolize screen-space in order to levy a "ground-rent" on the brain power, or attention,

of internet users. In market research, since the internet is a fertile ground for collective users' information, the element of rent lies in the expropriation of ground-rent by placing tracker on users' devices.

The question of where value emerges in contemporary capitalism is taken up also in a chapter by Jakob Rigi, entitled "The Demise of the Marxian Law of Value? A Critique of Michael Hardt and Antonio Negri". Rigi offers a critique of Hardt and Negri's central idea that Marx's law of value no longer holds true for cognitive capitalism. In contrast, Rigi argues that while the law of value tends to be abolished by the extraction of value from the "social factory" and from the commons of knowledge and information, the emergence of immaterial labour also dramatically expanded the domain of value extraction from labour. The total global economy, he insists, is still under the sway of the law of value. Moreover, he argues that the expansion of those branches of the economy that undermine the law of value is dependent on the expansion of the law at the global level. Thus, viewed from vantage of value, capital accumulation is a contradictory process. It undermines the law partially, but expands it globally.

The final part of the book, **Productivity in Reproduction**, further engages sites of production and value-creation which are relatively new and have been hitherto neglected by Marxist theory. In Chapter 12, "Devaluing Binaries: Marxist Feminism and the Value of Consumer Labour", Kylie Jarret takes the question of how consumers can be theorized to engage is value creating activity (a theme we have encountered earlier in this volume in a number of chapters) a step further by questioning the production/reproduction dichotomy with the aid of Marxist feminist theory. Jarret shows the continuity between the labour of digital media consumers and the reproductive activity of capitalism in – mostly unpaid and feminized – domestic labour. Rather than digital media technologies creating a new social reality, Jarret shows that the mobilization of unpaid labour – seen as reproductive activities – has always been part and parcel of capitalism. Where it was once mostly the purview of women in the domestic space, this kind of exploitation is more "democratized" now, exploiting the reproductive capacities of users on cyberspace. Jarret points to another important thing: this labour – being immaterial and mobilizing subjectivity itself – is simultaneously generating exchange-value, but also reproducing the subject of communicative capitalism. This has implications for the notion of audience labour exploitation (discussed by other authors in this volume), which Jarret finds misleading as parts of this work cannot be subsumed

by capital, and because these activities – for example, using social media – constitute a means by which people today realize themselves (a point made also by Fisher, this volume).

Another question central to our understanding of value creation in contemporary capitalism revolves around the control of capital over labour, or subsumption. Andrea Fumagalli takes on this question in Chapter 13, "The Concept of the Subsumption of Labour under Capital: Life Subsumption in Cognitive-Biocapitalism". For surplus-value to be extracted, capital needs to exercise control over labour. This has been achieved in the past through *formal* and *real subsumption*, resulting in the elongation of the work day and in rendering work more efficient, respectively. But these forms of subsumption were adequate for industrial capitalism where labour took place under the strict scrutiny of capital, mostly in the factory and in the office. In contemporary capitalism, which Fumagalli dubs cognitive bio-capitalism, and is founded on knowledge and learning, a new form of subsumption emerges – *life subsumption*. Fumagalli argues that valorization in life subsumption takes place through both formal and real subsumption that, in fact, merge and feed off of each other. Furthermore, Fumagalli shows how this new regime of subsumption carries with it a new regime of governance, based on debt, precarity, and the construction of a neoliberal, entrepreneurial subject.

Lastly, in Part V of the book, Frederick H. Pitts attends to another component in the valorization process of capital, which Marx saw as marginal and in fact unproductive. In "Form-Giving Fire: Creative Industries as Marx's 'Work of Combustion' and the Distinction between Productive and Unproductive Labour", Pitts takes a closer look at the importance of circulation in the accumulation process, arguing that Marx had only hinted at, but could not have guessed, the level of work and value-creation it entails in contemporary capitalism. Pitts argues that the work of combustion, as Marx argued, i.e. moving commodities and selling them, is today central to rendering production productive, i.e. in valorizing the "productivity" of production. This approach questions many key assumptions of the labour theory of value, such as the distinction between productive and unproductive labour, arguing that the ultimate criterion for productiveness rests in exchange rather than labour, and shifting the focus to the valorization process of commodities. This reformulation accounts for, and theorizes from within Marxist theory, the central role that creative workers – engaged in the work of circulation, such as designers, advertisers, marketers, and so on – play.

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2

The Digital Labour Theory of Value and Karl Marx in the Age of Facebook, YouTube, Twitter, and Weibo

Christian Fuchs

1. Introduction

In this chapter, I discuss some of the foundations for a digital labour theory of value, namely the concepts of time (Section 2), productive labour (Section 3), rent (Section 4) and fetishism (Section 5).[1]

2. Time and labour time

Time is a fundamental aspect of matter. "In time, it is said, everything arises and passes away, or rather, there appears precisely the abstraction of arising and falling away" (Hegel 1817, §201). Time is the development of the existence of being from one condition to the next. The German Marxist philosopher Hans Heinz Holz speaks in this context of matter as the dialectic of *Nacheinander* (time) and *Nebeneinander* (space): "Like time is the after-one-another of contents, space is the next-to-one-another of things" (Holz 2005, 170, translation from German).

In capitalism, time plays a role in the form of labour time, reproductive labour time, struggles over the working day, absolute and relative surplus-value production that is based on a dialectic of labour and time (Postone 1993); production, circulation and consumption time of commodities, the acceleration of capital accumulation and circulation, the acceleration of finance, temporal fixes to crises of capital accumulation (Fuchs 2015, chapter 4).

The rise of capitalist social media such as Facebook, Twitter, YouTube and Weibo[2] has not rendered the concepts of labour time and the law of value superfluous, but is an expression of a new qualities of the labour theory of value. The more time a user spends on Facebook, the more profile, browsing, communication, behavioural, content data s/he generates that is offered as a commodity to advertising clients. The more time a user spends online, the more targeted ads can be presented to her/him.

The average value of a single ad space is the average number of minutes that a specific user group spends on Facebook per unit of time (e.g. 1 month or 1 year) divided by the average number of targeted ads that is presented to them during this time period.

Targeted online advertising is many social media corporations' core capital accumulation strategy. It is a method of relative surplus-value production: Not just one ad is presented to all users at the same time, but many different ads are presented to different users at the same time. Individual targeting and the splitting up of the screen for presenting multiple ads allows to present and sell many ads at one point of time. In the pay-per-click mode, clicking on an ad is the value realization process.

The emergence of social media is an expression of the tendency of capitalism to increase disposable time. Such media are expressions of a high level of the development of the productive forces. Capital tries to commodify disposable time, which explains the emergence of play labour, digital labour and prosumption. The cause is the imperialistic tendency of capitalism: "But its tendency always, on the one side, to create disposable time, on the other, to convert it into surplus labour" (Marx 1857/58, 708).

The emergence of social media is an expression of the contradiction between time and capitalism. Corporate social media are spaces for the exploitation of new forms of surplus labour under capitalist conditions. They are at the same time germ forms of a society, in which necessary labour time is minimized, surplus labour time abolished and creative activities shape human lifetime.

3. Productive labour

A detailed discussion of Marx's category of productive labour cannot be done in this chapter that has a limit of 6,000 words (for a detailed discussion of almost 100 pages, see chapter 5 in: Fuchs 2015). A frequent misunderstanding of Marx in discussion of digital labour is that

he actually does not have just one concept of productive labour, but several ones. I therefore speak of productive labour (1), (2), (3):

- Productive labour (1): Work that produces use-values
- Productive labour (2): Labour that produces capital and surplus-value for the purpose of accumulation
- Productive labour (3): Labour of the combined/collective worker, labour that contributes to the production of surplus-value and capital

Scholars who argue that you must earn a wage for being a productive worker mostly ignore dimension (3), although the introduction of the concept of the collective worker is at the start of a crucial chapter of *Capital, Volume 1* (Marx 1867), namely chapter 16: Absolute and Relative Surplus-Value. It is not a coincidence that the most prominent definition of productive labour is part of a key chapter in Marx's main work.

There are some scholars in the digital labour debate who argue that only wage labour is productive labour and that Facebook usage and other unpaid labour can therefore not be productive labour and a form of exploitation.

The argument itself is not new and was also directed against Dallas Smythe. Michael Lebowitz (1986, 165) argues that Smythe's approach is only a "Marxist-sounding communications theory". Marxism would assume that "surplus value in capitalism is generated in the direct process of production, the process where workers (having surrendered the property rights over the disposition of their labour-power) are *compelled* to work longer than is necessary to produce the equivalent of their wage. Perhaps it is for this reason that there is hesitation in accepting the conception that audiences work, are exploited, and produce surplus value – in that it is a paradigm quite different to the Marxist paradigm" (Lebowitz 1986, 167). Media capitalists would compete "for the expenditures of competing industrial capitalists", help to "increase the commodity sales of industrial capitalists" and their profits would be "a share of the surplus value of industrial capital" (Lebowitz 1986, 169). Smythe's audience commodity approach would advance an "entirely un-Marxian argument with un-Marxian conclusions" (Lebowitz 1986, 170).

Dallas Smythe wrote his *Blindspot* article also as a criticism of this approach that ignored aspects of communication. This is evident when he says that Baran and Sweezy, in an idealist manner, reduce advertising to a form of manipulation in the sales effort and when he criticizes them for "rejecting expenses of circulation as unproductive of surplus"

(Smythe 1977, 14). Baran and Sweezy developed a theory that puts the main focus on monopolies rather than the exploitation of labour. Consequently, they reduce advertising to an unproductive attribute of monopoly – "the very offspring of monopoly capitalism" (Baran and Sweezy 1966, 122) that is one form of "surplus eaters" (127) and "merely a form of surplus absorption" (141). Smythe concluded that the "denial of the productivity of advertising is unnecessary and diversionary: a cul-de-sac derived from the pre-monopoly-capitalist stage of development, a dutiful but unsuccessful and inappropriate attempt at reconciliation with Capital" (Smythe 1977, 16).

Wage-labour fetishism disregards the complex dialectics of class societies. Marx (1867, 675) defines the wage as "a certain quantity of money that is paid for a certain quantity of labour". Patriarchy, feudalism and slavery are not over, but continue to exist within capitalism, where these forms of exploitation are mediated with wage-labour and capitalists' monetary profits. Wage labour-fetishists are so much fixed on the wage labour–capital relation that they exclude non-wage labour constituted in class relations from the category of exploitation. Consequently, houseworkers and slaves are for them not exploited and play a subordinated role in the proletariat or are not considered to be revolutionary at all.

Patriarchy and slavery are historical and contemporary realities of class society's history. Dominant classes try by all means to extract as much surplus-labour as possible so that paying nothing at all by different means is a way of exploitation that they tend to foster and that is their ultimate dream as it allows maximization of their profits. Forms of unpaid labour differ qualitatively: whereas slaves are threatened by being killed if they stop to work, houseworkers in patriarchal relations are partly coerced by physical violence and partly by affective commitments and Facebook workers are coerced by the threat of missing social advantages (such as being invited to a friends' party) and monopoly power.

The creation of a commodity's symbolic ideology is a value-creating activity. Symbolic value establishes a link and mediates between use-value and exchange-value, it helps accomplishing the exchange, in which consumers obtain use-values and capitalists money. Wolfgang Fritz Haug (1986) speaks in this context of the commodity's use-value promise: the sales and advertising ideology associated with a commodity promises specific positive life enhancement functions that the commodity brings with it and thereby conceals the commodity's exchange-value behind promises.

Marx argued that the change in use-value that the transportation and communication industry brings about is the change of location of commodities: "The productive capital invested in this industry thus adds value to the products transported, partly through the value carried over from the means of transport, partly through the value added by the work of transport" (Marx 1885, 226).

The production of commodity's symbolic value (use-value promises) takes labour-time. It is a value-producing activity. Commercial media link commodity ideologies to consumers, they "transport" ideologies to consumers. *Advertising involves informational production and transportation labour*. Advertising transport workers do not transport a commodity in physical space from A to B, rather, they organize a communication space that allows advertisers to communicate their use-value promises to potential customers. Facebook users and employees are transport workers who transport use-value promises (commodity ideologies) to potential consumers. On Facebook and other social media platforms, transportation labour is communication labour. Audiences "work to market [...] things to themselves" (Smythe 1981, 4).

4. Rent

Is rent a concept feasible for explaining the political economy of corporate social media?

Rented property, according to Marx, typically enters the capitalist production process as fixed constant capital: "I have elsewhere used the expression *'la terre-capital'* to denote capital incorporated into the earth in this way. This is one of the categories of fixed capital" (Marx 1894, 756). For Marx (1894, 772), rented forms of property are "things that have no value in and of themselves" because they either are not "the product of labour, like land" or cannot be reproduced by labour, such as "antiques, works of art by certain masters, etc". "Value is labour. So surplus-value cannot be earth" (Marx 1894, 954).

Leased property is a conservative type of property that does not need the constant influx of labour for its existence. A piece of land, a building, a Picasso picture, a vineyard or a lake can exist without constant labour inputs.

Some scholars argue that today profit tends to become rent (becoming-rent-of-profit): The "existence of rent is based upon forms of property and positions of power that permit the creation of scarcity and the imposition of higher prices, justified by the cost of production. Scarcity is induced in most cases by institutional artefacts, as shown

today by the policies of reinforcement of Intellectual Property Rights" (Vercellone 2010, 95).

Profit stems from the exploitation of labour; rent stems from profits or wages, but not from exploitation. Profit, therefore, cannot become identical with rent.

Some scholars argue that licensed software or other licensed knowledge is not a commodity because it does not change ownership and can therefore not be re-sold.

For Marx, the commodity is just like money not specific for capitalism, rather "[i]n themselves, money and commodities are no more capital than the means of production and subsistence are. They need to be transformed into capital" (Marx 1867, 874). Marx also speaks of labour-power as commodity, although the wage-worker owns his/her labour-power and sells it as a commodity for a wage.

"In order to become a commodity, the product must be transferred to the other person, for whom it serves as a use-value, through the medium of exchange" (Marx 1867, 131). The transfer of use-value can mean full transfer of ownership or a temporal right to access and control a use-value. Marx says that ground-rent is the prize of land "so that the earth is bought or sold just like any other commodity" (Marx 1867, 762). So also leased land is a commodity.

Compare a landowner and capitalist beer brewery: In contrast to the piece of land, there is labour involved that repeatedly produces something new – beer. A software company can make use of different commodification strategies: it can sell software licenses for limited time periods, or for unlimited usage periods, or it can sell free software whose source code can be changed, re-used and updated by the buyers.

In any case, the software is a commodity and the capitalist software firm will continuously let workers engage in labour in order to further develop and update the software's quality so that its use-value changes qualitatively, new versions are generated that can again be sold in order to yield more profit. The decisive aspect of a capitalist software company is that it exploits labour in order to accumulate capital. A rentier, by contrast, does not exploit labour, although it sells and re-sells land as commodity for deriving rent.

Knowledge such as software is however dynamic and tends to be updated, renewed, re-worked, re-mixed, re-purposed, and combined with various services. There is also a difference between software that is sold for a one-time price or via licences that expire and must be updated after a year or another time period. A single use-12 month licence for

IBM Advanced SPSS Statistics cost in 2014 £1, 182. By buying this licence you do not buy a static piece of knowledge, but also access to technological support services over 12 months and the access to software updates. IBM's software engineers do not stop coding after they have created one version of SPSS, they rather create one version after another and many smaller updates that licensed users can access. Furthermore technological and administrative support services are offered by IBM, which is also a concrete daily expenditure of labour time. Producing use-values that are turned into profits by capitalists by selling commodities is a sufficient condition for speaking of productive labour that is exploited by capital. But software engineers also *re*produce software code by the simple fact that they continue to write new code that improves and updates specific versions. The reproduction of software is the creation of a history of versions and updates. Software thereby becomes outdated. If you want to today use MS Word 1.0 published in 1983, you will face problems because you either need the Xenix or MS-DOS operating system that are no longer in use and you will also face file compatibility problems. If software were static and not a constantly updated dynamic commodity, then Microsoft would still sell MS Word 1.0 and IBM SPSS 1.0 that was released in 1968 when computers were large mainframes that looked like huge cupboards.

In the SPSS example, there is a base of software code that is often updated and reproduced into licensed copies stored on customers' computers. Furthermore, the license-fee paying users get access to support services. Code and services form an integrated commodity. The coding and service labour necessary for the supply of SPSS account for a specific number of working hours h per year that IBM exploits. A specific number of copies c is sold over these 12 months. One can now on the one hand argue that the total knowledge and service base has the value h and that the total profit and price is not determined by h, but diverges from value. Or one can on the other hand argue that one copy bought during these 12 months has the average value of h/c hours and that this value does not determine the price, i.e. one cannot calculate the price of a copy if one knows the annual number of invested hours. There is a divergence of value and price of knowledge commodities, but one does not need the rent concept for explaining this circumstance because Marx argued that there is "a quantitative incongruity between price and magnitude of value, i.e. the possibility that the price may diverge from the magnitude of value, is inherent in the price-form itself" (Marx 1867, 196).

Knowledge is a peculiar commodity that can quickly be copied and does not disappear by consumption, which does, however, not mean that its producers are unproductive. The software industry is an industry of a substantial size. It is odd to argue that the workers in it are unproductive and consume rather than produce value because this means that they are not exploited and are not relevant political subjects for making a revolution. This is a strange claim that sounds like only classical industrial wage workers in factories are productive, which is an old fashioned notion of class that does not help left movements to make concrete politics that improve the living conditions of workers. Software engineers and other knowledge workers tend to be highly exploited, especially because they conduct a lot of unpaid overtime. To exclude them form the proletariat is an idiosyncratic move. The notion of rent does not help us to advance a revolutionary theory of the information society.

Facebook is not a rent-seeking organization. There are several reasons why this is the case.

- A good that is rented out does not require constant production and reproduction, it can be rented out independently of labour because it does not objectify value:

  The owner of a picture, a piece of land, a lake, a building, or a flat can rent out these properties independently of labour. S/he does not necessarily require labour for acquiring rent. Some goods that can be rented out can be turned into capital that is accumulated: the picture can be industrially reproduced and sold as commodity in order to accumulate ever more money. But in contrast, Facebook cannot make money if its users do not constantly use the platform and thereby produce data and attention. If all users quit Facebook, the company cannot make any profit. Without users' activities and online presence, Facebook cannot "rent out" anything in this case because it constantly requires the users' labour–usage activities in order to be able to sell something. Therefore Facebook does not rent out virtual space, but sells a commodity, in which users' attention and personal data is objectified. Users produce this commodity; Facebook exploits them and thereby accumulates capital. Facebook is not a rentier, but a capitalist company that exploits users.
- Capital accumulation requires the constant production of a commodity, surplus-value and a surplus product as well as the constant sale of this commodity at a price that is higher than the investment costs,

whereas rent-seeking does not require productive labour. Rent is a transfer of parts of profits that realise the value created by workers in capital accumulation processes:

Facebook invests money into production and constantly lets users produce data commodities in order to sell ever more advertisements and accumulate ever more capital. Facebook is first and foremost an advertising company: it lets its users produce ever more data and ever more commodities in order to accumulate ever more capital. Such a dynamic process of accumulation of use-values, surplus-labour, surplus-products, commodities and money capital cannot be found in the case of a rentier. Facebook therefore is a capitalist company, not a rentier.

- Property that is rented out to capitalists primarily enters the capital accumulation process as fixed constant capital:

  A company uses its leased building or piece of land/nature as a means of production that enters the capitalist production process that results in commodities. Facebook advertisements in contrast enter the capital accumulation cycle of other companies in the realm of circulation C'-M', where a specific commodity is sold. Facebook users are contemporary online equivalents of what Marx termed transport workers – their labour helps transporting use-value promises to themselves. Transport workers are productive workers who create surplus-value and are exploited.
- Renting is the rentier's sale of landed property to a renter that enables the latter's temporary access to and usage of the property:

  I cannot resell my leased flat, garden or car because the state's property laws guarantee the rentier's property rights and only provide a temporary usage right to me. I can therefore only use the leased properties as means of production if I start a business and cannot directly transform it into a commodity that I resell for accumulating capital. In contrast if I buy advertising space on Facebook, I own the content that I advertise. I can therefore start a business that accumulates capital by offering social media marketing to clients. I can sell the advertising spaces on Facebook, Twitter, Google, YouTube that I acquire for this purpose to another person and can fill them with the content that the client provides to me in return for money s/he pays.

Facebook is a capitalist company, not a rent-seeking organization. What is the value of a single ad space? It is the average number of minutes that a specific user group spends on Facebook divided by the

average number of targeted ads that is presented to them during this time period.

5. Fetishism

Marxist feminists have long resisted the reduction of housework to peripheral, secondary or unproductive activities. They have argued that reproductive work in capitalism is productive labour. A few examples suffice to illustrate this circumstance, although this chapter does not allow space for a detailed discussion. Mariarosa Dalla Costa and Selma James (1972, 30) challenged the orthodox Marxist assumption that reproductive work is "outside social productivity". In contrast, a socialist feminist position would have to argue that "domestic work produces not merely use values, but is essential to the production of surplus value" and that the "productivity of wage slavery" is "based on unwaged slavery" in the form of productive "social services which capitalist organization transforms into privatized activity, putting them on the backs of housewives" (Dalla Costa and James 1972, 31). Zillah Eisenstein (1979, 31) argues that the gender division of labour guarantees "a free labour pool" and "a cheap labour pool".

Maria Mies (1986, 37) says that women are exploited in a triple sense: "they are exploited [...] by men and they are exploited as housewives by capital. If they are wage-workers they are also exploited as wage-workers". Capitalist production would be based on the "*super-exploitation* of non-wage labourers (women, colonies, peasants) upon which wage labour exploitation then is possible. I define their exploitation as super-exploitation because it is not based on the appropriation (by the capitalist) of the time and labour over and above the 'necessary' labour time, the *surplus* labour, but of the time and labour *necessary* for people's own survival or subsistence production. It is not compensated for by a wage" (Mies 1986, 48).

For me, there is also a historical reason why I think one should not characterize Facebook users as either unproductive or minor productive: Soviet Marxism. In the Soviet Union, the notions of productive and unproductive labour were at the heart of the calculation of national wealth. The Material Product System (MPS) was the Soviet equivalent of the Gross Domestic Product (GDP). The MPS was introduced under Stalin in the 1920s (Árvay 1994). It only considered physical work in agriculture, industry, construction, transport, supply and trade as productive, whereas services, administration, public services, education, culture and housework were seen as unproductive work that

do not contribute to national income, but rather consume it (Noah 1965). Women had especially high employment shares in medicine (physicians, nurses), schools, light industry (e.g. textiles), child-care, culture, retail and catering (Katz 1997). The Soviet wage system privileged domains such as heavy industry, construction, energy, metalwork and mining because the MPS system considered them to contribute strongly to national wealth and productivity (Katz 1997). The feminized employment sectors just mentioned were seen as secondary and unproductive and thus had lower wage levels. A gender bias was "built into perceptions of productivity" (Katz 1997, 446). The gender division of labour and wages was "hidden behind a screen of officially proclaimed 'equal participation in the national economy' " (Katz 1997, 446). The reality was that "the Soviet wage-structure [...] was in itself male-biased" (Katz 1997, 446).

The notion of unproductive labour has historically been used for signifying reproductive work, service work and feminized work as secondary and peripheral. It has thereby functioned as an ideological support mechanism for discrimination against women. This circumstance should caution us to be careful in whom one analytically characterises as "unproductive", i.e. not creating surplus-value in the capitalist production process.

One should not be mistaken by the application of the rent argument to Facebook and other corporate social media: To speak of Facebook as a rent-seeking organization implies that its users are unproductive, that they do not create value, and that they are unimportant in class struggles. Approaches that say that Facebook usage is unproductive because advertising is not part of the sphere of production, but located in the sphere of circulation, also imply that users' activities are parasitic and eat up the surplus-value created by wage workers in other parts of the economy. Some try to combine the rent-argument with the assumption that Facebook users are exploited, but the two concepts of rent and exploitation go uneasily together.

Conceptualizing somebody as unproductive is not just an analytical term, it is also a slur and quite emotive. Nobody wants to be called unproductive as it carries the connotation of being useless and parasitic. Saying that Facebook users do not create value and that Facebook is a rentier that consumes the value produced by wageworkers employed by other companies politically implies that users are unimportant in class struggles in the digital age. Wageworkers in the non-digital economy are seen as the true locus of power. Hence recommended political measures to be taken focus on how to organize these workers in unions, parties

or other organizations and struggles for higher wages and better wage labour conditions. Users and Facebook are seen as being outside the locus of class struggle or only as something that unions and parties can also use in wage labour struggles.

The Marxist theorist Moishe Postone argues that in capitalism, value is "abstract, general, homogeneous", whereas use-value is "concrete, particular, material" (Postone 2003, 90). In commodity fetishism, the abstract dimension appears as natural and endless, the concrete dimension as thing without social relations (Postone 2003, 91).

In the value form capitalism's "dialectical tension between value and use-value" is doubled in the appearance of money as abstract and the commodity as concrete (Postone 1980, 109). Commodity fetishism is a form of appearance, in which the abstract sociality of commodities is split-off from its concreteness: only the immediate concrete (the good one consumes, the money one holds in the hand) is taken as reality. Ideology is often based on the "notion that the concrete is 'natural'" and that the "natural" is "more 'essential' and closer to origins" (Postone 1980, 111).

"Industrial capital then appears as the linear descendent of 'natural' artisanal labor", "industrial production" appears as "a purely material, creative process" (Postone 1980, 110). Ideology separates industrial capital and industrial labour from the sphere of circulation, exchange and money that is seen as "parasitic" (Postone 1980, 110). Horkheimer and Adorno argue that "money and mind, the exponents of circulation, are [...] an image which power uses to perpetuate itself" (Horkheimer and Adorno 1944/2002, 141). In advertising, mind and money come together as exponents of circulation.

Denying that audience labour and digital labour are exploited is also a reduction of productivity to the concrete dimension of capitalism and labour – commodities that have a concrete use-value and labour that has a concrete result in the form of wages.

The theoretical denial of digital labour's productivity is the ideological reflection of the inverse commodity fetishism (Fuchs and Sevignani 2013, Fuchs 2014) characteristic for corporate social media: The abstract status of labour and the commodity that cannot be directly experienced by the user is veiled by the pseudo-concreteness of free access to the platform, social benefits and a playful atmosphere.

Facebook creates the impression that users are free and not exploited and that the platform is a gift without commodity logic in order to maximize its users and profits. Hiding the commodity form behind the social and the gift is big business.

The claim that Facebook users eat up surplus, conduct unproductive circulation-sided activities or that Facebook is a rentier reproduce the capitalist ideology that users are not exploited, that there is no problem with capitalist social media, and that everything can continue as it is now.

6. Conclusion

My argument in this chapter has been that the concept of rent is mistaken for understanding the political economy of Facebook and that Facebook users are productive transport workers who communicate advertising ideologies that make use-value promises. Their activities are productive labour (1, 2, 3). Politics for the digital age need to consider users as political subjects. Unions, organizations of the Left and struggles are nothing that should be left to wageworkers, but need to be extended to digital media users. Pirate Parties have understood this circumstance better than the orthodox wage-labour fetishistic parts of the Left, but they have not well understood that the exploitation of digital labour is connected to the commodification of the commons that include the communication commons and that as a consequence internet politics need to be connected to the critique of the political economy of capitalism as a whole. So whereas the orthodox part of the Left tends to dismiss users as politically unimportant and to neglect internet politics, Pirate Parties see users as the only political subjects.

The only feasible political way forward is to create unions and organizations of users that are connected and part of a broader political Left. To do so, the orthodox part of the Left needs to overcome its ignorance of and technophobic biases against the internet and users need to perceive themselves as being ripped off by internet companies. We need social media unions and a fusion of Pirate Parties and left-wing parties.

Some people argue that if wage-workers in classical industries go on strike, then society comes to a halt, whereas cultural workers cannot have the same effect, which would show that there are less productive, powerful and important. Raymond Williams was once asked if he did not concede that a strike of novelists and people working for "television, radio and press [...] would not be comparable to major strikes in the docks, mines or power stations. The workers in these industries have the capacity to disrupt the whole fabric of social life, so decisive is the importance of their productive activity" (Williams 1979, 354). The question implies that cultural workers are rather unimportant and unproductive. Williams answered: "After all, stoppages of electrical

power or oil would now make life impossible in the very short terms yet it is obvious enough historically that our society didn't possess them until recently, yet life could be sustained by other methods" (Williams 1979, 355). So Williams' argument is that given these activities are historical achievements of industrial societies and we know that life was possible without them, alternatives can be organized. He continued to say that if half the population were active and employed in producing and handling information, as is the case in many societies today, then "an information strike would call the maintenance of human life *in that social order* very quickly into question" (Williams 1979, 355). Williams rejects a separation of agricultural and industrial labour as primary, productive and base on the one side and information work as secondary, unproductive and superstructure on the other side. In contemporary societies both would be so important that workers going on strike could cause serious disruption.

That Facebook users are productive workers means that they have the power to bring corporate social media to a standstill. If users go on strike, then Facebook immediately loses money. If Facebook's wageworkers go on strike, the platform is still online and can be further operated for exploiting users. Users are economically powerful because they create economic value. Organizing a collective Facebook strike or shifting to alternative non-commercial platforms is a refusal of digital labour. Besides unionization and online strikes, also policy-oriented measures are feasible in order to strengthen the protection of users from capitalist exploitation. Ad block software is a tool that deactivates advertisements on the websites a user visits. It can either be used as add-on to web browsers or is automatically integrated into a browser. Using ad block software is digital class struggle: it disables Facebook and others' monetization of personal data by blocking targeted ads. Think of a legal requirement that makes ad block the standard option in all web browsers: users are empowered because commodification of data is not the standard, but an opt-in chosen by the users if they turn off the ad blocker. A useful complementary legal measure is to require all internet platforms to deactivate targeted and other forms of advertising and to make users opt-in if they want to enable such mechanisms.

One question about the Do Not Track protocol is if browsers should implement it as automatically activated or deactivated. If one assumes that users value being in control of their privacy settings, then a point can be made for an automatic activation in web browsers. Opt-in is also a stronger form of consent than opt-out. Opt-out assumes that users agree to certain data processing even if they do not really know about

it. Opt-in, on the other hand, can better guarantee that consensus is explicit, unambiguous and specific. Another issue is that the Do Not Track protocol sends information to websites that a user does not wish to be tracked. The technical task of not collecting and storing data about such a user is accomplished, however, by the website itself. If a website has commercial interest in targeting users with ads, one can imagine that it may not automatically be inclined to stop collecting data about users. Therefore if Do Not Track should have some effect, legal measures are needed that require all websites to collect no data about users for commercial purposes if they have the Do Not Track protocol activated. To enforce such a standard, adequate penalties may be needed.

The advertising industry is afraid of ad block software and similar mechanisms. This is an indication that struggles against the commercial character of media and culture need to see social media as a sphere of production, not just one of circulation. The commercial internet is not just a sphere of commodity ideologies and sales, it is also a sphere of the exploitation of labour. Those who are concerned about workers' rights therefore need to take users' realities as exploited workers serious. Exploitation is not tied to earning a wage, but extends into broad realms of society. Class struggles need to extend from factories and offices to Google, Facebook, and Twitter. The theory of digital labour is an ally of users, whereas the digital rent concept and related approaches are a slur that does not side with the interest of users and denigrates them as unproductive and unimportant in class struggles.

Notes

1. For a more in-depth discussion of these topics, please refer to *Culture and Economy in the Age of Social Media* (Fuchs 2015).
2. For a discussion of the commonalities and differences of social media's political economy in China and the West, see: Fuchs (2015, chapter 7).

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3

The Hands and Brains of Digital Culture: Arguments for an Inclusive Approach to Cultural Labour

Marisol Sandoval

1. Introduction

Since the early 1970s theories of the "information revolution" (Dyer-Witheford 1999) have celebrated techno-scientific development as an essential driving force of fundamental socio-economic transformations, allegedly leading to a new society that overcomes the negative features of industrial capitalism. Peter Drucker's "age of discontinuity" (1969), Zbigniew Brzezinski's "technetronic era" (1970), Daniel Bell's "post-industrial society" (1974), Marc Porat's "information economy" (1977) and Alvin Toffler's "third wave" (1980) put forward a vision of a society organized around knowledge and information in which creativity, equality and the prevalence of high-skilled knowledge work would replace alienated and exploited labour (Dyer-Witheford 1999, 25). More recently, Richard Florida has continued these debates, arguing that based on technology, talent and tolerance the "creative class" would be "the mobilising force today – the leading force at the beachhead of social, cultural, and economic change" (Florida 2012, xv) bringing in its wake a clean and green, sustainable, open and tolerant "creative economy" (Florida 2012, x).

These theories have in common that they not only attest a shift from manual to mental activities as dominant forms of wealth creation, but also stress the transformatory power of knowledge, information or creative work, making social struggles obsolete. They create the impression that we live in an information society in which the majority of labour and goods have become immaterial.

A focus on mental as opposed to manual labour also characterizes much of the debate on cultural work, which tends to be understood

as the creative work of "symbol creators" (Hesmondhalgh 2013, 20). Hesmondhalgh and Baker (2011, 382), for example, define cultural work as "those forms of labour with an especially strong element of aesthetic, expressive and symbolic making". They oppose a broad definition of cultural work because it "risks eliminating the specific importance of culture, of mediated communication, and of the content of communication products" (Hesmondhalgh and Baker 2011, 60). According to Hesmondhalgh, cultural labour deals "primarily with the industrial production and circulation of texts" (Hesmondhalgh 2013, 17). Just like in information society theory, concepts of cultural work and the cultural industries that foreground content production tend to approach culture as something immaterial.

In this chapter, I problematize the tendency to regard cultural work as exclusively immaterial, mental or symbolic work. I first argue that we should consider both the hands and brains of cultural production in order to avoid mystifying the materiality of digital culture. Using Raymond Williams's cultural materialism as an analytical framework I then discuss specific examples that illustrate the social and environmental impacts of contemporary culture. I highlight that in political terms an inclusive approach to cultural labour is important as it can confront individualization and inform solidarity across national and occupational boundaries. Finally, I conclude with some remarks on the meaning of work and the division of labour and suggest starting points for rethinking it.

2. The hands and brains of cultural production

The theories of the information revolution, which started to shift attention from manual to mental production, were developed during times of capitalist crisis and social transformation. One political-economic response to the crisis of Fordist capitalism in the 1970s was the gradual relocation of large parts of production activities from the industrialized core of the world economy to the former periphery, supported by neoliberal deregulations and trade liberalizations (Fröbel, Heinrichs, and Kreye 1981; Munck 2002, 45; Harvey 2005, Smith 2012, 40).

Fröbel, Heinrichs, and Kreye have described this development as the "new international division of labour" (NIDL). To satisfy the corporate desire for cheap labour, commodity production became "increasingly subdivided into fragments which can be assigned to whichever part of the world can provide the most profitable combination of capital and labour" (Fröbel, Heinrichs, and Kreye 1981, 15). The result was the

emergence of global value chains and production networks in various industries. Among them also the electronics sector, an industry that is essential for the production of cultural technologies such as computers, video, film and music equipment, printers, photo cameras and media players.

Most everyday uses of culture today – from online newspapers to music streaming, digital film and music production, content editing, multimedia art, social media culture, digital photography – would be unthinkable without computer technologies and consumer electronics. While the industrial manufacturing of technological hardware remained crucial for cultural production and consumption, it also was outsourced to low-wage countries in Asia, Eastern Europe and South America and thus became increasingly invisible in the West.

Thus, while theorists of the information revolution were right to highlight the huge impacts of technological development on the organization of social life, this development did not mean the dissolution of physical, industrial production. Quite on the contrary, the increased importance of computer technologies in the field of culture, eventually giving rise to digital culture, meant that its production and consumption became increasingly based on high-tech equipment. As Eric Hobsbawm highlights, cultural history has always also been a history of technological development: "What characterizes the arts in our century is their dependence on, and their transformation by, the historically unique technological revolution, particularly the technologies of communication and reproduction. For the second force that has revolutionized culture, that of the mass consumer society, is unthinkable without the technological revolution, for example without film, without radio, without television, without portable sound in your shirt pocket" (Hobsbawm 2013, 9f).

The political-economic context of outsourced industrial production mixed with ideological hopes about a frictionless information society contributed to a myth of digital culture as weightless, immaterial and sustainable. Concepts such as "digital sublime" (Mosco 2004) or "technological sublime" (Maxwell and Miller 2012, 7) suggest that certain utopian ideals are attached to media and communication technologies. Maxwell and Miller argue that as a consequence the "way technology is experienced in daily life is far removed from the physical work and material resources that go into it" (Maxwell and Miller 2012, 7). The clean, immaculate and advanced surface of modern computer products hides the dirty reality of their production process.

Nick Dyer-Witheford therefore describes the value chain as "the dirty secret of the digital revolution" (Dyer-Witheford 2014, 169). Part of this "dirty secret" is that "the global information economy is built in part on the backs of tens of millions Chinese industrial workers" (Zhao and Duffy 2008, 229). Conceptualizing cultural labour only as mental and immaterial labour neglects the fact that it is underpinned by the availability of digital technologies whose production requires physical and manual labour.

A more inclusive approach to cultural labour can capture both the mental and manual labour that help to produce digital culture today. Vincent Mosco and Catherine McKercher suggested a broad definition of knowledge work that includes "anyone in the chain of producing and distributing knowledge products. In this view, the low-wage women workers in Silicon Valley and abroad who manufacture and assemble cables and electronic components are knowledge workers because they are an integral part of the value chain that results in the manufacturing of the central engine of knowledge production: the computer" (Mosco and McKercher 2009, 25). Similarly Hong (2011, 11) argues that "in the context of information and communications, we actually need to extend the concept of the 'knowledge worker' to include manual and industrial workers who are also essential to this industry".

Considering both the hands and the brains of cultural production can avoid a cultural idealism that regards culture as merely immaterial and symbolic as well as a western-centric perspective that hides the various forms of labour involved in the global production of digital culture. Such an alternative perspective can be based on Raymond Williams's cultural materialism.

3. Cultural materialism

Raymond Williams developed a materialist critique of the tendency to see culture as "dependent, secondary, 'superstructural': a realm of 'mere' ideas, beliefs, arts, customs, determined by the basic material history" (Williams 1977, 19). He argued that many discussions of the relationship between culture and economy, evolving around concepts such as reflection, reproduction, mediation, and homolog, often are problematic not because they are too economistic and materialist but quite on the contrary, because they are not "materialist enough" (Williams 1977, 92). Instead of the idealist "separation of 'culture' from material social life" (Williams 1977, 19) Williams suggested a cultural materialism

that emphasizes "cultural practices as from the beginning social and material" (Williams 1990, 206).

Williams's approach builds on the materialist insight that ideas are always part of material life processes. Marx and Engels, for example, highlighted that the "production of ideas, of conceptions, of consciousness, is at first directly interwoven with the material activity and the material intercourse of men" (Marx and Engels 1845/46, 42). Similarly, Gramsci's work is based on the insight that "ideas are themselves material forces" (Gramsci 1988, 215).

Beyond acknowledging the materiality of ideas, Williams's approach also highlights the importance of considering the materiality of technologies that enable cultural production at a given historical stage. He criticizes the "rhetorical isolation of 'mass communications' from the complex historical development of the means of communication as intrinsic, related and determined parts of the whole historical social and material process" (Williams 1980/2005 52). Williams, therefore, foregrounds the need to recognize that "the productive forces of 'mental labour' have, in themselves, an inescapable material and thus social history" (Williams 1990, 211).

A cultural materialist perspective thus means to consider the social and material history of the means of cultural production. Applying this perspective to the study of cultural labour pays attention to the work of mineral miners, workers in technology manufacturing and waste workers in electronics dumping grounds. As Williams highlights, cultural production "was, and is, co-operative material production involving many processes of a material and physical kind" (Williams 1977, 163).

Williams's argument thus suggests appreciating culture as a totality that connects physical and ideational production processes. A broad perspective on cultural labour can help in focussing attention also on the dark side of digital culture and acknowledge its widespread social and environmental implications.

4. De-mystifying digital culture: The dark side of consumer electronics

In 2010 the tragic suicides of 17 young workers at Apple's supplier factory Foxconn[1] (FinnWatch, SACOM and SOMO 2011, 8; Wired Magazine 2011[2]) momentarily lifted the veil of ignorance and revealed the harsh labour reality in electronics manufacturing. In May and June 2010 many major western media were looking behind the surface of bright and shiny computer products. They reported extensively on bad

working conditions and the lives of desperate workers at factories which supply western brands with the tablets, computers, mobile phones and cameras that are sold to millions of customers. The *New York Times*, for example, published an article titled "*String of Suicides Continues at Electronics Supplier in China*"[3]; the BBC reported on *Foxconn Suicides: "Workers Feel Quite Lonely"*[4] Time Magazine published a piece headed *Chinese Factory Under Scrutiny as Suicides Mount*[5]; *The Guardian* headlined "*Latest Foxconn Suicide Raises Concern Over Factory Life in China*";[6] and CNN reported "*Inside China Factory Hit By Suicides*".[7]

However, it did not take long until public attention paid to Apple's dirty secret started to dissipate and the company's reputation continued to flourish. In 2014 *Fortune* Magazine ranked Apple as the world's most admired company – for the seventh year in a row.[8] The consultancy firm Reputation Institute based on the perception 55,000 people in 15 countries ranked Apple as the 5th most socially responsible company worldwide in 2014 (Reputation Institute 2014, 7). In earlier years Apple had been placed on rank 12 in 2013, rank 5 in 2012 and rank 2 in 2011 (Reputation Institute 2012, 19; 2013, 17).

Apple's image continues to be in stark contrast to evidence produced by corporate watch organizations over the past decade. Investigative research conducted by organizations such as Students and Scholars Against Corporate Misbehaviour (SACOM), China Labour Watch (CLW), Swedwatch or the Centre for Research on Multinational Corporations (SOMO) for many years has documented unacceptable working conditions at Foxconn as well as at various Apple supplier factories (see Sandoval 2014). In 2014, for example, in a joint report on Apple's supplier Catcher Technology Co. Ltd, CLW and Green America (2014) found labour rights violations in regard to hiring practices, health and safety, working hours, wages, management, worker representation, student labour and living conditions. The report highlights Apple's continued unwillingness to improve working conditions in its supply chain: "The ongoing and serious labor violations at Catcher bring into question the credibility of Apple's Code of Conduct. Nearly 10 years have passed since Apple unveiled its list of human rights commitments, yet while Apple has earned hundreds of billions of dollars in profit over this period, the workers making Apple's valuable gadgets continue to suffer daily human rights and safety violations" (CLW and Green America 2014, 8).

Clearly, Apple is not an exception and inhumane working conditions are prevalent throughout the supply chain of consumer electronics (see Sandoval and Bjurling 2013). In a recent report on the state of working

conditions in the electronics supply chain, Electronics Watch highlights that common problems in the sector continue to include "poor wages; excessive working hours; risky working conditions due to the increase of temporary agency workers; discrimination against student and migrant workers; and a lack of safety precautions for the use of hazardous substances" (Electronics Watch Consortium 2014, 7). High levels of pricing competition in the electronics market, a rapid turnover of products, high profit margins for brand companies and the absence of more ethical alternatives to these brands all accelerate these problems (Electronics Watch Consortium 2014, 7f).

Apart from shedding light on working conditions in the production of cultural technologies, a cultural materialist perspective also recognizes and assesses the environmental impacts of digital culture resulting, for example, from energy use and electronic waste. Despite its airy and light-sounding label, cloud computing consumes huge amounts of energy worldwide. Greenpeace (2014, 10) calculates that the aggregate electricity demand of cloud computing in 2011 amounted to 684 billion kWh, which is more than the annual national energy consumption of countries such as Germany, Canada or Brazil (Greenpeace 2014, 11).

Apart from greenhouse gas emissions, digital culture is also impacting the environment through the inadequate disposal of increasing amounts of no longer functioning or unwanted cultural gadgets. According to the Solving the e-Waste Problem (StEP) Initiative, 48.9 million metric tonnes of e-waste were produced worldwide in 2012, amounting to 7kg per person on earth.[9] StEP Initiative furthermore calculates that the amount of e-Waste until 2017 will rise by 33% to 65.4 million tonnes.[10]

Electronics products can contain up to 60 elements, many of which are toxic (UNEP 2009, 6) such as mercury, lead, cadmium, barium or beryllium. Due to ineffective recycling techniques, limited take-back programmes and illegal exports of e-waste to developing countries, these resources often cannot be extracted for reuse (UNEP 2009, 6). The dismantling of electronics products in the informal recycling sector often results in an uncontrolled release of hazardous substances (e.g. trough incineration), which pollute the environment and pose serious health threats to recycling workers and local communities (UNEP 2009, 12).

Waste workers risk being exposed to heavy metals (such as lead, cadmium and mercury) as well as various toxic fumes that are released through burning or melting electronic parts, such as toxic dioxin emissions from burning wires insulated with polyvinyl chloride (Maxwell and Miller 2012, 105). As DanWatch reports, exposure to e-waste can

cause cuts, coughs, headaches, upper respiratory problems, rashes and burns as well as long-term health conditions, including infertility, miscarriage, tumours, endocrine diseases and birth defects (DanWatch 2011, 6).

Looking ahead, the amount of technology used for the production and consumption of culture will increase in the future if the current path of development continues. Research on digital culture should no longer ignore the often slave-like working conditions of miners who are extracting precious metals and minerals, or the lives of often young female migrant workers in China, who are moving to Special Economic Zones to find employment in a factory to support their families, or the health problems of waste work on electronic dumping grounds.

An inclusive understanding of cultural labour based on a cultural materialist perspective is not intended to eradicate the distinction between mental and physical labour. Both have distinct qualities and it is still possible and useful to distinguish between physical cultural work and informational cultural work (Fuchs and Sandoval 2014). However, an inclusive perspective has the advantage of not just looking at differences, but also commonalities between the mental and physical forms of labour that are needed for the production of (digital) cultural goods. Opening up the discussion on cultural labour thus is a first step for identifying possible moments of solidarity between workers and consumers in the global network of cultural production.

5. Digital culture and global solidarity

The myths that surround digital technology (Mosco 2004; Maxwell and Miller 2012, 7) tend to obscure not only its social and environmental impacts but also the economics of the cultural industry. The business of multinational digital cultural corporations such as Apple or Google depends on combinations of content, designs or software with hardware such as mobile phones, tablets and computers. They exploit diverse forms of both physical and informational labour.

Apple is not just a hardware producer. The success of its gadgets, for example, evolves around an elaborate integration of design, software and hardware. Likewise, Google is not just handling information. Its business segments include "search and display advertising, the Android operating system platform, consumer content through Google Play, enterprise commerce and hardware products" (Google 2013, 3).

Since 2010 Google has been producing smartphones and tablets under the Google Nexus brand. It has outsourced the manufacturing of its

Nexus products to other hardware companies, including HTC, Samsung and LG. Motorola Mobility, which Google acquired in 2011 and sold to Lenovo in 2014, organized the manufacturing of the latest versions of Google's smartphone Nexus 7 and tablet Nexus 9.[11] However, where and how Google's hardware is manufactured remains largely obscure. In 2012 Google announced that its Nexus media player would be manufactured in the US (Markoff 2012). In its 2013 annual report Google states "the vast majority of our Motorola products (other than some prototypes) are manufactured outside the U.S. primarily in China and Brazil" (Google 2013, 55).

As Google is keeping its contract manufacturers secret, very little is known about the conditions under which its gadgets are produced. In summer 2013, while Motorola was Google's subsidiary, SACOM (2013) investigated Biel Crystal's factory in Huizhou, China, a company which is supplying electronics brands with cover glasses for phones and tablets. Among its customers are Apple, Samsung and also Motorola. The working conditions SACOM found are similar to those across the electronics manufacturing sector. Workers did not receive clear work contracts, they worked excessive overtime, and they were exposed to serious health risks, military management styles, the late payment of wages and the denial of social security benefits.

Google is not only producing smartphones and tablets but, according to Wired Magazine, since 2000 has also been designing and building its own servers in China and Taiwan (Metz 2012). At Google's annual stockholder meeting in 2012 the company's Chief Financial Officer Patrick Pichette confirmed "Google actually builds servers in a factory", stressing that "There's a bit of a mythology that Google doesn't know anything about hardware" (Pichette cited in McMillan 2012). Confronting this myth Pichette clarifies: "We're big in hardware. Google actually builds servers in a factory that actually probably makes us one of the largest hardware manufacturers in the world. And so we know hardware. We know about flash. We know about equipment. We know about supply chain. So we were very well-equipped from the hardware side, to be very competitive in that space" (Pichette cited in McMillan 2012). The example of Google illustrates the complex political economy of digital culture, which pulls together ideational and physical production.

While Google's corporate power extends across national and occupational boundaries, workers' experiences are predominantly local and isolated. This separation limits their ability to confront Google's global power. A worker movement that is based on international solidarity and coordinated resistance could create possibilities for challenging

Google by simultaneously disrupting several nodes in its transnational production network.

Mosco and McKercher stress: "A more heterogeneous vision of the knowledge-work category points to another type of politics, one predicated on questions about whether knowledge workers can unite across occupational or national boundaries, whether they can maintain their new-found solidarity, and what they should do with it" (Mosco and McKercher 2009, 26). Encouraging solidarity seems crucial in order to reinvigorate a labour movement that, over the past few decades, has been substantially weakened through neoliberal policies, the global fragmentation of production and the normalization of precarious and flexible work and employment (McGuigan 2010; Mosco 2011; de Peuter 2011, 42). As Mosco (2011) has argued, precarious labour, global exploitation, technological and corporate convergence can only be confronted by a global and inclusive labour movement.

This leads to the key question of how to create a sense of solidarity and shared interest between workers whose working lives appear to have little in common. In fact, the differences could hardly seem any bigger between the physically strenuous and dangerous bodily labour of mineral miners and the brain work of well-paid software engineers in playful office buildings; the creative labour of designers and the repetitive work routines of assembly line workers; the flexible working hours of digital content editors and the dangerous lives of waste workers on electronics dumping grounds; the strictly monitored performance of call centre workers and the prosumer labour in teenage bedrooms. Exploring and understanding the particularities of these distinctive forms of work is important. However, keeping alive the possibility of solidarity between the various workers contributing digital cultural production also requires investigating their commonalities.

Let us consider, for example, manual electronics assembly work and creative content production. One commonality between them is precariousness. The fundamental insecurity and uncertainty (Standing 2011, 10) of precarious labour can be found at various stages of the global digital production network. It affects the worker in an electronics assembly plant with no clear work contract who can be fired at any time (Swedwatch and SOMO 2011, 36; SOMO 2009, 30), as well as the web designer who moves from one short-term contract to the next, or the freelance journalist always looking for the next job (Ross 2006/7, 13; 2008; Gill 2011; de Peuter 2011, 419). Feelings of insecurity and anxiety that come with precarious labour halt neither at factory gates nor in front of playful office buildings, home offices, cafés or co-working

spaces. Neither do long working hours. While extremely low wage levels often leave electronics assembly workers little choice but to increase their salary through regular overtime work (SACOM 2011a, 9), for a graphic designer it might be the attachment to her products or the passion for her work that compels her to put some extra hours into an already badly paid project (Ross 2006/7, 28; Gill and Pratt 2008, 18; Gill 2011.

The different reasons for working excessive hours illustrate how capital mobilizes the particular needs and desires of different workers while achieving the common goal of maximizing the amount of extracted labour time. Furthermore the dependency of assembly workers on fluctuating orders from brand companies that result in alternate periods of little work and extreme overwork (SACOM 2012, 3) don't seem very different from the "bulimic patterns of working" experienced by many freelance artists, designers or journalists (Gill and Pratt 2008, 14).

Another commonality is the tendency to exploit the badly paid or unpaid labour of interns, who are eager to increase their chances of succeeding within highly competitive labour markets. In a 2014 report the Sutton Trust estimated that at any time 21,000 interns are working for free in the UK. Ball, Pollard and Stanley (2010, 209) in a survey among more than 3,500 graduates in art, design, crafts and media subjects found that 42% were undertaking unpaid work to gain work experience since graduating (Ball, Pollard and Stanley 2010, 209). Badly paid internships are not unique to creative professions. In electronics manufacturing in China hiring student interns is particularly common during peak season to cover the sudden labour demand (SACOM 2012, 6). Students, who often are required to complete and internship as part of their education at a vocational school, are cheaper to employ since they do not receive regular social security benefits and are not covered by labour laws. SACOM's research, however, shows that like regular workers they are working night shifts and overtime (SACOM 2011a, 18). According to SACOM, in 2010 100,000 vocational school students from Henan province were sent to work at a Foxconn electronics factory in Shenzhen to complete a three-month internship (SACOM 2011b, 3).

Shared experiences of work pressure, anxiety, long hours and exploitation could create a shared interest in co-ordinated resistance grounded in cross-occupational and transnational solidarity. Overall, what unites these workers is that their labour benefits a transnational capitalist class (Sklair 2001) of cultural sector corporations and that they, in one way or another, are confronted with some form of precarity.

Marx's notion of the collective worker as an "aggregate worker" whose "combined activity results materially in an aggregate product" (1867/1990, 1040), highlights the connectedness of different forms of work. Emphasizing this connectedness he argued that even though "the spreading-out of the work over great areas and the great number of people employed in each branch of labour obscure the connection" the product of each work "is merely a step towards the final form, which is the combined product of their specialized labours" (Marx 1867/1990, 475). Contemporary Marxist theorists have adapted Marx's concepts to global capitalism speaking of the "world collective worker" (*Weltgeamtarbeiter*; Haug 2009) or the "global worker" (Roth and van der Linden 2009; Dyer-Witheford 2014).

The economic success of companies such as Google or Apple would be unthinkable without the conceptual work of software engineers and designers, the manual labour assembly plant workers and mineral miners, the support work of call centre workers, unpaid prosumer labour or the care and reproduction work that keeps the corporate engine going. Together they form a cultural "producer composed of different limbs and organs from around the world" (Lebowitz 2011, 254), the global cultural worker.

6. Conclusions

In this chapter, I argued for an inclusive approach to cultural labour in digital capitalism. Such a perspective avoids a "cultural idealism" (Williams 1977, 19) that: ignores the materiality of culture; takes into account the interconnectedness of technology and content; recognizes the importance of the global division of labour, avoiding western-centrism; confronts the myth of weightlessness and immateriality of digital culture; is important to acknowledge the environmental and social impact of (digital) cultural industries; and can inform political solidarity.

In addition, considering the totality of digital cultural production on a global scale can confront fetishized and naturalized accounts of the particular form the social division of labour takes in contemporary capitalism. If the critical analysis of (digital) cultural labour wants to go beyond suggesting sectoral improvements for this or that group of workers it needs to problematize the very fact that the relatively privileged creative work of those cultural workers who use digital technologies as their means of production, depends on physically strenuous, repetitive and monotonous labour.

An inclusive approach to digital cultural labour thus culminates in a critique of capitalist digital culture that rests on a complete division between manual and mental labour. Such a division deprives the work of those producing key cultural technologies from its foreseeing and creative elements, which Raymond Williams described as essential qualities of human work: "The specifically human character of work includes . . . not only the foreseeing concept of what is being made but ideally integrated concepts of how and why it is being made . . . . it is reasonable to describe certain forms of human work – those in which the workers has been deprived, by force or by the possession by others of his means and conditions of production, of the necessary human qualities of foresight, decision, consciousness and control – as degraded or sub-human, in no hyperbolic sense" (Williams 1990, 204). Likewise, Marx stressed that "what distinguishes the worst architect from the best of bees is that the architect builds the cell in his mind before he constructs it in wax. At the end of every labour process, a result emerges which had already been conceived by the worker at the beginning, hence already existed ideally" (Marx 1867/1990, 284). Likewise William Morris, a key figure of the nineteenth-century Arts and Crafts Movement, argued that work is only worthy if it makes daily use of creative skills: "Worthy work carries with it the hope of pleasure in rest, the hope of the pleasure in our using what it makes, and the hope of pleasure in our daily creative skills. All other work but this is worthless; is slaves' work – mere toiling to live, that we may live to toil" (Morris 1888/1973, 88).

Multinational corporations control the production of digital cultural technologies. The organizational form of the value chain allows them to disperse "each value adding activity to geographic locations that optimize labour costs, access to raw materials, or proximity to markets" (Dyer-Witheford 2014, 67) High profit margins are sustained by keeping labour costs at a minimum. Kraemer, Linden and Dedrick (2011), for example, calculated that in 2010 Apple kept 58.5% of the sales price of an iPhone, while only 1.8% was accounted for by the labour costs for the final assembly in China. Similarly, in the case of the iPad Chinese labour costs amounted to 2%, and Apple's profits to 30% of the sales price (Kraemer, Linden and Dedrick 2011, 5). These political economic structures perpetuate degraded and sub-human work in the production of advanced computer technologies that resemble the early days of industrial capitalism.

Further technological progress and automation might help to reduce the amount of repetitive, hard and monotonous labour needed to produce information and communication technologies. Herbert Marcuse, for example, argued that "the technological progress of

mechanization and standardization might release individual energy into a yet uncharted realm of freedom beyond necessity" (Marcuse 1964, 2). However, the way advanced computer technologies are produced today illustrates that realizing this potential requires broader social transformations. Marx, who also stressed the potential of technological development to alleviate labour (Marx 1867/1990, 667), realized that the progressive potential of the development of productive forces is constrained by capitalist relations of production: "all the means for the development of production undergo a dialectical inversion so that they become means of domination and exploitation of the producers; . . . they degrade [the worker] to the level of an appendage of a machine, they destroy the actual content of his labour by turning it into a torment; they alienate [*entfremden*] from him the intellectual potentialities of the labour process" (Marx 1867/1990, 799). While technological advancement and further automation is needed to reduce "unworthy work" and "useless toil" (Morris 1888/1973, 88), it is not enough. The transformation of work and the transcendence of exploitation and alienation is thus not a result of "techno-scientific development" alone as theorists of the information revolution claimed, but requires social struggles. A global solidary movement is needed to confront transnational corporate power. Highlighting the connectedness of the various parts of digital cultural production which together compose the global cultural worker is thus essential because, in the words of Nick Dyer-Witheford, "To name the global worker is to make a map; and a map is also a weapon" (Dyer-Witheford 2014, 175).

A global solidary movement could evolve around demands for the worldwide reduction of the working week and the introduction of legal minimum wages, a more just distribution of work and division of labour, safe and secure workplaces, the abolition of degraded and inhumane forms of work, the introduction of a guaranteed basic income, worldwide laws against child labour, the ending of unpaid internships, universal access to health care, social security systems that grant both flexibility and security, as well as an expansion of alternative practices that confront exploitation and alienation and strengthen self-determination and democracy at work, such as the expansion of collaborative workplaces and worker-owned and -controlled co-operatives.

Notes

1. Foxconn is the trading name of the Taiwanese electronics manufacturing company Hon Hai Precision Industry Co. Ltd
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4

A Contribution to a Critique of the Concept Playbour

Arwid Lund

The relation between play and labour has been touched upon by many thinkers during the capitalist era. The concepts have been thought of as contradictory by some and as having certain constructive or creative attributes in common by others. For some conservative thinkers the political aim has been to maintain the two realms apart (Huizinga 1955) and some radicals in the 1960s wanted to infuse society, characterized by labour, with playing modes of life (Situationist International 1958; Debord 1967, 15, 113–117), while yet others have wanted to see a shrinking of the necessary hard labour and an increasing realm of freedom built on a synthesis of play and work into a higher unity characterized by attractive or pleasurable productivity (Marx 1909, 954–955; Marx 1973, 611–612, 711–712).

Today the Californian Ideology, a concept coined by Richard Barbrook and Andy Cameron (Barbrook and Cameron 1995; Barbrook and Cameron 1996), stresses that we live in a new economy where the conflict between labour and capital has disappeared and where the labour of the creative class merges with playfulness within a vitalized capitalism (Kelly 1998; Florida 2002).

1. Aims and structure

This chapter has two aims: to contribute to the theoretical dismantling of the ideological concept of 'playbour' and to critically discuss the emancipatory potential of different types of conflicts between playwork focused on use-value and labour focused on (exchange) value. The notion of playbour pretends to point at a higher unity of play and labour *within* the capitalist mode of (value) production and as such it is a highly

ideological concept, which is here problematized in an examination of the categories playing, gaming, working, and labouring.[1] The concepts will first be analysed according to some shared dimensions by which to compare them. This results in a formal critique of the contemporary use of the term playbour. In the second part, I will focus on the character of the *relation* between play and labour, as it is described in the literature, in order to counter the rather static picture that emerges from these definitions. I will look, in particular, at conflicts to further stress the dynamic and contentious character of the relations between play and labour. Two different types of conflicts are identified, arguing that one of them holds an emancipatory potential as a "commonsfier" of capital.

2. Methods for defining behavioural categories

Behavioural categories are often defined in terms of structural or physical descriptions, functions, causations, and motivations. It is important to keep these dimensions distinct (Pellegrini 2009, 7). A study of the literature has convinced me to use motivational, structural, and functional dimensions in developing the definitions. The structural dimension will be divided in two sub-dimensions: *Degree of voluntariness* (distribution of power) surrounding the activity (in both subjective and objective terms) and *Form of practice*. Function will be understood in the light of the meta-question: is the activity mainly specific to a certain society and time or is it mainly trans-historical? If we analyse a structure from a cultural or social perspective, we also have to take into account the motivations of the individuals and groups involved in the processes of the structure. Motives can be empirically accessed through different techniques, and can also be used to theorize about the causation, undoubtedly with some scientific risks involved. The dimension of motivations will be divided into the sub-dimension *Organizing purpose* and *Associated feeling* (even if it is hard to see feelings associated with forced wage labour as a motivating force, we can see greed together with necessity of making a living as alternative descriptions).

This leaves us with five dimensions that together will be necessary and sufficient for defining an activity as belonging to a specific category: organizing purpose, associated feeling, degree of voluntariness, form of practice, and historic or trans-historic? (Lund 2014, 736–737; Table 4.1).

Table 4.1 Dimensions for defining behavioural categories

Motivational	(1) Organizing purpose (2) Associated feeling
Structural	(3) Degree of voluntariness (4) Form of practice
Functional	(5) Historic or trans-historic?

3. Definition of playing

The subject of playing has been of interest to biologists, psychologists, social psychologists, cultural historians, sociologists, aestheticians, and cultural anthropologists.[2] But despite a broad range of different perspectives, there is a relatively broad common ground when it comes to the dimensions studied here. *First*, the aim of play for the players is the activity in itself. Gadamer asserts that you have to lose yourself in play and exist in the moment (Gadamer 1975, 99). Goals can be set to frame the activity, but it is the activity that is important. The play may have productive results but these primarily occur behind the back of the subjects and are not intended. Lev Vygotsky held that the play of the child later became the work of the adult (Vygotsky 1987, 27). *Second*, playing is fun, entertaining, enjoying, and is characterized by a feeling of ease, relaxation, and a feeling of luxury and abundance. *Third*, playing occurs when we are well-fed, feel secure, and when someone takes an initiative. *Fourth*, playing is a dynamic dialectical process that is not reified and allows continual negotiations and improvisations. It is an activity that is freer in its relation to reality and playmates than ordinary life. Playing is not a predictable activity. Playing can take the form of "Galumphing", the placing of obstacles in a (uneconomical) way to an invented goal just for the fun of it (Miller 1973, 92). *Fifth*, playing is part of nature and the human constitution, central to social life and our communication (Lund 2014, 746, 757–758, 770).

4. Definition of gaming

Gaming, as playing, has attracted the interest of many scientific fields. *First* of all, the activity of gaming is directed by goals (which are annulled after the game is finished). It is the goals of the activity that set the criterion against which their performance is measured. These comparisons are often quantitative in character and vary between the

gamers. It is the goal that introduces competition into playing and transforms it to gaming. The activity in itself is important, but the importance of the competition increases to the degree in which spectators and audiences are watching the games. *Second*, gaming is often characterized by the same feelings as playing, it can be fun, thrilling, and passionate, but there are also other feelings related to "serious leisure", self-realization, and strains of different kinds. *Third*, games and gaming are formally voluntary activities (and more so than wage labour), but social pressures and threats of social isolation can motivate the gamers more than in the case of players. *Fourth*, games are rule-based. They have an a priori structure of formal rules that organize and direct them. *Fifth*, gaming is a social construction in societies that relate to competition and social distinction. The social presence of an audience is changing the gaming in quite similar way to how Moishe Postone contends that abstract labour changes concrete labour under capitalism (Postone 1993, 67–68; Lund 2014, 766, 770).

5. Definition of working

First, work is characterized by its goal-directedness to create use-values that are socially necessary. In this sense work is to be understood as productive even if it does not produce exchange-value. *Second*, with its near connection to necessity and usefulness, work is associated with feelings of seriousness, but also self-realization, even if work always is conducted in a social setting where social cohesion and identity are crucial. *Third*, work is primarily necessary for the survival of humans and as such for their social life. *Fourth*, work is a specific and concrete activity (which corresponds to Marx's concept of concrete labour) that has qualities that are changing according to the use-value being created. Work is not focused on competition and gaming because different activities of work differ in their aims. *Fifth*, work is trans-historical and constitutes humans metabolic relation with nature for satisfying human needs (Lund 2014, 761, 770).

6. Definition of labouring

First, the organizing purpose of labour is the accumulation of capital by an alien power (the capitalist) in relation to the producer. The process of valorization, not the use-value, is the purpose that controls all involved parties; for the wage labourer it is a question of survival. *Second*, labour's associated feelings are competitiveness and alienation, together with feelings of being cheated and bossed around (dominated and used as an instrument for someone else's interest). *Third*, labour is historically forced upon the labourer and involves the exploitation of him/her, which makes possible the non-work of the few. *Fourth*, labour is the production of exchange-value for the market (according to abstract standards of *socially necessary labour time*) by wage labourers who sell their labour power. Exploitation makes his/her labour more than is needed for the reproduction of his/her labour power (surplus labour is systemic). *Fifth*, labour is a historical form that involves trans-historical work, but that is qualitatively different than all other historical versions which have existed, also compared to other class societies dominated by uneconomic factors but equally grounded and determined by economic concerns as Althusser would have it (Larrain 1991, 46), due to its abstract character and growth logic. Labour is dependent on concrete and specific work but also dominates it (Lund 2014, 769–770).

7. Discussion of the formal critique of *playbour*

Two general themes can be extracted from the definitions. The *first* is that the concepts of playing and working have a qualitative character. Playing is engaged in for itself and work for the satisfaction of a qualitative need by the production of a certain use-value. There is a fine line between playing and working (Marx 1973, 611–612; Vygotsky 1987, 27), but it is a crucial one: an act important in itself compared to an activity important *for* something or someone else. It is not play when you perform a pleasurable activity to *obtain* the relaxation or concentration that the play results in. You have to lose yourself in the play, for it to be play. Gaming and labouring, on the other hand, are understood as quantitative in that they contain measurements of a person's activities in relation to him- or herself or others in gaming or in relation to the exchange of values on the market within labouring.

The *second* is that both playing and gaming are engaged in by actors mainly for their own sake. The activity in itself is the important thing, even if the result does have some role within gaming. In contrast to this, working and labouring are engaged in for the results of the activity. Working is focused on use-values and is performed within society for social needs. Labour is focused on the exchange that it makes possible for the labourer, or on the exploitation needed for the accumulation of profit, when it comes to the representatives of the capitalist class.

On a conceptual level, play and labour are thus each other's opposites: a qualitative non-instrumentality and a quantitative instrumentality.

The concept of playbour is erroneous, and *gamebour* would be more appropriate. The difference between "'playing within a community of players' and 'playing for someone else'" (Gadamer 1975, 99) is crucial here. Religious rites, theatre plays, sports or other forms of contest, which are played in front of others, are seen as either stressing the goal or the resulting performance and representation in an accentuated and qualitatively different way than in play that connects neatly with the cultural logic of capitalism. Johan Asplund, a Swedish social psychologist, points to the more informal and improvised forms of play as an elementary social form (Asplund 1987, 64–65)[3] and makes a sharp distinction between play and game. Play is capricious in its behaviour and does not follow rules in an explicit and uniform way; play involves a lot of negotiations and improvisation; it can even break with the rules. Play is *social responsiveness* pure and simple, whereas games are organized play and more clear-cut in their social responsiveness; one action leads to another action, meaning that it is not play anymore (Asplund 1987, 64–67). This gives a theoretical understanding of the relations between the categories, including working and gaming, which can be visualized like this (Figure 4.1):

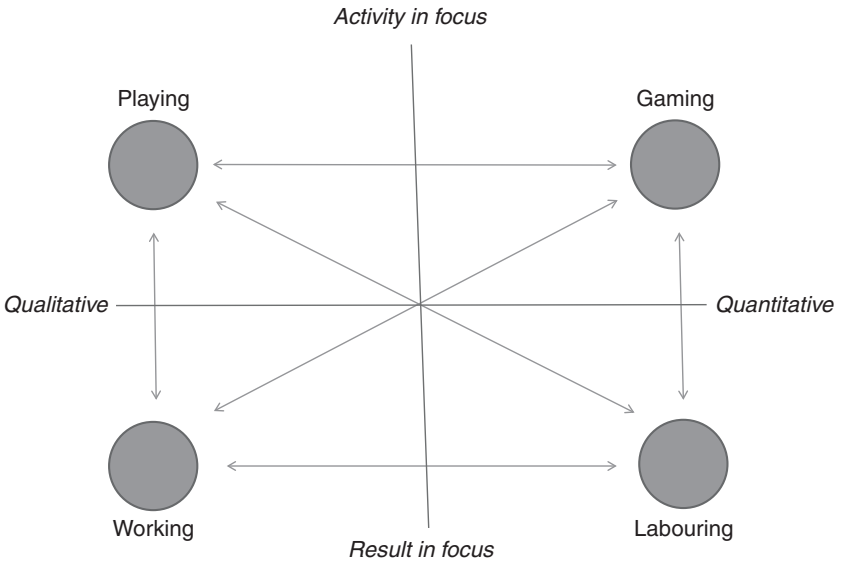

Figure 4.1 Relations between the involved concepts
Source: Lund 2015a.

8. Conflicts in the relations between playwork and labour

The second part of the chapter will provide a more in-depth presentation of play and labour after which it will identify the conflictual relations between them. Lev Vygotsky, a professor in psychology in the Soviet Union, was critical of bourgeois psychology, and in his view on play he focused on it as a social process. But like Piaget, he stressed that each stage in the development of a child has its own drives and motives regarding play – even if the child does not start to play until its third year. The things which are interesting to a one-year-old child who exists in a continuous now are uninteresting to a three-year-old who does not. Play for Vygotsky was the child's method of coping with the conflict between what (s)he wants and what is feasible (Hägglund 1989, 36–38). In preschool years play encompassed almost all of the activities of the child, but in school "play and work or play and school tasks" become separate and form "two basic streams along which the activity of the schoolchild flows and finally, in the transitional age . . . work moves to first place, putting play in a subordinate and secondary position" (Vygotsky 1987, 27).

This argument points to a strong connection between play and work which it shares with Sigmund Freud's theories of play. Freud first viewed play from the biological and psychological perspective and connected play to culture as an intermediary sphere of compensation or, in later phases, as a sublimation of the libido explicitly connected to the construction of culture (Fromm 1988; Reich 2012).

Michail Bachtin also investigates the relation between play and culture. He maintains in *Rabelais and his World* (1965) that the serious and the comic aspects of the world and of the deity in early societies of a "preclass and prepolitical social order", were equally official, but that such equality was impossible in societies where the state and class structure had consolidated itself (Bachtin 2007, 6). "All the comic forms were transferred, some earlier and others later, to a nonofficial level. There they acquired a new meaning, were deepened and rendered more complex, until they became the expression of folk consciousness, of folk culture" (Bachtin 2007, 6–7). The relation of laughter, minstrels, festivities, and carnivals to play is central according to Bachtin:

> Because of their obvious sensuous character and their strong element of play, carnival images closely resemble certain artistic forms, namely the spectacle . . . . But the basic carnival nucleus of this culture is by no means a purely artistic form nor a spectacle and does

> not, generally speaking, belong to the sphere of art. It belongs to the borderline between art and life. In reality, it is life itself, but shaped according to a certain pattern of play.
>
> (Bachtin 2007, 7)

Regarding the concepts of work and labour, Hannah Arendt claimed that it was necessary to make a distinction between the two. Such a distinction could be traced back to John Locke, who made a distinction between "The *Labour* of his Body, and the *Work* of his Hands" (Locke 1988, 287–288), or even back to Antiquity and the Greek language where *cheirotechnes* stood for working handicraft men in contrast to the slaves and house animals that were labouring with their bodies (later in Latin called *animal laborans* in contrast to *homo faber*; Arendt 1998, 120–126).

Her main argument, though, is that the distinction has been made and maintained in all European languages, with the exception of two nouns in German and French that include both connotations: *Arbeit* and *Travail* (Arendt 1998, 120). This has led to some confusion in the interpretation of the works of Karl Marx. Fuchs and Sevignani have shown that insufficient sensibility to this fact has led to grave errors in the English translations of work and labour in Marx's *oeuvre*. This is of some importance because it takes place at the epicentre of Marxian thought. Marx himself claimed that his distinction between concrete and abstract labour in *Capital* was crucial for the understanding of the rest of that work (Marx 1867, 49; Marx and Engels 1972, 73). Fuchs and Sevignani claim that the dual character of labour reflects the fact that Marx was simultaneously writing both a critique and an economic theory and that therefore two series of categories were developed on two different levels: "on the one hand that which is specific for capitalism and on the other hand that which forms the essence of all economies and therefore also exists in capitalism and interacts dialectically with capitalism's historic reality" (Fuchs and Sevignani 2013, 247–248).

The trans-historical categories, according to them, are work, use-value, concrete labour, labour process (living labour), and necessary labour. The historical categories under capitalism are labour, exchange-value, abstract labour, valorization process, and surplus labour (Fuchs and Sevignani 2013, 248).

This manoeuvre does not in itself answer the question whether some historical mode of production transforms the trans-historical form of work into something qualitatively different. Bands of hunters and gatherers, feudal societies, and emergent forms of peer production are historical variations, in the same formal way as the production of

exchange-values under capitalism, in relation to trans-historical work. But in capitalism, work is substantially transformed into something qualitatively different. Every commodity is built with labour, characterized by a dialectical unity of these two contradictory aspects; every exchange-value has to be a use-value at the same time (Fornäs 2013, 34–35). Hence, abstract labour is *dependent* on concrete labour in a way that concrete labour is not in relation to abstract labour. The concrete and qualitatively specific form of labour, with its specific result, is the reason for the exchange of equivalent use-values by the social mediation of abstract labour in capitalism (Fornäs 2013, 34–35). Marx describes this as a coat and linen that have two different use-values which can be exchanged and relate to each other as equivalent commodities only because they are the products of qualitatively different concrete work. A coat would not be exchanged for another coat (Marx 1867, 49). But there is nothing "natural" in this:

> To be a value is no natural property that can be perceived with our common senses. It is a societal characteristic that only becomes "visible" in the exchange process . . . . Value is social, not a natural activity . . . . Yet, they [values] are no pure mental ideas, since the commodity exchange itself shows that values exist . . . . This only happens in the historical conditions of private property, division of labour and exchange.
>
> (Fornäs 2013, 35)

On the other hand, concrete labour is *dominated*, but not erased, by abstract labour under capitalism, that is, work is dominated by labour and the accumulation logic of capital rather than being socially and culturally embedded in the sense Karl Polanyi described (Polanyi 1989, 55, 57).

In line with a critical Marxist perspective, I contend that abstract labour introduces a social mechanism that dominates work, the societal production of use-values, in a negative way that is uncontrolled by the producers themselves and not in their interest. This is not mainly so as a result of existing social inequalities in a class society, but as a result of a domination of the *mode of producing* (Postone 1993, 67–68)[4] under abstract standards and an abstract logic of permanent growth and accumulation for the few. Circulation of commodities and money existed before capitalism, and it was only in capitalism that the commodity became universal, when labour power became a commodity and introduced wage labour. Prices thus preceded value. "Value as a

totalizing category is constituted *only* in capitalist society" (Postone 1993, 270–271).

This dynamic and expanding character makes capitalism qualitatively different than other historic forms of deviations from the trans-historical work, which also have been built on forced and alienated forms of work. Postone and Polanyi have a point when they conclude that capitalism is a mode of production that is qualitatively different from all other modes of production in human history.

Capitalism, in being qualitatively different, also creates the possibilities of its own abolishment when the quest for relative surplus-value results in "a growing disparity" between the conditions for the "production of wealth" from "those for the generation of value" (Postone 1993, 298):

> In the course of capitalist development a form of production based upon the knowledge, skills, and labor of the immediate producers gives rise to another form, based upon the accumulated knowledge and experience of humanity . . . the social necessity for the expenditure of direct human labor in production gradually is diminished. Production based upon the present, upon the expenditure of abstract labour time, thus generates its own negation – the objectification of historical time.
>
> (Postone 1993, 298)

In the contemporary field of digital labour, *peer production* forms an emergent and historic mode of production that is developing in the emancipatory potential of this growing disparity. When human labour time does not relate in any *meaningful* way to the production of material wealth, Postone maintains, in accordance with Marx's vision in *Grundrisse* that the central conflict is between the structure of labour under capitalism and new modes of production, rather than between classes (Postone 1993, 36–37). Peer production has a pronounced focus on the concrete labour and the production of use-values (in free associations of [wo]men), and can thus be associated with the trans-historic aspect of human work which gives rise to the possible "reappropriation of the socially general knowledge and power first constituted historically in alienated form" (Postone 1993, 328) in a new historical form outside of capitalism (Lund 2014, 740).

The relation between the social responsiveness of play, social life with all its forms of communication and interaction (but also its closeness to work), and the alien instrumentality of capital's labour contains two

different types of conflicts. Firstly, conflicts emerge from capital's unsuccessful simulations of play in crowdsourcing projects (Kline et al. 2003; Dyer-Witheford and De Peuter 2005; Dyer-Witheford and Sharman 2005; Grimes 2006; Coleman and Dyer-Witheford 2007). Secondly, the outrivaling of the gamebour or playbour of capital by the playwork of peer production has the potential of generating future conflicts with capital.

9. Two types of conflict between playwork and labour

McKenzie Wark concludes that the spectacle of the Situationist International (SI) today has been replaced by a *spectacle of disintegration*. The term "separation" was of key importance to an understanding of the spectacle for SI:

> Some argue that the "interactive" quality of contemporary media can, or at least might, rescue it from separation and its audience from passivity. One could with more justice see it the other way around: whatever has replaced the spectacle impoverishes it still further, by requiring of its hapless servants not only that they watch it at their leisure but that they spend their leisure actually producing it. Play becomes work
>
> (Wark 2007, Cuts (Endnotes) 111)[5]

The spectacle of disintegration is explained historically by Wark. If Guy Debord had identified two spectacles in 1967, the concentrated one of Stalinism and Fascism and the diffused one of "endless pictures of models and other pretty things", he identified the *integrated spectacle* in his *Comments on the society of spectacle* from 1988. The integrated spectacle had subsumed the earlier two into a new spectacular universe "which molds desire in the form of commodity" and became less and less transparent with its most emblematic concentration in the "occulted state" that was "occult even to its rulers". Wark claims that the spectacle since then has evolved into an ever more "fecund and feculent form" that "integrates both diffusion and concentration". This disintegrating spectacle does not demand that we obey and buy as the former spectacles, rather the command is to recycle waste (Wark 2013, 2–3). His criticism of playbour as unpaid labour, which has an already alienated world as its raw material, comes close to portraying social life and play as totally invaded by capital. Play and labour thus clashes under capitalism in ways that fit well with and confirms the conceptual analysis that framed

the concepts as each other's opposites. The world of Wark's dystopian vision is boring and stifling.

But research by Brian Brown on the users "labours of love" on Flickr shows that they do not see their activities as unpaid labour,[6] but rather as a hobby, recreation, or entertainment (Brown 2012, 134–138). Capitalistic crowdsourcing of voluntary fan production involves an exchange between capitalists and labourers where the former gets content and data, and the latter gets virtually free access to the means of production and the result of the actions. The conflict being that user-generated data is used by advertisers who try to convince the participants to consume rather than taking part in a community (Andrejevic 2009, 418–421). The double character of the use-value being produced on commercial platforms (one in the service of the need of the participant and the other in the service of capital's need of accumulation) is also stressed by Fuchs (Fuchs 2014, 258). This helps us understand why there have been rather few conflicts of this first type of conflict up to date. Eran Fisher points to the fact that "a high level of exploitation of audience work enabled by social media is dialectically linked with a low level of alienation" (Fisher 2012, 182). But in the long run, it will be hard to separate the content from the data level.

The conflicts between play(work) and labour could also be a foundation for emancipation. Michael Hardt and Antonio Negri develop a political strategy in their *Commonwealth* (2009). In the preface we read that both socialism and capitalism were "regimes of property" that excluded the common(s). According to them, the perspective of the common cuts "diagonally across these false alternatives – neither private nor public, neither capitalist nor socialist – and opens a new space for politics" (Hardt and Negri 2009, ix). The contemporary forms of capitalist production is dominated by sectors that involve information, code, knowledge, images, and affects and their producers "required a high degree of freedom as well as open access to the common", especially in the forms of "communication networks, information banks, and cultural circuits" (Hardt and Negri 2009, x). The transition to a "social and economic order grounded in the common" is already in progress, and contemporary capitalism's addressing its own needs creates the bases for emancipation (Hardt and Negri 2009, x).

Virno also sees the possibility of a radically new democracy not anchored in the state, a vision that Carlo Vercellone instead calls communism. The latter claims that Marx's idea of the general intellect[7] designates a "radical change of the subsumption of labour to capital and indicates a third stage of the division of labour" surpassing the division of industrial capitalism and making possible the "direct transition to communism" (Vercellone 2007, 15).

Transformations in the technical composition of capital and the social labour process in contemporary society are a qualitative change that overturns the subordination of living labour under "dead knowledge incorporated in fixed capital". Vercellone characterizes it as "the tendential fall of the capital's control of the division of labour" (Vercellone 2007, 18). When the productive value of intellectual and scientific labour becomes the dominant productive force, knowledge re-socializes everything, and this presents a problem for capital. According to him, the cognitive labourer, still dependent on wages (and thus not voluntarily engaged) has his/her autonomy in the labour process, like the craftsmen under formal subsumption, but this also leads to a more brutal capitalism (the use of extra economic methods) or a focus on financial ways of getting hold on surplus-value/labour (Vercellone 2007, 20–22, 31–32).

It is possible to criticize Vercellone for downplaying the class aspect in this argument, and also to pose the question if the growth of the middle and managerial classes in the twentieth century had any emancipatory consequences? Could it not be that the privileged strata of today also get co-opted or "corrupted" by capital?

The alternative of peer production seems more promising. It is an emerging mode of production that is based in the commons, built on voluntary, potentially global, yet quite horizontally organized, co-operation online (playwork) with free access to the (digital) material under copyleft licenses.[8] According to Jacob Rigi, the "logic of equivalents" is absent in peer production and he does not see any gift economy going on within it (by focusing on formal rules and using a rather limited view of that phenomenon; Rigi 2013, 397–398, 400, 403), forgetting that gifts also create social relations as described by Lewis Hyde (Hyde 2012). More important for our purpose is that Rigi stresses that peer production "negates alienation by transcending the division of labour and replacing labour with joyful and creative productive activity". The new mode of production is not identical to Hardt and Negri's *the common* which is "ubiquitously present everywhere" (Rigi 2013, 4) as an open-source society where "the source code is revealed so that we all can work collaboratively so solve its bugs and create new, better social programs" (Hardt and Negri 2004, 340). Peer production is instead emerging as "islands within the capitalist social formation" and its generalization

"will require a social revolution" (Rigi 2013, 4). Such a revolution would primarily realize a generalized workplay or playwork.

The author's research on the Swedish-language version of Wikipedia has identified conflicts between playwork/workplay and labour (Lund 2015a; Lund 2015b). There exist strong sentiments against Wikimedia Foundation (WMF) using paid wage labour within the editing process of the project, whereas there is no problem if external institutions, in explicit projects of cooperation with the local chapters of WMF, finance their own wage labour within the editing processes. The external institutions do not have the power to change Wikipedia negatively and can be managed and controlled by different techniques and education led by the Wikipedians. Here we find a combination of the above-mentioned types of conflicts: a direct conflict (no one should get paid in a non-commercial project or "Why should anyone get paid if I don't?"), and the more indirect and potential one through the *commonification of abstract labour paid by external actors* (within a possible strategy to outrival capital or the state). Signs of the latter strategy can be interpreted as signs of a *capitalism of communism* (Lund 2015a; Lund 2015b) or a capitalism of commons (Bauwens and Kostakis 2014).

To conclude, on a conceptual level, the analysis showed that play and labour are each other's opposite and the concept of *playbour* is erroneous. The meaning aimed for could better be named *gamebour*. The emancipatory potential of peer production's *playwork* as a means to outrival capitalism is highlighted as a new form of anti-capitalist struggle with many traits that distinguishes it from traditional class struggle.

Notes

1. For the detailed literature study see "Playing, Gaming, Working and Labouring: Framing the Concepts and Relations" in Triple C's Special Issue on Digital Labour (2014).
2. Explicitly mentioned theoreticians will get a separate reference in the following, otherwise the reader is referred to the article in Triple C (Lund 2014).
3. Interestingly Jesper Juul comments on the broad definition of play that Huizinga uses and criticizes him for his sketchy descriptions of the actual games (Juul 2005, 10).
4. The connotation of the term is the form of practice of abstract labour and should not be confused with the concept of mode of production. The term Mode of producing was coined by Moishe Postone (1993, 67–68).
5. Work should here be understood as labour due to its reference to abstract labour.
6. Brown uses the word work.

7. A term used by Marx in Grundrisse when he envisioned a future when objectified human knowledge (in machines) produced the wealth with the workers as supervisors of the systems of machines. Paolo Virno criticized Marx for his focus on dead labour and instead used the term to signify a period where human's cognitive and communicative capabilities were productive in themselves as living labour in the presence of others. If Marx's vision pointed to a crisis for the value theory of labour, Virno called post-fordist capitalism for the communism of capital (Marx 1973, 692–712, Virno 2004, 110).
8. Copyleft is a play with words. In contrast to traditional uses of copyright law, the copyleft licenses use the copyright to short-circuit copyright, and open up the distribution and use of the licensed content. You are free to distribute, use, tinker with and make derivative works of the licensed material as long as the derivative works are distributed under the same "free" or "open" license.

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5

Marx in Chinese Online Space: Some Thoughts on the Labour Problem in Chinese Internet Industries

Bingqing Xia

1. Introduction

In recent years, cultural production and labour have been the subject of considerable research (see, among others, Terranova 2004; Banks 2010; Hesmondhalgh and Baker 2010; Kennedy 2010). Internet workers, like workers in the cultural industries, carry out meaningful activities such as programming and coding, designing and promoting, and also some unskilled administrative work. Internet workers form an increasingly significant proportion of workers in China. The number of Chinese internet workers had increased to 12.3 million by the end of 2009 (Liaoning Research Institute of Industry and Information Sciences 2013). In the field of creative labour or cultural production, considerable attention has been paid to internet workers (Gill 2002; Kennedy 2012). However, relatively little research has addressed the working life of these workers, and little research adopts a Marxist approach towards this group of workers, such as their social class location and their working processes.

This chapter thus attempts to fill this gap by adopting a neo-Marxist approach to explore the labour problem in Chinese internet industries. It begins by clarifying the class analysis approach towards this group of workers – a neo-Marxist approach that locates the internet workers in the lower middle-class position, and explores the specific exploitation model in the Chinese context. This chapter then concludes that the Chinese model of exploitation is the mechanism that results in internet workers' poor working conditions.

2. The class analysis approach

In his book *Classes*, Wright (1985) argued that Marxist criteria for class are an approximate framework for class structure in capitalism, rather than an elaborated classification. He develops a much more complex typology of class in capitalism, but one which is still based on the ownership and non-ownership of the means of production. Among non-owners, class location is divided by organization and skill/credential assets. The class locations of wage labourers in a capitalist society are classified into groups such as expert managers, non-managerial experts, non-skilled managers, and so forth. In his later work, Wright (1996) further modified this typology of class locations by specifying three dimensions that phrase class relations: property, authority, and expertise/skill. The property dimension consists of employers, the petty bourgeoisie, and employees; the authority dimension is divided into managers, supervisors, and non-managerial employees; and the expertise/skill dimension contains professionals, skilled employees, and non-skilled employees (p. 704). The latter is where questions of symbol making and manipulation, crucial to understanding the information technology industries (and the cultural industries) come in.

Wright (2009) aims to move beyond the traditional Marxist approach to class analysis by developing a detailed typology of class locations. He identifies certain key aspects that constitute the new class structure of his model: the mechanism of exploitation and domination in the traditional Marxist approach; the mechanisms that sustain the privileges of advantaged classes in the Weberian approach; and the individuals' class locations in the stratification approach. He argues that a completely elaborated class analysis needs to combine the "macro-model of conflict and transformation with the macro-micro, multi-level model of class processes and individual lives" (p. 111; see Figure 5.1). Put in another way, Wright argues that individuals' lives depend not only on the micro-model of attributes and material life conditions, but also on the macro-model of social conflicts and transformations where their lives take place.

Wright's work (2009) then suggests a necessity to analyse class locations by locating individuals' lived experiences, such as "class background", in the context of social conflicts and transformations. It is no longer the problem of individuals who fill these positions; rather, it is important to recognize the mechanisms shaping the privilege of certain class positions. As Wright points out, the middle-class problem is

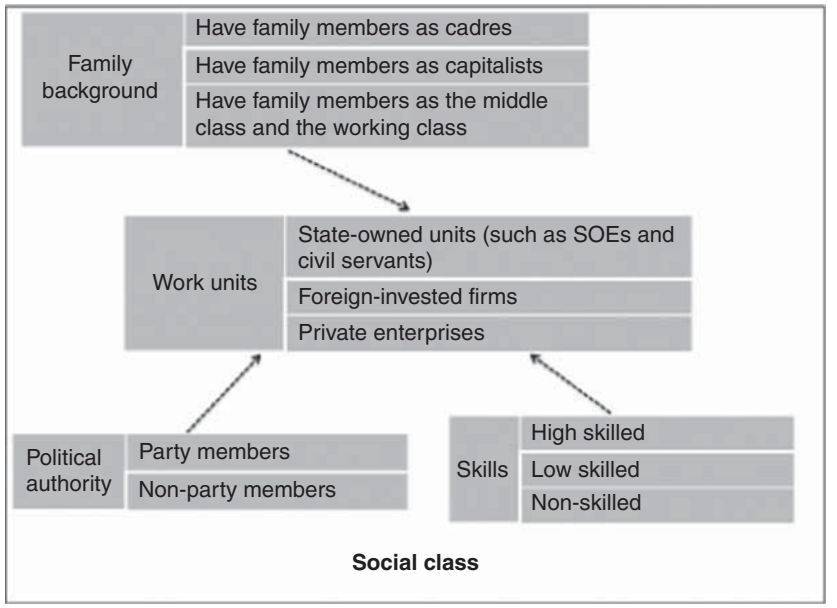

Figure 5.1 Typology of the Chinese middle class

not who is excluded from the position, but is the fact that "there are mechanisms of exclusion that sustain the privileges of those in middle-class positions" (p. 109). Likewise, I adopt an approach that is similar to Wright's, which combines both the macro model of transformation and the macro-micro model of individual working. It is not my intention to just identify the scope of the Chinese middle class, by clarifying who is excluded from the position; rather, my aim here is to recognize the important and unique positions of internet workers in the general Chinese social structure, and to clarify the mechanisms that sustain and change their unique positions (probably privileged positions) in the Chinese context.

As Hesmondhalgh and Baker (2010) point out, any discussion of the class location of creative workers is quite complex, because of the varied occupations of these workers. Indeed it becomes more complicated to consider the internet workers' class location in the Chinese context, not only because the workers occupy various locations, but also because of the transformation of the Chinese social structure over the centuries. For this reason, in the next section, I discuss the historical changes of occupations and class locations in Chinese society.

3. The Chinese class structure

Andreas (2008) claims that the Chinese reform era needs to be discussed by paying attention to two particular periods, 1978–1992 and post-1992, in order to clarify the change of class structure in Chinese society. Andreas entitles the period from 1978 to 1992 "non-capitalist market economy" (p. 127), because during this period the public sector, which was based on socialist production relations, continued to dominate the economy. The significant transformation happened in 1992, when privatization became a central policy: large numbers of state-owned-enterprises (SOEs) were sold to private owners, and millions of SOE workers were laid off. The whole country entered the global capitalist market, becoming the workshop of the world, by offering cheap labour and resources; large amounts of private sector businesses bloomed, whilst millions of peasants lost their land and jobs. However, the Chinese Communist Party (CCP) still controlled the main resources, such as banking, oil, steel, telecommunications, and armaments, despite the large number of privatized SOEs. Workers in these party-controlled enterprises (which were the new SOEs after the period of reform) still benefitted from the stable and high-valued jobs.

So (2003) points out that the middle class expanded during this period, to include new corporate professional members, such as "mid-level managers and accounts" (p. 366), and service professionals, such as "teachers and journalists" (ibid.). The working class also expanded, with an increasing number of peasant workers and temporary migrant workers. By contrast, a new dominant class emerged during the process of the privatization of SOEs: cadres set up their own businesses, who at times cooperated with foreign capitalists, by usurping resources from SOEs where they had executive positions. Capitalists also joined the existing structure, using bribery to access the market and gain resources. Since then, a new bureaucratic capitalist class has emerged. The new partnerships between cadres and capitalists enabled the new private sectors to "save on the additional costs of pension schemes, health and welfare insurance, environmental protection facilities" (p. 368), which ultimately led to the deterioration of working conditions in these private enterprises. The class typology in the contemporary Chinese context is complex, but the main social inequalities – one focus of this research – are between the bureaucratic capitalist class, the middle class, and the working class.

From a Weberian perspective, sociologists may state that unequal opportunity hoarding – a social closure highlights the restricted access to certain positions, here, the middle class have privileged access to economic resources – ultimately results in unequal locations within market relations. However, in the Chinese context, the emergence of the new bureaucratic capitalist class changes the argument: the huge wealth of this class is not only based on the ownership of economic resources, but also depends on control of others' labour and skills; the political authority of this class leads to its dominance over the middle class and the working class, which enables its acquisition of economic benefits from the labour and skills of others. This is the way that neo-Marxists approach class and inequality: by focusing not only on the causal relationships between unequal opportunity hoarding and unequal locations in the market, but also on the domination and exploitation process. Here, I intend to focus on exploitation, as per the neo-Marxist approach, although I also use some Weberian concepts.

This review of the Chinese social structure addresses some significant issues for discussing class locations in the Chinese context: the structural change of the middle class and the working class, the emergence of the bureaucratic capitalist class, and the privileged position of party-controlled enterprises. This then provides the background to understand internet workers' social class, and ultimately, the inequalities they face in working life, based on a neo-Marxist approach.

3.1. The Chinese middle class

There is a debate amongst Chinese sociologists about the middle class in China. Zhou (2008, 114–117) defines the modern Chinese middle class as a group of people with middle-career positions,[1] middle-incomes, and middle-consumption practices. According to these indexes of the middle class, Zhou further claims that the modern Chinese middle class includes "the owners of newly-born private and township enterprises"; "other kinds of self-employed people like petty proprietors and small trades people"; "some officials and intellectuals who serve, directly or indirectly, the Party and the government, as well as the leaders of state-owned enterprises"; "Chinese people who work in white-collar and senior managerial occupations in joint ventures"; "managers of enterprises and social organisations"; "high-income people working in the hi-tech professions" (pp. 115–116).

However, Wang (2006) points out that class in China does not rely on ownership of property and means of production, but, rather, is a political issue that depends on "the revolutionary party's appeal for mobilization and self-renewal" (p. 36). The concept indicates "the attitudes of social or political forces toward revolutionary politics" (ibid.), instead of "the structural situation of social class" (ibid.). This approach is not adopted in this research; rather, as I stated earlier, I prefer an approach which combines concepts drawn from Marxist, Weberian, and stratification approaches. But Wang's work is still helpful in drawing attention to questions of political authority, such as the greater political authority held by the bureaucratic capitalist class. Likewise, some occupations in the middle class have greater political authority than others, which leads to their securing of privileged positions in the social hierarchy. For example, party members (most are in the party-controlled SOEs, such as bank and oil industries) are in such positions, unlike non-party members (most gather in private enterprises, such as the internet industries) in the middle-class locations.

Bian (2002) discusses the work unit (*gongzuo danwei*) – a Chinese term to refer to the workplace in China, which was in widespread use in Mao's era. The term is still used in contemporary Chinese society to distinguish between different workplaces, such as SOEs and private enterprises, as the key Chinese measure of social status. He points out that the state allocation of resources leads to important differences between state and private work units: employees in SOEs achieve greater rewards and stability than workers in private enterprise. This ultimately guarantees workers in SOEs a better quality of working life. By contrast, most internet workers are in private enterprises and, therefore, are likely to be marked by a lower quality of working life than SOEs' workers.

The family background also plays a significant role in middle-class locations. Although individuals' class locations are less influenced by their family backgrounds in the post-reform era than was the case in Mao's era, the historical heritage of family background still has an impact upon social class. Indeed, in the middle-class sections of the "map", certain family backgrounds still influence individuals' privileged positions. For example, the offspring of private enterprise workers have limited chances to access SOEs and civil servant positions, because they lack the necessary personal networks (*guanxi*), which play a significant role in the Chinese context. This then contributes to the inferior social status of these individuals. Even in the SOEs, workers who have family members as cadres have more opportunities for promotion than those who do not. Admittedly, individuals in contemporary Chinese society have greater opportunities to change their class location, such as from the working class to the middle class, through access to higher education and better work units. But family background still guarantees

certain individuals' privileged positions in the social hierarchy, especially among the middle class. The family background here is different from that in the stratification approach, which focuses on the educational levels of parents. In fact, a key aspect of family background in the Chinese context is political authority: whether family members are in the bureaucratic capitalist class positions, such as cadres and capitalists (see Figure 5.1). Workers with family members in low classes are likely to be excluded from certain privileged positions, due to the lack of political authority. This then becomes a force behind their subjective working-life experiences.

As Bian (2002) concludes, social status in contemporary Chinese society is measured by three factors: the inherited family class background, party authority (the membership of CCP), and the status of work units. Based on the neo-Marxist approach (opportunity hoarding and relation to means of production) and the Chinese context, I now develop a new map of the middle class in Chinese society, as follows.

Family background, political authority, and skills influence the positions of workers in the work units and society: workers who have family members as cadres, workers who are party members, and workers with high levels of skill have more advantageous positions than others in the work units and society. In general, these three factors and work units decide individuals' positions in the middle class: workers in SOEs and civil servants have higher positions than private enterprise workers; workers who have family members as cadres have privileged positions; party members are more likely to be guaranteed stable work and lives than others; and high-skilled workers have a greater possibility than others to access well-paid jobs. It is hard to quantitatively evaluate the influence of these four factors on individuals' locations in the middle class, such as whether individuals who are not party members but have high skills have higher positions than individuals who are party members but work in private enterprise, and it is not my aim to do so here. Instead, I highlight these issues to give a sense of the complexity of analysing Chinese internet workers' social class. The framework above gives some idea of class location, but, like Wright, I recognize that it is more complex than this. And I am trying to discuss the complexity of the Chinese internet workers below.

4. Chinese internet workers: The lower-middle class

According to iResearch, a leading company focusing on in-depth research on Chinese internet industries, all of the top 21 internet companies in the Chinese market are owned by individuals, who are often

portrayed in the media as having "pulled themselves up by their own bootstraps", to use the English expression. Thus most internet workers in China are working in private enterprises, and as established above, they are therefore excluded from certain advantages that are available to employees of SOEs. In other words, the work unit for most internet workers is the private enterprise. Due to the inequality between SOE workers and workers in private enterprises, it is possible to say that large numbers of internet workers do not have family members in the bureaucratic capitalist class, who have priority to obtain beneficial jobs for their offspring, such as SOE work and civil servant positions.

Most of these workers still conduct intellectual work, albeit based in private enterprises. As I pointed out earlier, in the existing media reports and academic research, there is no survey conducted amongst internet workers to report their education background and income. Instead, according to a sample survey conducted amongst IT workers (workers in the hardware market) in some big cities (such as Shanghai, Beijing, Wuhan, and Dalian) in 2010, 97.13% of workers were educated to college level or above (Li 2010, 128). This figure enables us to deduce that a large number of internet workers, similar to IT workers mentioned above, are also educated at colleges. Indeed, according to my qualitative research, all the participants and interviewees in my research are educated at college level.

Likewise, as little research investigates internet workers' income, it is hard to provide authoritative figures concerning internet workers' income. However, according to an annual report about salary information in various industries, which was conducted by the professional HR service company, PXC, in 2013, the increase in salary rate in the internet industries was 16.2%, which was the highest recorded among all industries (excluding SOEs and civil servants' positions; GHRlib 2013). Meanwhile, according to Sina Economy, one of the largest portals, annual salaries of fresh graduates who find jobs in the top 5 internet companies are between £10,000 and £15,000, which is a middle-level salary for most jobs (Sina Economy 2013). This indicates that internet workers have a high-level salary among jobs in private enterprises. But none of these surveys included figures from SOEs and civil servants, who have much higher salaries and better benefits than private enterprises' workers, such as the internet workers discussed here. Therefore, internet workers' middle-level income partly forms their middle-class position.

Although CCP attempts to control big private enterprises via subsuming employees there into its party system, it is hard to find large numbers of Party members in the internet industries. For example, according to one of CCP's official magazines *Oriental Outlook*, only nine

internet companies in Beijing had organized Party Committees until 2011, and there were only 2,680 Party members in all internet companies in Beijing, who were mostly in Baidu and Sina. Most of these members joined the Party after 2010 (Oriental Outlook 2013). In other words, large numbers of internet workers are non-Party members.

Therefore, most internet workers are college-educated with low levels of political authority, as they are non-Party members. They earn high salaries among people in the middle-class location, as most of them are highly skilled. As I stated earlier, it is hard to evaluate internet workers' location in the middle class with any sophistication using the very sparse available data on income. The data suggest that the internet workers occupy an inferior position to both SOE workers and civil servants, but that they still occupy more privileged locations than those in working-class locations. In other words, most internet workers tend to occupy the lower positions in the middle class.

In terms of the middle class, Hesmondhalgh and Baker (2010) point out that the current "middle-class problem" of precarious workers is their insecure and unstable working conditions, such as dropping in and out of temporary and permanent employment. This aspect of creative work has been conceptualized as proletarianization, which highlights the increasingly difficult working conditions of the middle class.

This is certainly true in the case of Chinese internet workers. Internet workers, like the middle class in most social hierarchies, suffer a precarious and uncertain work status. Most of them experience economic pressure, because of their precarious work status, although their pay is higher than that of people at the bottom of social hierarchies, such as peasants. Qiu (2009) points out that since most necessities for Chinese urban life have become privatized and commercialized, millions of workers from diverse backgrounds have to share common experiences of precarity and uncertainty. He marks the three pillars of urban China: education, health care, and housing, as the new "three mountains" (p. 239) for millions of ordinary workers in contemporary Chinese society.

The workers in this research also face these "three mountains" as the majority of them live in big cities, where most internet companies are based.[2] It then becomes incredibly hard for these workers to buy houses, or to guarantee their children's education and families' health care, because of the system of household registration (*hukou*) in big cities. The household registration in China relates to people's work and life in a variety of areas, including education, health care, housing, work, and social benefits. For example, the household registration in Beijing

(*Beijing hukou*) is quite an attractive benefit for all workers in Beijing, as it allows people to purchase houses in Beijing, to drive cars with Beijing licence plates, to have priority in terms of their children's education, to have enhanced pensions, etc. As quotas are limited, however, millions of workers, including some internet workers, do not have the *Beijing hukou*, which leads to them leading a lower quality of life.

According to Wright (1997), this is the general problem of the middle class. Under the movement towards globalization, precarious and uncertain work and life status are shared by workers in different social contexts, both in socialism and capitalism. The severe economic pressure faced by Chinese internet workers is shared by workers in Western societies. Yet the Chinese case is special because of the exploitation issue in these precarious and risky cases. I argue that the neo-Marxian approach to exploitation, which combines both Weberian and Marxian aspects, helps us to achieve a better understanding of the inequalities between different classes in the Chinese context, especially in terms of understanding the severe economic pressures on the internet workers. Next, I discuss the issue of exploitation via this neo-Marxian approach.

5. Marx on work and exploitation

The core of Marx's work on labour is the concept of exploitation. The "classical" Marxist understanding of exploitation focuses on the surplus value produced by one group, labourers, that is taken by another group, capitalists. Marx argued that surplus value could be increased in two ways: by prolonging the working day in order to create absolute surplus value, and by improving technologies in the conditions of production in order to create relative surplus value (Callinicos 1983, 116–117). Cohen (1995) argues the capitalist exploitation in Marxist understanding is rooted in "an unfair distribution of rights in external things" (p. 119). Workers' labour efforts are appropriated because they do not equally share the external world, especially the means of production. In other words, Marx's concept of exploitation identifies "inequalities in material well-being that are generated by inequalities in access to resources of various sorts" (Wright 1996, 696). Wright (1996) also points out that these inequalities in material well-being are not simply generated by "what people have" (p. 696), but also by "what people do with what they have" (ibid.). Put simply, exploitation as a traditional Marxist term does not only refer to the relations between people and means of production, but also explores relations between different groups of people and classes.

Marx's central work on exploitation demonstrates the importance of examining class relations and class locations. However, Marx's criticism of unjust capitalist exploitation does not go uncriticized. Roemer (1982) points out that Marxian exploitation refers principally to capitalist exploitation; instead, he argues that it is essential to apply various materialist definitions of exploitation to different societies (see Roemer 1982, chapter 7). Roemer (1982) divides modes of production into four categories, based on the different forms of exploitation: feudal exploitation, which is based on injustice generated by the unequal distribution of labour power assets, in which lords and serfs are the main classes; capitalist exploitation, which is based on injustice generated by the unequal distribution of alienable assets, in which relations between bourgeoisie and proletariat are the main class relations; status exploitation, which exists in the existing socialism, a historical stage between capitalism and socialism; and socialist exploitation, which is based on injustice generated by the unequal distribution of inalienable assets, in which experts and workers are the main classes. In status exploitation, exploiters control labour power and property because of their high status in the social structure (see Roemer 1982, chapter 7).

Following Roemer's work, many theorists have realized the importance of discussing exploitation within different modes of production (Roemer 1982; Cohen 1995; Wright 1996; Callinicos 2000). Wright (1976, 28–29) claims that different forms of exploitation correspond to different modes of production. For example, workers in industrial capitalism are exploited in a way that is distinct from the exploitation of workers in the earliest stages of capitalism: on the one hand, they cannot control the labour process as producers in cottage industries did, because they are gathered together in factories; on the other hand, the labour force is deskilled and the production process is fragmented, because of the introduction of new technologies in factories. Meanwhile, capital is not a commodity in existing socialism as it is traded in capitalism. He later (1985) points out a post-capitalist mode of production that exists between the stages of capitalism and socialism, statism, which is based on organization asset. In this mode of production, bureaucrats and managers occupy the class location of the exploiter.

This is agreed by Callinicos (1983), who interprets that existing socialism is "bureaucratic state capitalism" (p. 183), as the working class is exploited by "a state bureaucracy which competes with its Western counterparts" (ibid.). In the context of the Soviet Union, socialism, or "bureaucratic state capitalism", did not *self-emancipate* the working class, as it claimed. The followers of the Soviet Union, such as China, reproduce this mode of bureaucratic state capitalism in their societies.

Callinicos (2004) further explains his arguments in his later work. He states that the existing socialist societies are "state bureaucratic socialist, combin[ing] the statist and socialist modes of production" (p. 223). This includes multiple occurrences of exploitation based on the unequal ownership of varied resources: "skills, organisational assets, means of production, labour-power" (p. 225).

This exploiter class, which allies bureaucrats and capitalists, has been acknowledged by some of the theorists who work on modern Chinese society. Next, I recognize the social mode of production in modern China as bureaucratic state capitalism or bureaucratic state socialism. The bureaucratic capitalist class occupies the location of exploiter class, with ownership of the means of production, organizational assets, and political authority. This class accumulates huge wealth by controlling labour power and the skills of the middle class and the working class. This activity of appropriation then generates inequality and injustice between the bureaucratic capitalist class, the middle class, and the working class, that result in internet workers' poor working life.

5.1. Exploitation in the Chinese context

Some researchers have analysed unequal relations between different social classes in China. For example, Zhang (2008, 9–10) highlights the inequality between the upper classes and lower classes in post-reform China: the privatization of SOEs enabled the cadres and capitalists to become rich, whilst simultaneously causing cuts in public social welfare to balance the deficit resulting from fiscal decentralization, and also caused millions of ordinary workers to be laid off; the privatization of village enterprises enabled the expansion of the petty bourgeoisie, resulting in millions of peasants losing their lands and having to move to big cities as peasant workers. Zhang then goes on to state that the high costs of social development in China fell on ordinary people.

Researchers generally relate the class inequality in China to the unequal distribution of economic and social resources amongst classes. For example, Bian (2002) claims that the state workers (workers in party-controlled enterprises following the privatization of SOEs) have a privileged position in society because the CCP controls the economic resources, such as oil, banking, and telecommunication. Sun (2002) blames the inequality between the privileged class and the vulnerable class on the unequal distribution of state properties, economic resources, and skills during the economic reform at the beginning of the 1990s. This reform accumulated capital for the bureaucratic capitalist class, rather than benefiting the entire society, such as people in the lower classes.

Wright (2006) points out that statism, which he argues is contemporary "socialism", is an economic structure where the means of production are owned by the state, and resources are allocated by the exercise of state power. The Chinese economic structure, as I stated in the last section, is neither complete socialism nor absolute statism. Instead, it is bureaucratic state capitalism, where the means of production are owned by the bureaucratic capitalist class, and resources are allocated through the exercise of both state power and economic power. The bureaucratic capitalist class is dominant, because it owns the means of production and it has the power (both the state power and economic power in Wright's terms) to allocate resources.

The discussion above guides the concept of exploitation in the Chinese context to the question of ownership of varied resources, such as labour power, skills, and means of production, and towards the question of political authority in the allocation of these resources. The working class in contemporary Chinese society sells labour power in order to survive, as their livelihoods are not guaranteed by society. The bureaucratic capitalist class owns the means of production, such as factories/firms, raw materials, and telecommunication, and has the political authority to allocate these means of production. For example, executives in SOEs and government departments own the main raw materials and economic resources, such as oil and telecommunication. Officials in the bureaucratic capitalist class with certain political power (similar to Wright's state power) and capitalists with certain economic power allocate these raw materials and economic resources. But what does the middle class own, and what are the relationships between the middle class and these other two classes?

According to a number of commentators, most people in the middle class have high skill levels, including the internet workers who possess both professional skills and technical skills, but these skills are only effective when placed at the service of the capitalist. Some people in the middle class own certain resources. For example, some internet workers own company stocks, but this does not give them any managerial power; and the amount of the stock they hold is so small that it is hard to help workers to survive. Although some people in the middle class own certain means of production, generally, most of them, especially people in the lower middle class, lack the power to allocate these resources, and they still need to sell their skills to survive.

The Weberian approach of exploitation understands the inequality between classes as the result of the unequal distribution of resources. By contrast, the neo-Marxist approach relates the inequality to the production process, where the exploiting class appropriates the effort of the exploited class because of the ownership of the means of production. Here, the bureaucratic capitalist class dominates the working class and the middle class, because of the ownership of the means of production, and the power to allocate these resources. It is the bureaucratic capitalist class, where officials and capitalists gain benefits from corruption and bribery, which appropriate the fruits of other classes. Due to this, the wealth of the bureaucratic capitalist class is based on the labour efforts of the working class, who contribute labour power, and the middle class, who contribute skills.

The picture then becomes clear: the bureaucratic capitalist class owns the means of production and appropriates labour power of the working class and skills of the middle class by having both political power and economic power to allocate the resources; the middle class owns skills, some of them own certain means of production, but lack the power to allocate the resource; instead, people in this class location need to exchange their skills in the capitalist market in order to survive; the working class owns labour power and sells it to survive. The significant issue here is that the bureaucratic capitalist class builds upon the appropriation of the efforts of the middle class and the working class. This then becomes the special model of exploitation in a Chinese context.

However, exploitation is a macro level concept that emphasizes dynamics between classes, rather than describing personal experiences. In this research, exploitation is the mechanism for understanding the poor working life in Chinese internet industries – internet workers suffer high pressure caused by long working hours, unequal pay, heightened competition, and limitations to their autonomy and creativity, which drives some workers to "*karoshi*", a Japanese term meaning "death by overwork" or "suicide". Therefore, "the Chinese model of exploitation", as I have described it here, is a source of useful insights for understanding the quality of working life in the internet industries.

6. Conclusion

Internet workers in the Chinese internet companies I studied are generally compelled to work overtime without reasonable pay and suffer from a high degree of work intensity. Most workers experience a low level of workplace autonomy and professional autonomy in their daily work. Some workers, such as self-employed workers, enjoy a high level of autonomy in their creative practices, but such freedom is based on high work intensity and unrewarded overtime. Meanwhile, most

internet workers experience high levels of risk and insecurity in their work: they are forced to be responsible for their lives after retirement, which was previously the responsibility of the state; some are pushed to experience *karoshi* (death from exhaustion) due to the high financial pressures in their work and lives; and some of them lack benefits, such as social insurance, which should be guaranteed by the state and internet companies.

Here, I adopted a neo-Marxist approach to identify that the mechanism of exploitation results in a poor working life for those employed in Chinese internet industries. I argued that exploitation in the Chinese context refers to the bureaucratic capitalist class's appropriation of the labour efforts and skills of the middle class and the working class. Based on this specific understanding of exploitation, I argued that internet workers suffered from difficult working conditions, such as high work intensity with unreasonable pay, low-level freedom in terms of workplace autonomy and professional autonomy, and high levels of risk and insecurity, because they were seriously exploited by the bureaucratic capitalist class.

Notes

1. A term that is problematically used by the author refers to intellectual jobs.
2. Among the top ten internet companies in the Chinese market, seven of them are based in Beijing (Baidu, Sohu, Ctrip, Dangdang, Sina, Changyou, Wanmei), one is based in Shanghai (SNDA), one is based in Shenzhen (Tencent), and one is based in Hangzhou (Netease). All of them have subsidiary companies in Beijing, Shanghai, Guangzhou, Shenzhen and Hangzhou.

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6

The Exploitation of Audience Labour: A Missing Perspective on Communication and Capital in the Digital Era

Brice Nixon

After 15 years of scholars theorizing and analysing aspects of digital media use as digital labour,[1] there has as yet been no consideration of the specificity, and importance, of audience labour. While interest in the political economy of digital labour has continued to grow, there seems to have been no inquiry into audience labour as a specific kind of digital labour.[2] The ability of scholars to make sense of the political economy of communication in the digital era remains hindered by the lack of any attention being paid to the specificity of audience labour, since capitalizing on communication remains a process of channelling and extracting value from activities of cultural consumption, which is to say *audience* activities. Dallas Smythe introduced the concept of audience labour to the political economy of communication nearly four decades ago, but the concept remained underdeveloped during debates in the 1970s and 1980s about the supposed "audience commodity". In the twenty-first century, the issue of labour has been a focus of a much larger group of scholars through the concept of digital labour and related notions. However, the kind of labour specifically described by Smythe and others as audience labour is absent from the discussion. This chapter argues that audience labour should be made a more central concept in the political economy of communication and attempts to demonstrate the productive potential of that development through an outline of a political economy of audience labour that describes how the audience labour of cultural consumption and signification is exploited, including in the digital era in which "users" and "prosumers" are presumed to have replaced audiences.

However, it is no simple task to make audience labour the focus of at least some research in the political economy of communication going forward. It can neither simply be inserted into the existing body of digital labour scholarship nor recovered from a previous body of scholarship. Instead, it seems necessary to return to the initial conceptualizations of audience labour, beginning with Smythe, in order to be able to begin anew and then go well beyond existing concepts and theories of audience labour. To do so requires dealing with a number of conceptual, theoretical and methodological issues in terms of both communication and political economy. In many ways, the concept goes right to the core of the old "political economy vs cultural studies" debates, since audience activities clearly involve cultural consumption and signification, but conceptualizing those activities as audience labour is meant to put them within the terms of political economy in order to develop an understanding of the relationship between audience activities and capital accumulation. Any attempt to put audience activities of cultural consumption into political economy should be done with the intent of avoiding the dead ends of those past debates (Schiller 1996; Peck 2006). In my view, beginning from the concept of audience labour and developing a theory of the audience labour process and its direct relationship to capital circulation and accumulation is precisely the way to do so. In the sections below, I attempt to follow that path through to a basic political economy of audience labour that provides a starting point for understanding the continuing reality of audience labour exploitation in the digital era.

1. Audience labour in the political economy of communication

In this section, I first outline the brief history of the concept of audience labour. I argue that the early conceptualizations of audience labour provide a useful starting point for a political economy of audience labour, but also leave the concept relatively undeveloped. I also argue that more recent concepts of digital labour ignore or do not specify digital *audience* labour. In order to develop a political economy of audience labour in the digital era, audience labour must be reconceptualized and separated from the erroneous concept of the audience commodity. Those activities that are specifically *audience* activities of reading, listening and viewing – activities of *consumption*, in the sense of the consumption of meaning – must be recognized as constituting a specific kind of labour and I will follow Smythe and others in calling it audience labour. Furthermore, those consumption activities should simultaneously be seen as

activities of production, which makes it easier to see how they constitute a kind of labour. I will consider the product of audience activities in later sections. In this section, I briefly trace the conceptualization of audience labour within the field of the political economy of communication from Smythe in 1977 to theorists of digital labour in the twenty-first century. I argue that audience labour remained a relatively undeveloped concept in the work of the few scholars who considered it in the late twentieth century. I also argue that the concept of audience labour is completely absent from the recent theories of digital labour because the activities of consumption that are specifically audience activities are ignored (or conflated with other activities) while attention is focused on the cultural production of digital media users and the surveillance-based production of data about digital media users.

Audience labour was first put forward as a concept for the political economy of communication in 1977, when Smythe claimed that "western Marxist analyses" had not asked "what economic function for capital" mass communication systems serve; they had only asked what "ideological" function those systems serve (Smythe 1977, 1). Smythe examined the "economic function" and concluded that "the threshold question" becomes "What is the commodity form of mass-produced, advertiser-supported communications?" (2). His answer to that question was the audience as a commodity. He then asked a follow-up question: What is the audience commodity? His answer to that question was audience labour-power, or audience members' capacity to "pay attention" (4). Advertisers buy audience commodities from media companies, and audience members then work for advertisers by learning "to buy particular 'brands' of consumer goods, and to spend their income accordingly," i.e., "to create demand" (6).

Smythe went no further in elaborating on audience labour. He claimed that audience members' cultural consumption should be seen instead as the work of ideology or consciousness production and then proceeded to theorize how that capacity for audience labour had been commodified: He proceeded to construct a political economy of the audience commodity. Smythe's undeveloped concept of audience labour resulted in fundamental errors of political economy in his theory of the commodification and exploitation of that labour, including the concept of the audience commodity itself.

Sut Jhally and Bill Livant (1986) offered one of the two major alternatives to Smythe's political economy of the audience commodity published in the decade following Smythe's initial article. They explored the concept of audience labour and the value of that labour to capital.[3] However, Jhally and Livant did not advance much beyond Smythe

in considering the specificity of audience labour, which also left them with an inaccurate picture of how audience labour is commodified or exploited. Jhally and Livant drew attention to what they called "the valorization of audience consciousness." They claimed audience labour is work done for media companies, rather than advertisers, as Smythe claimed, and they claimed the audience commodity is audience watching-time.

Since the beginning of the twenty-first century, a number of scholars have contributed to the development of a political economy of digital labour. Included in that has been a revival of the political economy of the audience commodity (see, for example, McGuigan and Manzerolle 2014). However, the development of that digital labour scholarship has involved the disappearance of audience labour from the political economy of communication. Terranova (2000) was perhaps the first scholar to offer a detailed consideration of the political economy of digital labour, which she described as "free labour", but she did not consider the audience work of cultural consumption. In the scholarship on the political economy of digital labour, surveillance has received a significant amount of attention as one way companies can profit from digital communication by collecting data about communicative activities, which the scholarship views as digital labour (e.g. Andrejevic 2002; 2007; 2011; Cohen 2008; Manzerolle 2010; Fuchs 2011a; 2011b; Kang and McAllister 2011; McStay 2011). The basic political economic theories put forward involve the sale to advertisers of the data gathered through surveillance. Within the scholarship specifically advancing a new political economy of the audience commodity as an update to Smythe's original idea, the supposed selling of users, prosumers or digital labourers (or their attention) to advertisers has also been the subject of a significant amount of research (e.g. Fuchs 2010; 2012; Manzerolle 2010; Napoli 2010; Kang and McAllister 2011). I argue that this scholarship suffers from many of the same errors of political economy that are present in Smythe's original theory and the work of others in the old political economy of the audience commodity. The appropriation of the user-generated content created by digital labour has also been a focus (e.g. Cohen 2008; Fuchs 2010; Terranova 2000; Fisher 2012). I define that as the exploitation of digital cultural labour. The basic political economic theories advanced claim that digital cultural labour is exploited, although there is no clear link presented between such exploitation and capital accumulation.

The work that Smythe first drew attention to as audience labour and that Jhally and Livant further considered as including "the work

of watching" and the production of "audience consciousness" seems to continue to be the most difficult kind of labour to grasp within the political economy of communication. Neither Smythe nor Jhally and Livant were sufficiently specific in their conceptualizations of audience labour, while theorists of the political economy of digital labour have made audience labour completely disappear from the view of the political economy of communication. None of the recent scholarship noted above addresses the fundamental relationship between communicative capital and digital *audience* labour – the relationship that defines digital media users as *consumers* of meaning (although they are often also producers) and thereby enables the direct or indirect exploitation of digital audience labour. That relationship is defined by control of the means of communicative production used in the process of cultural consumption and signification. The specificity of audience labour has been lost. The result, I claim, is that one of the primary aspects of communication *as capital*, meaning processes of human communication transformed into processes of capital circulation and accumulation, has gone unexamined: the exploitation of audience labour.[4]

2. Specifying audience labour: Theorizing the audience labour process as signification through cultural consumption

Smythe provided only a vague description of audience labour as paying attention, "learning to buy" and "learning the theory and practice of consumership" (Smythe 1977, 4, 6, 20). Jhally and Livant described it a little more specifically as the creation of meaning and "the process of consciousness" (Jhally and Livant 1986, 142–143). The questions that must be answered, then, are: (1) What is the specific nature of that audience labour process? and (2) What is the product of that process? The process I describe as audience labour is also often described simply as consumption, which suggests that it is necessary to take seriously the "singularity" of consumption, as it is described in the Introduction to the *Grundrisse* (Marx 1993), in order to theorize the audience labour process. In order to develop that theory of the audience labour process into a political economy of audience labour, it is necessary to connect the "singularity" of consumption to the "generality" of communicative production, as well as the "particularity" of distribution. I attempt the latter two theoretical developments in the third section. Here, I attempt to develop a basic theory of the audience labour process by trying to

determine, first, how theories of audience activity as the creation of meaning contribute to a reconceptualization of the audience labour process beyond the theory of audience labour in the political economy of the audience commodity; second, how Horkheimer and Adorno's theory of the relationship between the commodification of culture and the production of ideology contributes to a theory of the audience labour process; and finally, and most importantly, how Marx's description of the labour process in *Volume I* of *Capital* can be used as a template for a theory of the audience labour process.

The work of cultural studies scholars who have highlighted how audience activity is an active process of meaning-making provides a useful starting point for enriching the theory of audience labour. Stuart Hall's "Encoding/Decoding" essay is one useful resource because of its focus on the active and productive process of "decoding" and discursive production, despite the fact that Hall's essay is directed precisely against the theoretical development for which I am using it, insisting as it does on the distinction between what Hall described as "discursive 'production' " and "other types of production" (Hall [1980] 2006, 163; Schiller 1996, 149). Audience labour can be seen in the process Hall described as "decoding". While, for Hall, the process of encoding in the production of messages is a labour process (Hall [1980] 2006, 164) and consists of "*interpretive work*" (169), the audience's activity of decoding is not characterized as work at all. Still, the attention Hall drew to the process by which audiences produce meaning using the encoded meanings they encounter in messages produced by communication industries opens up the possibility of focusing attention on the process by which audience members produce meaning through their activity of consuming culture.

It is possible to make further progress toward a reconfiguration of the audience labour process by enriching the concept of audience labour with aspects of the concept of "active audiences" (Fiske 1987). The theory of the "active audience" "making meanings" makes it possible to enrich the theory of audience labour by specifying the audience labour process and the product of that process. Fiske's emphasis on "how meanings are made by the active reading of an audience" (67) is useful in that process of further developing the theory of audience labour: Audience activities like reading are clearly consumptive, involving a process of consuming objectified meaning, but they are also productive, involving the production of subjective meaning. The product of those activities is meaning, hence audience labour is a process of signification through cultural consumption.

Horkheimer and Adorno's (2002) essay on "The Culture Industry" contributes to a political economy of audience labour through its

discussion of the relationship between commodified culture and the production of ideology. It is not simply that the commodification of culture in itself produces "mass deception"; there is specifically a relationship between the content of culture, or objectified meaning, and the consciousness that is produced by the consumers of that culture, or subjective meaning. The particular concern of Horkheimer and Adorno is not, in itself, the culture that is produced by the culture industry as a mass of commodities but rather how that culture relates to social consciousness, i.e. mass enlightenment or mass deception. The culture produced by the culture industry, they conclude, is the basis for the production of mass deception, of the "ideology" that reproduces the status quo under the name of freedom of choice, i.e. a dialectic of enlightenment in which wider access to culture produces mass deception rather than mass enlightenment specifically because of the content of that culture. The promise of mass enlightenment seems inherent in the increased availability of culture created by the culture industry's mass production of culture – "The public should rejoice that there is so much to see and hear" (Horkheimer and Adorno 2002, 130). However, the content of that culture ensures that no such enlightenment is imminent, as the singularity of individual expression is subdued and subordinated to the totality of the formula of the culture industry's cultural production: "the formula [...] supplants the work" (99). The unifying sameness of the culture produced by the culture industry effects a sameness in social consciousness. "All are free to dance and amuse themselves. [...] But freedom to choose an ideology [...] everywhere proves to be freedom to be the same" (135–136).

Marx's theory of the labour process in Volume I of *Capital* provides a template for translating the reconceptualization of the audience labour process developed above into a theory of the audience labour process than can serve as the basis for a political economy of audience labour. The human labour process, in its simplest sense and independent "of any specific social formation", has three elements: "(1) purposeful activity, that is work itself, (2) the object on which that work is performed, and (3) the instruments of that work" (Marx 1990, 284). There are then three concepts: labour, object of labour, and instrument of labour. The audience labour process, similarly abstracted from the specific form it takes under capitalism, can also be first theorized as a process involving audience labour, the object(s) of audience labour, and the instrument(s) of audience labour.

Audience labour in that sense is simply the activity of audience members, who engage most obviously in various activities of cultural consumption. Above, I described audience activity as signification through

cultural consumption. It is a subjectively signifying activity. However, to speak of "audience labour" is actually to already presuppose labour in a specific social relation and, furthermore, to presuppose specifically capitalist communicative production, and to reify the culture industry that creates audience members out of individuals in the first place. Audience labour must be made a critical concept by understanding it to be part of a historically specific process of capitalizing on cultural consumption and subjective meaning-making. It is then possible to construct a political economy of audience labour. Theorizing the audience labour process is the first step.

A concrete labour process has as its object specific "materials of nature" (Marx 1990, 284); in the same way, a concrete *audience* labour process has as its object specific materials of culture, or objectified significations. As an object of labour, culture is always a product of other human labour, which I term cultural labour. As such, culture is what Marx referred to as "raw material" (Marx 1990, 284). The raw cultural material that is the object of audience labour is meaning, and to be part of the material audience labour process, it must always be objectified and materialized. That objectified meaning is consumed, but more importantly, it is worked on (a *productive* process).

The instrument of audience labour is what is used by audience labour to work on the object of that labour. "An instrument of labour is a thing, or complex of things, which the worker interposes between himself and the object of his labour and which serves as a conductor, directing his activity onto that object" (Marx 1990, 285). The instrument of audience labour is a communication medium, which includes electronic and digital "technologies", but is more generally any and all means of communication used to *consume* culture. Paper is an instrument of audience labour (e.g. a book, a newspaper), but so are a television, a computer, and a smartphone. Eyes and ears are the simplest instruments of audience labour.[5] The "objective conditions necessary for carrying on the labour process" are also instruments of labour (286), which suggests additional layers of instruments of audience labour, such as web browsers, websites, and applications, create the conditions for audience activities. I refer to the instruments of audience labour simply as media.

"[B]oth the instruments and the object of labour are means of production" (Marx 1990, 287). To see the objects and instruments of audience labour as means of production entails building on Raymond Williams's (1980) description of the "means of communication as means production." Culture and media are means of communicative production used in the productive audience labour process of signification. However, the

fact that audience labour is an act of individual consumption (Marx 1990, 290), therefore a singularity, with the product being completely subjective (Marx 1993, 90–91), determines how that communicative production process is connected to capital accumulation. Specifically, it is the reason why audience labour-power cannot be commodified.

3. Contribution to a political economy of audience labour

The reconceptualization of the audience labour process undertaken in the previous section provides the basis for the development of a general outline of the political economy of audience labour, as a theory within the political economy of communication. First, it is necessary to proceed from an understanding of communication *as* capital. I refer to capital that circulates and accumulates specifically through communicative processes as communicative capital. Communicative capital cannot commodify audience labour-power and appropriate surplus-value through the appropriation of the products of audience labour because the product of that labour is subjective. It is the meaning produced through cultural consumption, through consumption of signified objects. Communicative capital can only control the audience labour process of signification through cultural consumption, and extract value from that process, by controlling the objects of cultural consumption. The political economy of audience labour shows the accumulation of communicative capital to be a process of appropriating value in its *distribution*. At the level of "generality," surplus-value is produced; at the level of "particularity," that surplus-value is distributed (Harvey 2006, 61, 69).

I will argue below that communicative capitalists essentially seek to redistribute value from the wages of workers as a form of rent payment as well as receiving a share of the distribution of surplus-value from other capitalists through advertising as a form of interest payment. For that reason, it is necessary to integrate the "particularity" of distribution into the "generality" of production in the construction of a political economy of audience labour. As the labour involved is the audience labour of individual cultural consumption, it is also necessary to integrate the "singularity" of consumption into the "generality" of production in order to construct a political economy of audience labour. While advertising offers one potential starting point for examining the relationship between audience labour and capital accumulation, as it seems to be a situation in which communicative capital "sells audiences" to advertisers, the relationship between communicative capital,

audience labour and advertisers actually points to the necessity of uncovering a more fundamental relationship: the social relation that creates audience labourers in the first place, which is a social relation between communicative capital and audience labour.

Audience labour, as individual consumption and a process of individual signification, is a singularity. Its product, subjective meaning, can never be alienated in the way other products of human labour can. It is also not possible to own another person's capacity to signify, or audience labour-power, in the way that labour-power as the general human capacity to create through conscious activities of material production can be commodified. But that does not leave audience labour free of social determination or even exploitation. It is possible to own the means of communicative production that are means of cultural consumption for audience labour: Both culture, as the object of audience labour, and, in some cases, media, as the instruments of audience labour, can be owned by capital. And through that ownership of the means of communicative production, the singular, signifying labour of audience members can be brought into the process of capital circulation and accumulation. The same holds true for digital audience labour, and for that reason it is crucial that digital audience labour and digital cultural labour not be conflated in the political economy of communication.

The particularity of distribution is also a crucial aspect, as the social relation that most immediately defines audience labour is a relation of distribution: rent. Capital's control over the object of audience labour, culture, creates audience labour by creating a class relationship between those who own the means of communicative production and those who do not. That ownership occurs most obviously through copyright. But culture is not a typical commodity. Culture is non-rival: the consumption of it by one person does not preclude the consumption of it by another person (Benkler 2006, 36). An objectified signification is never fully consumed but is only *used* – it is used as the object on which audience labour works to produce meaning subjectively – and it remains available for use by another audience labourer or by the same audience labourer in a repeated use (e.g. re-reading a book), as long as it exists in an objectified form and can therefore be an object of labour. The nature of ownership of culture is determined by the specific material qualities of culture as an object of labour and a means of production. The purchase of a cultural commodity is only ever payment for *access*. For capital, as owner, it is the appropriation of surplus-value in its distribution as *rent*. There is no exchange of ownership of culture. For example, a book purchaser does not become the owner of the meaning

objectified and materialized in a book. Ownership of the physical object that is a book is purchased, but ownership of the ideas expressed in material form as language printed on paper remains with the copyright holder. The copyright holder is a cultural landlord who does not accumulate capital through the sale of commodities by rather through the granting of access to a privately owned cultural resource in return for payment, i.e. through rent. Ownership of culture as the object and raw material of audience labour is the basis for audience labour itself – it is the social (and property) relationship through which individuals are made into consumers of culture whose activities area a source of value to communicative capital because of its control of the means of production.

Ownership and control over access to culture sets the conditions of audience practices of cultural consumption and signification. The communicative production of audience signification is affected by rent, a distribution relation, as a condition under which that production occurs: Access to culture is required for communicative production through the audience labour process, but the copyright holder controls that access. The copyright holder, then, is like the landlord, but is also a kind of capitalist. The landowner in a capitalist mode of production does not use the land, but instead treats the privately owned land as a pure financial asset (Harvey 2006, 347): "in return for a straight monetary payment", the landlord "confers all rights to the land as both instrument and condition of production" (343). The owner of culture operates similarly, granting the right to use culture in exchange for payment, thereby either appropriating value from the wages of a wage-labourer or surplus-value from the profit, interest or rent of another capitalist. Any individual who wants access to culture owned by a communicative capitalist becomes an audience labourer, and that individual's audience activities of signification through cultural consumption become a means by which communication is treated as capital. Cultural consumption thereby becomes an exploited activity.

The instruments of audience labour, as means of communicative production, have also existed in the form of ownership by communicative capital, as in the case of a movie screen in a movie theatre (and also the theatre itself). But audience labourers generally own the basic instruments of their labour in the form of a commodity they have purchased, as in the case of a book, a newspaper, a radio, a television and a computer. Therefore, ownership of the instrument of audience labour seems to be a less significant issue for the general relationship between communicative capital and audience labour, although it is a defining

aspect of specific audience labour processes, such as watching films in a theatre. The foundational relationship, however, and the relationship by which the capitalist mode of communicative production is defined, is the "production-determining distribution" relationship (Harvey 2006, 332) created by the private ownership of culture. That social relation of distribution conditions the communicative production process of audience signification.

Communicative capital can use its power over audience labour to appropriate value directly from audience labour by, for example, charging a fee for access to its monopoly-owned culture. That extraction of a rent payment is a process of direct exploitation of audience labour by communicative capital, since value is directly appropriated from audience labour. A newspaper company limiting access to its digital content to only those who pay for a digital subscription is one obvious example of this. That is a process of exploiting *digital* audience labour, since it is audience labour using digital means of communicative production.

Communicative capital can also use its power over audience labour to appropriate surplus-value from advertisers while providing audience labour free access to culture. This seems to be the more common process by which digital audience labour is exploited. Any company that generates revenue through advertising revenue fits this model – for example, most of the digital communication activities that Google has capitalized, such as web search and online video viewing (on YouTube). Interestingly, Google exploits digital audience labour in this way without the power of copyright. Its ability to determine the conditions of audience practices is based on patent rights as well as technological and contractual powers. I analyse Google's exploitation of digital audience labour in depth elsewhere (Nixon 2015). The exploitation of audience labour to generate advertising revenue is an indirect process of exploitation, but one that I argue should be understood as audience labour exploitation nonetheless. It explains a process of value appropriation and capital accumulation that the theory of the audience commodity cannot.

Advertisers can only achieve their immediate aim, which is to influence the actual meaning produced through audience signification, by turning objects of cultural consumption into signified objects designed to have a specific "effect" when they are consumed and worked on in audience labour processes of signification. But advertisers do not own the objects of audience labour. Communicative capitalists own those objects. Since ownership of culture provides the owner a power to appropriate a constant stream of rent (until the copyright expires), that rent

can be treated as capital by being capitalized as "the interest on some imaginary, fictitious capital" (Harvey 2006, 347). This is the case of communicative capital lending cultural space and time to advertisers, which is not granting access for use, as it is when rent is appropriated from audience labour, but is rather the lending of a portion of the objectified form of culture itself, as in the lending of space in a newspaper, by which part of the space becomes advertising space, or the lending of time in a television programme, by which part of the time becomes advertising time. In return for that loan of cultural space or time as fictitious capital, advertisers pay interest to the lender, a communicative capitalist who thereby generates advertising revenue.

That extraction of interest from advertisers is a process of indirect exploitation of audience labour by communicative capital, since the surplus-value is taken from the advertiser rather than the audience labourer. I argue that the process can still be seen as one in which audience labour is *indirectly* exploited because communicative capital uses its control over audience activities of cultural consumption to appropriate value and, in the process, directly modifies the audience labour process by transforming part of the object of that labour process into an advertisement. The advertiser will pay the interest because it gains a portion of communicative capital's power over audience labour by doing so.

When cultural space and time is exchanged as a commodity, lent by communicative capital and borrowed by advertisers, the process becomes one not simply of appropriation of interest but of the circulation of fictitious capital. It seems that here culture is quite different than land. Rent on land can be capitalized as fictitious capital by selling "title to the [...] rent yielded. The money laid out is equivalent to an interest-bearing investment. The buyer acquires a claim upon anticipated future revenues, a claim upon the future fruits of labour" (367). It seems that advertisers, as borrowers of culture, do not seek ownership of the right to the rent that can be appropriated in the future through control of a specific cultural object. They do not seek to appropriate surplus-value from audience labour in the communicative production process of signification through cultural consumption. Advertisers do seek a claim upon the future fruits of labour, but it is the specific fruits, or products, of *audience* labour: meaning.

4. Conclusion

The political economy of audience labour outlined above describes the basic processes through which audience labour is exploited in the

accumulation of communicative capital. It demonstrates the productivity of a specific focus on audience labour for scholarship in the political economy of communication, making it possible to begin to grasp theoretically one of the fundamental aspects of communication as capital in the digital era: the exploitation of digital audience labour. Although the concept of audience labour was initially put forward in relation to the political economy of communication in the era of print and electronic mass media, it remains a necessary concept for the political economy of digital communication. Every company that operates as a communicative capitalist by generating profit from payments for access to culture or advertising revenue is, in fact, exploiting audience labour, and that describes most of the companies involved in digital communication. It seems that controlling and extracting value from audience activities – which is to say, activities of cultural *consumption* – is the primary way (though by no means the only way) in which communication is treated as capital in the digital era.

The recent development of a political economy of digital labour has generated many insights into the capitalist mode of digital communicative production, but it has not grasped the central role of digital *audience* labour. This chapter has attempted to begin the process of filling in that theoretical missing piece and pushing scholarship in the political economy of communication towards a political economy of audience labour. It has done so by further developing the concept of audience labour, providing a theory of the audience labour process, and then outlining the most fundamental aspects of the relationship between audience labour and capital, including the basic processes through which communicative capital exploits audience labour. There remains much work to be done to more fully develop the political economy of audience labour and to make use of that theory in the analysis of the capitalist mode of digital communicative production. There also seems to be the potential for tracing a long history of audience labour exploitation within the history of communication as capital, or the capitalist mode of communicative production.[6]

Notes

This chapter is a revised version of Brice Nixon (2014), "Toward a Political Economy of 'Audience Labour' in the Digital Era", *tripleC: Communication, Capitalism & Critique* 12 (2): 713–734.

1. Terranova (2000) appears to be the first to have tried to theorize digital media use as labour – specifically, a kind of "free labour".

2. One exception is Shimpach (2005), who argues that audiences have always worked – and continue to do so – in their use of digital media, although their activity has not been recognised as a kind of labour. However, Shimpach does not further develop the conceptualization of the specificities of audience labour, a development I argue is necessary in order to understand how that labour is an object of control and source of value for various industries.
3. The second alternative political economy to Smythe's was that of Eileen Meehan (1984). Audience labour is completely absent from her political economy of the audience commodity as a ratings commodity.
4. See Nixon (2013) for a more detailed discussion of the undeveloped concept of audience labour in Smythe, Jhally, and Livant, and the disappearance of audience labour in the political economy of digital labour.
5. Just as, in gathering fruits, for example, "a man's bodily organs alone serve as the instruments of his labour" (Marx 1990, 285).
6. I attempt both a preliminary examination of the history of audience labour exploitation and an analysis of two cases of digital audience labour exploitation in Nixon (2013).

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7

Audience Labour on Social Media: Learning from Sponsored Stories

Eran Fisher

This chapter offers an analysis of the political economy of social media through audience labour theory. It uses the case study of Facebook's Sponsored Stories advertising plan in order to show how audience labour occupies a central role in a digital economy, which relies increasingly on the commodification of personal information. The chapter also explores the ways in which social media users critique and challenge the contemporary arrangements of – or relations of production around – social media, where media companies have virtually an exclusive control over personal information.

1. Introduction

A recent study has found that a search on Google might help to forecast a fall in the stock market. Researchers found that a short time after the volume of searches on central financial keywords, such as "debt" and "stocks" has gone up, the Dow Jones index went down (Preis, Moat, and Stanley 2013). That is, the innocent search of millions of individuals on Google was a good indicator for stock prices. Two conclusions – which are at the heart of this chapter – can be inferred: 1. The inadvertent act of a Google search creates something of value, even an exchange-value (since it's very easy to imagine how someone would be willing to pay for such an informational commodity); 2. The only ones capable of converting these millions of searches into a commodity are companies that are able to deliver to users attractive, powerful and free digital tools, and in return have access to all the data created in it.

In this chapter, I will shortly argue for the relevance of Marxian labour theory of value to the understanding of new media. At first glance, Marx might be seen as irrelevant to the analysis of the digital age since his

work deals with industrial society. Marx wrote of a capitalism centred on the factory. Work in the large-scale factory centred on the assembly line entails hard physical work, and high levels of alienation of workers from the means of production, from their work process, from the fruits of their labour, from other workers, and from their species-being (Marx 1978). This kind of work continues to exist (see Sandoval, this volume), but in the richest, most technologically advanced countries, a growing number of workers now work in a very different work environment, one which requires high levels of skills and knowledge of workers, entails communication between workers, and offers excellent material and financial conditions. Indeed, surveys reveal that high-tech companies like Facebook and Google are among the most desirable workplaces. Moreover, the media ecology has also gone through a radical transformation since the industrial age. Unlike the centralist mass media, new media offers a decentralized, networked environment: almost every individual (in the rich world) can become a "user" in a social networking site, create content and disseminate it, put up a blog, or respond to an article in the newspaper. This is most evident in the field of social media, where one can speak of a trend towards the "socialization of the media", i.e., rendering them more accessible to individuals in society.

Notwithstanding these shortcomings, Marxist theory is back into public discourse and into academic debates (see Fuchs, this volume, Dyer-Witheford 1999; Eagleton 2012). Marx continues to be relevant also to communication studies, and specifically to the study of digital media. While employing Marxist theory obviously requires some modification, it is nevertheless a vital framework in developing a critical understanding of digital media, which diverges from common celebratory accounts (see Allmer et al., this volume). Not only might communication studies benefit from using Marxist theory, but Marxist theory might also benefit from its link to communication theory, since contemporary capitalism is increasingly relying on the commodification of communication, i.e., the rendering of social and interpersonal communication into a commodity. I will consider these questions through audience labour theory, which has emerged in communication studies in the 1970s, and epitomizes the fusion of economy and communication. This theory will help us clarify better the economic and social context in which social media operates.

The audience, and the transformations in its role and position vis-à-vis media companies, are at the centre of attention of research into social media. Unlike the audience of traditional media, users of social

media actively engage in the media, create content, express themselves, connect and collaborate with others, and form communities (Rheingold 1993; Jenkins 2009). An epitome of that are social networking sites (SNSs), such as Facebook, a media whose content is almost entirely created by users. Looked at from that angle, we might think of an SNS as a means of communication and locate it on that historical axis: a new means of communication-networked, flat, interactive-that allows diverse forms of communication. That is evident in most research on Facebook that examine the SNS in the context of general communication (Judd 2010; McKay 2010); educational communication (Baran 2010; Skerrett 2010); interpersonal communication (Kujath 2011; Mehdizadeh 2010); health communication (Greene et al. 2011); and political communication (Johnson and Perlmutter 2010; Woolley, Limperos, and Oliver 2010). These studies, then, take Facebook's mission statement at face value and see it as a virtual space of communication, sociability, and community. As the company states, Facebook's mission is to "Giv[e] people the power to share and make the world more open and connected (Facebook 2011a).

However, social media users are engaged not only in the creation of content, but also in the creation of the value of media. At the time of its IPO in the New York stock exchange in May 2012 Facebook was valued at $100 billion. A comparison to other media and communication companies with a similar market value at the time, such as HP or Verizon, raises the question: what is the source of value for Facebook – and who is responsible for the creation of that value? In traditional communication and information companies the answer seems quite straightforward: HP, for example, produces knowledge-intensive hardware that involves expensive work-time of its employees. We should think, therefore, of SNSs not merely as means of communication but also as means of production, a digital assembly line, or a factory (Scholz 2013). This facet of SNSs is the subject of frequent reports in the financial press, which is keen to report on the successes (and failures) of such commercial media companies in the capitalist market.

My argument is thus that in order to understand social media we should think about it as both a means of communication and a means of production. Social media are a product of dialectical relations between communication and production. The *Economist* puts the matter neatly in a story in a February 2012 issue entitled "The value of friendship", a phrase that combines the social value of communication and human relations and the ability to commodify them and extract economic value from them.

In what follows, I will analyse the political economy of social media using audience labour theory, and pose the question: what is the source of the economic value of SNSs? Who is responsible for the creation of this value? And what are the relations of production on which it is founded?

2. The contribution of Marxist theory to communication studies

Two analytical coordinates stand out as being particularly influential to the Marxist study of communication: a cultural analysis and a materialist analysis.

Ideology – A cultural analysis focuses on the superstructure and uncovers the ideological role of media content in the reproduction of capitalism. Analysing the undercurrent ideologies of media content could pertain to capitalist concerns, such as class, consumerism and inequality, as well as to concerns of identity, such as gender, nationalism and race. Two intellectual legacies have been particularly central to the development of this analytical coordinate: the Frankfurt School and the Birmingham School. The two schools differ in their interpretation of the workings of ideology and in their understanding of the role of the audience. The Frankfurt School views ideological messages as forced down on passive audiences (Horkheimer and Adorno 1976; Adorno 2001). The Birmingham School attributes audience with an active capacity to decode, or "read" ideological messages in the media and resist them (Hall 1980), leading to a theorization of audiences as participants in the construction of multiple meanings of media texts (Ang 1985; Morley 1992). Generally, then, whether assuming that ideological content is propagated top-down to audiences, or, alternatively, that audiences are actively participating in the process of meaning-making, this strand of Marxist research contributes to the analysis of the media as an ideological site.

Political economy – A second dominant contribution of Marxist theory to communication studies is a materialist analysis, focusing on the "base". Predominantly, the political economy of the media focuses on media ownership, investigating issues of media monopoly, media corporations' mergers and consolidations, links between government and the media, and the employment arrangements of media workers (Herman and Chomsky 1988; Schiller H. 1991; McChesney 2008; Mosco 2009; Mosco and McKercher 2009; Schiller D. 2010). Here the audience is

completely absent from the analysis as it is perceived as external to the process of production of the media; its role is reduced to consuming the value created by media companies.

Since the 1970s, the political economy of the media has been substantially revised by shifting the focus to an analysis of media as a site of production in and of itself, thus highlighting the productivist role of audience in the creation of media value, both as a commodity and as labour power. This approach was pioneered by Dallas Smythe's groundbreaking work on the audience commodity (Smythe 1981). In his work Smythe suggested that what goes on in mass communication is not primarily audience consumption of media content, but, in fact, the selling of audience attention to advertisers. Producers invest resources – or forces of production – to produce their commodities: raw materials, labour time, and so forth. Since the beginning of the twentieth century they also need to buy the attention of consumers in order to teach them about their products and to make them desire these products. This force of production – the audience's attention – they buy from media companies. In that sense, the audience is seen as a commodity. This formulation rendered the audience as an active participant in the political economy of mass communication. Rather than viewing the media merely as an ideological, superstructural apparatus, that supports relations of production in the economic base – presumably located elsewhere (for example, in the factory) – Smythe positioned the media as a vital component in the chain of capital accumulation. Smythe suggested that the media sells the audience commodity to advertisers. In return for the bait of programming, audience remains glued to the television screen, thus watching advertisements, which become an ever-important driving motor for consumption.

Jhally and Livant (1986) go even further, arguing that watching is a form of working since it harnesses human "capacities of perception" (126) to the creation of value. The creation of surplus-value in the media is based on "extra watching" of commercials, on watching more ads than are necessary to pay for programming. This "surplus watching time" (127), then, suggests that the audience, in fact, works for programmers, not advertisers. Just like in the factory, the exchange is not equal: the audience watches more advertisements than is needed to pay for the programming. That is the source of surplus-value that the audience creates, and is usurped by media companies that reinvest most of it in the accumulation process of capital. That trend is exacerbated with the rise of brands, since most of their value is anchored in the symbolic

universe that is created in the minds of consumers and gets tangled with specific commodities (Arvidsson 2006); the central factory where such value is created is the advertisement.

We might look at audience labour as immaterial labour that entails cognitive, emotional, linguistic, communicative, relational and erotic facets of human life that are mobilized for capital accumulation. Such labour mostly takes place outside of the factory, as part of daily life and culture (Lazzarato 2006; Virno 2004). It involves knowledge, information and communication, and is a central component of contemporary capitalism (Terranova 2004). And it is noteworthy that such analysis is rooted also in Marxist feminist analysis of women's labour, which argues that a large part of the work necessary for the reproduction of capitalist society is not included in the formal labour market, and is not remunerated, is done by woman: mostly labour pertaining to reproduction such as cleaning, raising children, cooking, emotional support, etc. (Picchio 2003).

3. Audience labour in social media

In light of these insights scholars have recently suggested we think about SNSs such as Facebook as a factory for the production of information through communication and the sociability of users. The main type of work that goes on in such a factory is a communicative, emotional and social work; and it is a factory that specializes in the mobilization of human capacities that were difficult to mobilize without the internet for the process of capital accumulation (Scholz 2013). If we see SNS as a factory, and its users as workers, we must ask what the audience produces through its immaterial labour and determine what is the source of the exchange-value of this labour. The answer is that the audience in social media produces information, the importance of which increases in contemporary capitalism. And note that we should not understand SNSs merely as sites for the collection or mining of pre-existing information on users, but rather as factories that facilitate the production of that information. The existence of this information does not precede SNSs, SNSs provide the media ecology and rationale where the production of such information takes place.

The information that users of social media produce can be catalogued into five categories: demography, identity, content, performative and networked.

Demographic information: SNSs have become key sites where demographic information is registered, aggregated and organized. The

availability of demographic information on SNS is based on either users' self-disclosure (for example, in the case of age, gender, marital status or education) or the location of servers (in the case of geographical location). While this kind of information "precedes" Facebook, it is not completely independent of it, since Facebook encourages its users to self-disclosure. This has a formal manifestation in Facebook's terms of use, which forbid users to "provide any false personal information on Facebook", and directs them to "keep . . . contact information accurate and up-to-date" (Facebook 2012a). Indeed, Facebook's privacy settings have been persistently designed to keep users' information as open as possible for public viewing (Fuchs 2011a, 2011b). More subtly and fundamentally, the ethics and norms that developed on SNS put a premium on a genuine representation of the self. This signifies a turn from the culture of anonymity, promulgated during the early years of online sociability in forums, chat rooms, and MUDs (Turkle 1997).

Information on the self: The ethics of SNSs call for publicness; users are encouraged to reveal and present their authentic self and define who they are through profiling. We might even go further to say that the "ideology" of Facebook is that communication is emancipation. But users do not merely uncover their "true" self, as if this self were an unchanging entity. This self is also a product of the social and technological components that characterize this media ecology. For example, Facebook forces users into reflexivity, an obligation to think about, define and present themselves in particular ways. Such reflexivity is built into the website's design, which encourages users to self-disclose abundantly and systemically. As Illouz (2007, Chapter 3) has shown, profile-based websites encourage users to think about themselves in particular terms and identify themselves according to preconceived and prepackaged categories, thus rationalizing self-disclosure. For example, when constructing a personal profile on Facebook users are asked to define their "philosophy" with the following categories: "religion", "political views", "people who inspire you", and "favourite quotes". Even though this kind of personal information presumably precedes engagement with Facebook, it cannot really be thought of as pre-existing information that Facebook merely harvests, but should be regarded rather as information which gets articulated, or produced, within the specific context of SNSs.

Content: this is information extracted from the communication content of users. The attention of companies, professionals and applications endeavouring to render information into commodities is focused primarily on communication content. Such companies not only listen on

users' conversations to identify trends, keywords and narratives that can be used for commercial ends, but also use the SNS to initiate, engage with and shape the conversation. An exemplar of that is the viral commercial, promulgated by public relations professional. In such cases, users – and the networks they create and maintain – become the media through which messages are propagated.

While communication content on Facebook covers virtually every aspect of human communication, it is worth noting two particular types of information that SNS is especially conducive in allowing their articulation and organization, and that are of increasing value in contemporary capitalism: mundane information, and emotional queues. Mundane information pertains to everyday expressions of lived experience, such as photos taken on a trip, or reports about one's whereabouts (Beer and Burrows 2010). Emotional queues pertain to subjective emotional expressions, and to emotional characterizations which accompany the communication. Emotional queues are usually tied to some activity done by users, such as reading a news story, or waiting in line at the supermarket. The ubiquity and immediacy of social media through mobile devices means that sentiments are registered and expressed almost as they occur, rather than reported upon in retrospect. SNS – because they are personal, interpersonal, and social; because they are associated with leisure activities and sociability; because they encourage people to be expressive, frank, and above all communicative – are particularly apt for the production and extraction of such types of information.

Performative information: This pertains to quantitative and qualitative characteristics of users' activities on SNSs, such as the number of friends they have, the dynamics of the sub-networks of which they are part, their level of engagement with Facebook, time spent on Facebook, type of activities (number of posts, number of photos posted, number and nature of "likes" clicked) and so forth. This is information about information (or meta-data), which is automatically registered and gathered merely by using the SNS.

Network information: This refers to the very formation of sub-networks within the SNS: a user's link to other profiles, to commercial and political pages, to news stories, brands and so forth. By forming networks of associations, users are producing webs of meaning, symbolic universes and semantic fields. In a postmodern culture, where identity is constructed through signs, the web of "Likes" that users form serves as an indicator of their (consumerist) identity. Moreover, the sub-networks that are formed are highly valuable since they are likely

to have an identifiable character; in advertising lingo, sub-networks are highly segmented, because opt-in is voluntary and based on some manifest characteristic. Thus, network information allows marketing professional to identify (as well as construct) groups based on their positive attitudes towards a brand.

This brief overview of the types of information that users produce bring up two, dialectically-linked conclusions:

1. SNSs are not merely a site that allows the easier collection of personal information. The existence of much of this information depends on the very use of SNSs and on people conducting large parts of their lives in SNSs. It is information that is produced in the very processes of communication. The production of these types of information – which become of increasing value – is dependent on SNSs.
2. The production of this information is largely based on an ideology of sharing, exposure, and surveillance, or in other words, on communication as emancipatory. One can discern here a tension between the economic component which allows social media companies to create value based on audience labour, and the communicative component which allows users to self-realize through mass self-communication (Castells 2011).

This new mode of production, epitomized in social media, is then founded on a dialectic of exploiting audience labour and promising their de-alienation through the means of communication. Such analysis constructs the media as a dynamic site of struggle between audience (labour) and media providers (capital). Marx (1990: Chapter 10) insisted that capitalist struggles ultimately revolve around time, since surplus-value can only arise from workers working more time than is needed to reproduce their lives through wages. This extra working creates surplus-value which, rather than being exchanged for its equivalent, is rendered into capital and is introduced to the process of accumulation. Since this entails the creation of value by one class of people (workers) and its uncompensated transference to another class (capitalists), Marx refers to that as exploitation. The problem, inherent to capitalist accumulation, is that surplus-value tends to diminish over time, dwindling away the source of capital accumulation (Marx 1993, Chapter 13). To expand, or even just conserve the rate of surplus-value, capital strives to find ways to enlarge the scope of exploitation. This is done by either of two forms: extensive exploitation or intensive exploitation. Extensive exploitation refers to techniques and arrangements by which more time is dedicated

to work, for example, by elongating the working day or by cutting down on lunch breaks and vacation time. Intensive exploitation is achieved by having workers produce more in less time, for example, by accelerating the rhythm of work or making the work process more efficient.

Jhally and Livant (1986) argue that both these processes of exploitation have been occurring in the mass media. The audience has been asked to work more and harder over the course of history. The extension of exploitation was achieved by introducing audience to more advertisements, thus making them watch (i.e., work) more time. The intensification of exploitation, or the increase in relative surplus-value, was achieved in two ways: "reorganizing the watching population, and . . . reorganizing the watching process" (Jhally and Livant 1986, 133). The first involves all sorts of techniques, from media market research to the rating system, all of which are aimed at helping media corporations target a specific audience with a specific ad; such market segmentation leads to an increase in the value of advertisement. As Jally and Livant put it: "Specification and fractionation of the audience leads to a form of 'concentrated viewing' by the audience in which there is . . . little wasted watching" (133). Since highly targeted advertising costs more, "we can say that the audience organized in this manner watches 'harder' and with more intensity and efficiency" (Jhally and Livant 1986, 133–134). The other way by which relative surplus-value is exerted is through the division of time, accomplished mainly by shorter commercials. The audience was taught to read commercial messages more quickly and internalize them.

The exploitation of audience labour in the mass media was limited compared with social media. The extension of exploitation was limited by the capacity of viewers to watch advertisements. Watching television ads is a burden that the audience accepts in exchange for programming. The mass media cannot, therefore, screen too many ads from fear of losing viewers' attention. New technologies of television viewing that audience to skip over ads (such as TIVO) are setting further limits on exploitation.

The intensification of exploitation is also fairly limited. First, the monitoring, rating and segmentation system of mass media, aimed at making advertising more efficient, is imbued in a paradox: the more accurate the information on viewers is, the more expensive it is. This means that the ability of extracting surplus-value from audience labour diminishes. Moreover, viewers' monitoring techniques are based on statistical analysis that are inaccurate and unreliable by definition.

The desires, personality and behaviour of each and every individual in the audience of the mass media are hard to gauge. Secondly, the intensification of exploitation requires media corporations to create television programmes that provide the appropriate "bait" for the desired audience. They can fail miserably achieving this task, either by not attracting enough audience, or not attracting a desired segment of the audience.

SNSs offer a transcendence of these limitations. The extension of exploitation is achieved by having users spend more time on SNS. The work of Facebook users is done incessantly. Since January 2010 Facebook has become the site where U.S. web users spend most time; the average web user spends more time on Facebook than on Google, Yahoo, YouTube, Microsoft, Wikipedia, and Amazon combined (Parr 2010). Moreover, thanks to the ubiquity of mobile devices and wireless networks users are almost always accessible to Facebook. Compared with television watching, which is spatially fixed and temporally limited, Facebook offers much more flexible usage patterns.

SNSs also allow the intensification of exploitation. Rather than mass media companies allocating resources to monitor and segment their audience, on SNSs it is users that segment themselves in a manner that can only be dreamt of for the television audience. Such procedure results in the construction of relatively homogeneous audiences. Moreover, the information gathered about the audience is also much more accurate and rich. Whereas the mass media knew its audiences as statistical entities, as aggregates and abstract segments, Facebook knows its users as individuals. The capillary reach of SNSs, then, facilitates the intensification of exploitation; a biocapitalist (Fumagalli, this volume) nervous system which harnesses the immaterial labour of users.

SNSs users create value by merely using the media, i.e., by using the media platform to express themselves, communicate and socialize. Such exploitation, then, is conditioned by a promise for de-alienation. SNS offer a media environment where audience work can potentially lead to objectification: users have much more control over the work process and the product (although not owning it legally); work entails communication that helps users connect with others and objectify more facets of their species being. SNS is a space for self-expression, for making friends, constructing communities, and organizing a political, cultural, social, or economic action.

The two processes that SNSs facilitate – the exacerbation of exploitation and the mitigation of alienation – are not simply co-present, but

are dialectically linked. SNSs establish new relations of production that are based on a dialectical link between exploitation and alienation that are very different than the relations of production that characterized the mass media. In order to be de-alienated, users must communicate and socialize: they must establish social networks, share information, talk to their friends and read their posts, follow and be followed. By thus doing they also exacerbate their exploitation. And vice versa, in order for Facebook to exploit the work of its users, it must contribute to the de-alienation of their users, propagating the ideology that de-alienation can in fact (and solely) be achieved by communicating and socializing on SNSs, an ideology of communication, networking, and self-expression (Dean 2010), which sees network technology and social media in particular as the golden route to de-alienation. In such ideology, alienation is linked with a lack of communication and with social isolation, a malady that it is promised could be cured through communication and through SNS. And so, the more users communicate and socialize, the more they post photos and follow their friends, the more they "Like" – in short, the more they engage in authentic self-expression and interpersonal communication – the more they objectify and de-alienate. Put differently, the more they work, the more they create surplus-value, and the more they are exploited.

4. Sponsored stories as a case study

To better understand the transformations in audience labour from mass to social media I will use the case study of Sponsored Stories, Facebook's advertising program which involves the labour of audience in the production, dissemination and consumption of advertisements. Sponsored Stories is an advertising program operated by Facebook which mobilizes users, based on their online actions, as sponsors for products in ads, which appear on their friends' News Feed. Introduced in January 2011, the program was hailed by Facebook as its most innovative method to date for monetizing the SNS. Sponsored stories are regular users' posts that a business buys from Facebook in order to highlight them and increase the chance of users' friends to pay attention to them. Say, for example, that user X creates a regular post on Facebook, announcing his visit to a Starbucks store. Starbucks may pay Facebook to render the post into a Sponsored Story. The Sponsored Story now renders user X as a sponsor for Starbucks, Starbucks' logo is added, and the ad is given precedence over other posts in the news feed of user X's friends.

5. Sponsored stories and audience labour

Sponsored Stories can serve as a case study to explore the nature of audience labour in social media, and how it differs from audience labour in the mass media. We can say, in general, that social media users work harder, and create more surplus-value than was created by the mass media audience. Social media users can be said to be involved in three moments in the chain of value production through advertisements: consumption, production, and dissemination.

Consumption – Like the audience that watches advertisements on television, so is the audience of social media mobilized to watch Sponsored Stories. They are performing a similar type of work – a cognitive and emotional engagement with commodities – but in social media the level of mobilization might be higher. A Sponsored Story has not merely a commercial significance, but also a social one: it reports on what my friends have been doing. In the mass media, advertisements interrupt the flow of content; they are completely separated from content and involves a discontinuity in time ("commercial breaks" on TV or radio) or in space (in newspapers). However, an announcement on Facebook, such as Figure 7.1, is not merely a commercial message forced down on Jessica's friends, but a report on a real-life event in Jessica's life, part of her daily life, which she deemed fit to report on Facebook. As a paraphrase of "reality show" we might think of Sponsored Stories as a kind of "reality advertisement", whose effectiveness lies precisely from the blurring the distinction between the economic-consumerist facet of the ad and it being an integral part of the daily lives of the people involved: Jessica, Phillip, and the network of their friends on Facebook.

Production – users are involved also in the production of ads. They are producing the information on which the production of advertisements depends. However, in contrast to the situation in the mass media, audience labour receives here another dimension, since Sponsored Stories mobilize also the "human capital" (Fehr 2011) of users to create ads in collaboration with advertisers. What is being mobilized is not merely users' name and photo but also his persona, his very self. In that sense, users can be likened to (micro-)celebrities who mobilize their media personality to increase the value of a brand.

Distribution – unlike in the mass media, Sponsored Stories are also founded on the work of users, who construct and maintain social networks. These networks are, to a greater or lesser extent, based on familiarity, shared identity and trust. It is a social group of sorts that has shared features and generates mutual influence among its members.

Figure 7.1 A regular Facebook post rendered into an ad

Sponsored Stories are based on networks where members of the audience market commodities that are featured in ads not merely to themselves (as described by Smythe 1981) but also to their friends.

6. Conclusion: The audience fights back

Analysing Facebook as, on the one hand, a playground which allows users to express themselves and fulfil more wholly their selves and capacities, and, on the other hand, as a factory that allows the intensification of audience labour (Scholz 2013) indicates that social media are a social site that encompasses a dialectical tension between two trends. On the one hand, a trend for the socialization of media. This is a trend towards the decentralization of power: popularization and democratization of the means of production and communication, expansion of the circles of participation in the media, and deeper engagement and control of the audience. On the other hand, a trend towards the

commodification of communication products. This is a trend towards the centralization of power: the monopolization of information and communication; an exacerbation of the divide between those who have access to Big Data and those who do not; and the creation of gated communities of communication through technological and legal means.

Those two trends are co-dependent but also contradictory. This contradiction gives rise to a struggle between social media companies and their users. Indeed, the hegemonic trend of increasing exploitation of audience labour is met with a counter-trend. In April 2011, only three months after Sponsored Stories was launched, a class-action lawsuit was filed with a United States circuit court against Facebook. Users accused Facebook of using their names in advertisements without their consent and without remunerating them. In its December 2011 ruling the court dismissed the claim that Facebook had to ask for specific consent from users for the advertising program, but accepted the claim that users had a concrete part in the creation of value for Facebook, and decreed that users are entitled to be compensated. The parties negotiated an out of court settlement which resulted in Facebook paying $20 million compensation for users (Farley vs Facebook 2011, 2013).

On top of the formal-legal aspect of the trial, this struggle indicates the emergence of a new consciousness on the part of social media users and reveals the ways by which it may lead to a real struggle of the audience to redefine its position vis-à-vis media companies. At the core of this struggle is an attempt by users to gain control over the information it produces through communication; control both in the sense of the moral right to decide how their information is used and also the economic right to the value that is extracted from this information. The significance of this legal struggle lies in users' identifying themselves as having a key role in the political economy of social media, and as having a stake in re-shaping the social relations between themselves and media companies. While we might be right to think that the dominant trend in the last two decades has been one of commodifying social communication and information, we must not overlook the counter-trend of struggling to render the means of communication more open, democratic, and indeed *social*, in the deeper sense of the term. This is indeed a weaker, more marginal trend, but its mere existence should remind us that as with any new technology, social media too are a site of social struggle.

The theory of audience labour, and, more generally, the political economy of the media is a necessary tool for analysing new media no less

than it was in the analysis of mass media. It indicates a dynamic process where emerging media reflect social relations, but are also a site where social relations can be transformed. We can now point towards too possible horizons of transformation that are encapsulated in the contemporary struggle over social media as indicated by the Sponsored Stories case. On the one hand, a struggle whose aim is the further commodification of personal information and communication. This seems to be the rationale underpinning the class-action suit of Facebook users. What they essentially demand is a bigger share of the new economic cake where personal information is commodified. Users asked that their role as "workers" creating value be recognized, and that they get their share of that value.

But there is another horizon possible: one which asks to take this "cake", where social information and communication have exchange-value, and exclude them from capitalist relations. It is a struggle to render the space of digital communication into the Commons. The paradigmatic example for that is Wikipedia, a not-for-profit social media organization, mobilizing the work of the audience, but offering in return a non-commodified product which is not mobilized to the process of capital accumulation. That is the deep sense of the digital commons: information which is owned by nobody and belongs to anybody. These two horizons are "ideal types", and empirical reality obviously tends to be more nuanced, but as the current chapter have suggested, we can gain insight into contemporary struggles over the political economy of social media by referring to them.

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8

Advertising on Social Media: The Reality behind the Ideology of "Free Access": The Case of Chinese Social Media Platforms

Yuqi Na

1. Introduction

Media are almost ubiquitous due to the mediatization of society and, in particular, the development of the internet. The changes the internet and social media have brought to our life are obvious, as is the increased likelihood of encountering advertising. Whenever you use platforms such as Google or Baidu you can see advertisements at the top or on the side of your screen. You can receive promotional emails from retailers all year round. Similarly, some video adverts pop up when you pause the clips you are watching on YouTube or Youku. We, as users, are exposed to a large number of targeted advertisements on the internet (Figure 8.1).

This figure shows the role of advertising in the media economy. The global advertising expenditure on the internet (17.6% annual growth) has been increasing much more rapidly than on other media, especially compared with the decrease of advertising expenditure on newspapers (1.4% annual decrease).

Weibo, Youku, and Renren are representatives of Chinese social media platforms. Weibo ranked on position 5 of the most used websites in China and is also the most popular Chinese micro-blog. Youku is the video-sharing platform with the largest number of users in China (#18). Renren Network is the first-ranked Chinese social networking service (#101 in China). It is most popular among college students (data source: alexa.com, accessed on January 12, 2015). Weibo, Youku, and Renren are the top Chinese sites of three different types of social media (blogs, video

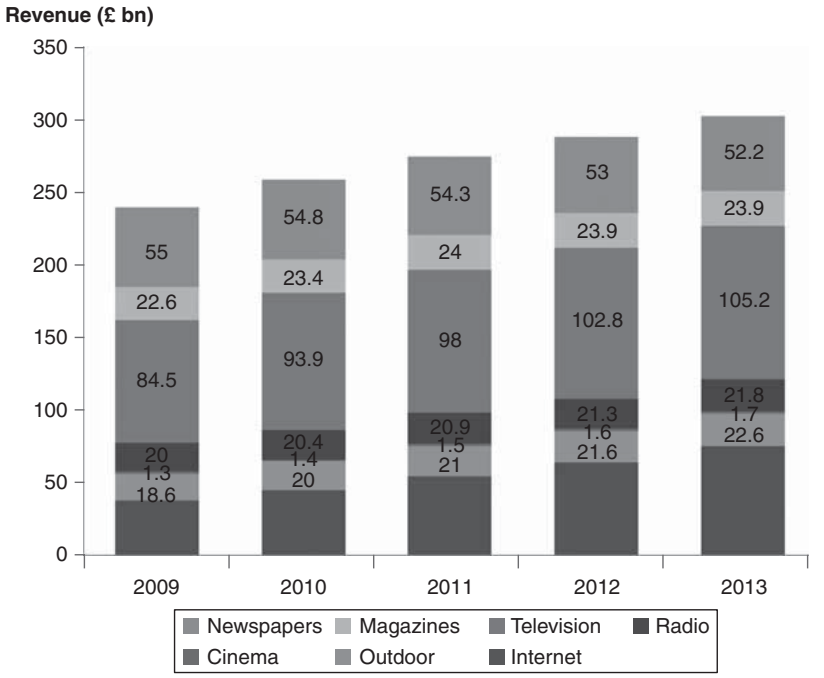

Figure 8.1 Global advertising expenditure, by medium: 2013
Source: Based on Ofcom 2015.

sharing, social networks). This makes them good cases for studying China's social media environment.

This chapter analyses the political economy of advertising on Chinese social media. I begin by examining the importance of advertising for the three Chinese social media that I have selected. I then proceed to show how these social media platforms make profits from advertising through the exploitation of social media users' digital labour. Finally, the chapter analyses if the common sense idea of "free social media" is valid or if it is just an ideology. For this purpose, the chapter uses Marx's theory of ideology.

2. Advertising on social media

Advertising plays an important role on social media for two reasons. The first is that it is the financial basis for social media. From an industry perspective, there are three markets for social media that are used to generate revenue: Business-to-Business (B2B), Business-to-Consumer

(B2C) and Consumer-to-Consumer (C2C). "Advertising is the dominant business model" (Albarran 2013, 2) because "it is difficult to transform online information into a commodity" and "the majority of consumers consider online services to be complementary" (Cha 2013, 61). It is, therefore, even more important for social media companies to make profits from advertising than it would be for more traditional media companies.

Table 8.1 shows that online advertising revenues accounted for 85.6%, 76.2% and 70.3% of Renren's total net revenues in 2011, 2012 and 2013, respectively.

Tables 8.2 and 8.3 record the high level of advertising revenue enjoyed by both Weibo and Youku. These data show how important advertising is as the financial basis of the most frequently used social media platforms in China.

Table 8.1 Renren annual report, 2013

Renren Net Revenues (in thousands of USD)	**2011**	**2012**	**2013**
Online Advertising	59,613	53,505	50,079
Total Net Revenues	69,608	70,180	71,218
Percentage	85.6	76.2	70.3

Table 8.2 Weibo financial results, 2014

Weibo Net Revenue (in millions of USD)	**2013**	**2014**
Advertising and Marketing	43.662	65.373
Total Revenue	53.366	84.130
Percentage	81.8	77.7

Table 8.3 Youku annual report, 2013

Youku Net Revenue (in thousands of CNY)	**2011**	**2012**	**2013**
Advertising	851.345	1,617,173	2,701,644
Total Revenue	897,624	1,795,575	3,028,484
Percentage	94.8	90.1	89.2

There is a high level of advertising across all social media. In a recent study, Graham Murdock (2014) describes the central principles of different media and retail environments that consolidate commodity culture. In his opinion, the Web 2.0 medium, as the latest stage in the development of consumer culture in capitalism, embeds "consumerism ever more firmly at the centre of everyday life under capitalism both imaginatively and practically" (Murdock 2014, 131). One main financial strategy of social media companies is that they sell either space or time to advertising companies. The phenomena described at the beginning of this chapter show the high level of online advertising we can experience every day.

3. Accumulation strategies and the digital labour behind online advertising

The preceding section established the importance of advertising as the dominant avenue for social media. In this section of the chapter we consider the following two questions: How do social media companies make profits from advertising? And what is the underlying source of value generation?

Marx started his investigation in *Capital* with the analysis of the commodity. In a Marxist analysis of capitalism, it is necessary to identify a certain form of commodity that capital uses to facilitate accumulation because "the wealth of societies in which the capitalist mode of production prevails" appears as an "immense collection of commodities" and the "individual commodity appears as its elementary form" (Marx 1867, 125). Commodities play an essential role in the entire cycle of capital accumulation.

Commodities are also important in the media industry, yet they appear in a different form. According to Dallas Smythe (1977), the commodity form of "mass-produced, advertiser-supported communications under monopoly capitalism" is "audiences and readerships" (Smythe 1977, 3). In commercial radio and television, there are two kinds of commodities: the producers' goods that are sold to audiences and the audiences as goods that are sold to advertisers. Audiences' attention is sold as a commodity, meaning that all watching time becomes working time.

In the case of advertising-supported social media and internet platforms, the commodity is the users' data – or, more specifically, the users' online behaviour, the time they spend online, their personal information and their online social connections, and so on. All those data that

could help the social media operators and advertising companies to attract attention or to keep users active online can be seen as commodities that are sold by the social media platforms to the advertisers. And we can even argue that the more active users are on corporate social media that are advertising-financed the more heavily they are exploited.

These are the commodities that have both value and use-value like other commodities that Marx described in *Capital*. First of all, users of social media generate use-value for both themselves and the operators (Fuchs 2014, 260). On the one hand, they use social media to satisfy their human needs, including the needs to communicate, to connect with each other, or to attract people's attention, and so on. On the other hand, they also satisfy the needs of social media corporations and advertising companies – they make it possible for the operators to present advertising online and to make money from them. According to Marx, it does not matter "how the thing satisfies man's need, whether directly as a means of subsistence . . . or indirectly as a means of production" (Marx 1867, 125). Under the former condition, the online data or behaviour satisfy users' needs directly as a means of consumption. In the latter situation, those data satisfy operators' needs indirectly as a means of production – the production of "effective" advertising-watching time. If, more specifically, only the time users spend online watching advertising can be sold to advertisers and consequently can be seen as commodities, then the function of all the other data is: (a) to attract more people to see the advertising; and (b) to make the advertising-watching time more efficient with the help of targeted advertising strategies in order to satisfy the social media corporations' need indirectly.

When the users' data are exchanged on the market, the social media companies sell these data to advertisers in order to make profits, and these data's exchange value therefore plays an important economic role. And, according to Marx, "when commodities are in the relation of exchange, their exchange-value manifests itself as something totally independent of their use-value. [. . .] If we abstract from their use-value, there remains their value" (Marx 1867, 128). So the data generated by users have both use-value and value.

Correspondingly, the labour that generates online data's use-value and value, the online commodity, has a dual character. "[W]ith reference to use-value", the labour contained in the data commodity that "counts only qualitatively" is the concrete labour (Marx 1867, 136). Use-value-enabling data are the products of the users' concrete labour. "[W]ith reference to value", the labour contained in the data commodity

that "counts only quantitatively" is abstract labour (ibid.). The value of commodities can only be generated by abstract human labour and be reduced to pure and simple human labour. So it can be measured by the quantity of labour – the duration, the expenditure of human labour power – labour-time. Therefore users' online data have value generated by abstract labour determined by labour time. The labour time is the time they spend on average on social media, and specifically, the time they spend on average to watch the online-targeted advertising.

These two kinds of labour generate surplus-value through the two processes in ways that are similar to other kinds of commodities that go through the process of production and the process of circulation. According to Marx, in the process of capital accumulation, capitalists purchase labour-power and means of production to produce commodities that are then sold to make profits. In the circulation sphere, money is transformed into commodities. In the production sphere, labour-power and means of production are used to generate new commodities and surplus-value. The production of surplus-value is the process of exploitation. Then commodities enter the circulation sphere again, where the commodities are transformed into money by being sold on the market. Surplus-value is transformed into profits. Accumulation of capital means that the produced surplus-value is (partly) reinvested/capitalized.

This process can also be applied to social media (see Fuchs 2014). Capitalists buy labour-power and means of production (technologies, infrastructure, resources) to produce and operate the social media platform. But this is not the final product sold to the advertisers to generate profits. The platform is used to attract users to generate online content and behaviour, and to put personal information online to generate the final product – data – that is sold to advertisers. This commodity is then transformed into money and makes profits for social media companies. In this process, social media companies exploit both the employees' wage-labour in the company and the users' unremunerated labour in order to generate profits.

The capitalist use of data is obvious on the three Chinese social media platforms that are subject of the study presented in this chapter. Sina Weibo applies a specific user privacy protection agreement to all its users. It shows its commercial usage of users' data, especially in the sections on the *Collection of Personal Information* and on *Personal Information Management* (Sina Weibo's official website, accessed on January 12, 2015):

> You have acknowledged and agreed that when you sign up an account on Sina Weibo or use Sina's service, Weibo will record your relative personal information, such as name, mobile number and so on. All this personal information is the basis to use Weibo's service. At the same time, in order to provide a better service to users, Weibo will acquire and upgrade other information relative to Weibo's service For example in order to provide a better service, when you use Weibo, we may collect how welcome certain services are, or the browsing behaviour and so on.[1]
>
> (From *User Privacy Protection Agreement* on Sina Weibo official website, January 12, 2015)

> Weibo may use your public personal information for marketing. This includes but is not limited to: display or provision of advertising and marketing information on Sina Weibo, information about or promotion of Weibo's service and product, and other similar information based on your usage of the Weibo service or product and what you may be interested in. Your personal information also includes what you choose to share when you take action to authorise Weibo, such as adding a new friend, a new location, your mobile contacts to Weibo or some other circumstances[2].
>
> (User Privacy Protection Agreement, Sina Weibo's official website, January 12, 2015)

On their web page about the advertising services available to customers, Weibo claims that it can perfectly target users according to their characteristics, such as "location, age, gender, interests and so on" (Weibo official website – advertising centre, accessed on January 12, 2015). Surveillance is an inherent economic feature of corporate social media.

Similarly, the *User Privacy Agreement* section of Youku's terms of use says:

> When signing up for a service provided by Heyi [the company that owns Youku], the user should provide personal information. The aim of Heyi when collecting personal information is to provide personal online services to users as much as possible and to provide convenient access to proper users for advertising companies and to then promote relevant content and advertising.[3]
>
> (From *Agreement*, Youku official website, 2015)

Renren also uses a similar policy: "Renren has the right to analyse statistic of users' information and to use it for commercial purposes"[4], "Users authorise Qianxiang [the company owning Renren] to send commercial information through email"[5] and so on (Renren Agreement, accessed on January 12, 2015).

One thing that needs to be pointed out is that the usage of statistics, the collective data from a large group of users instead of one specific user, does not undermine exploitation in any way. The surplus-value generated by a group of people together is still surplus-value. Statistics are just one way for internet companies to comfort users and avoid criticism.

Another argument held against digital labour theory is that watching advertisements and uploading personal information on to social media is not similar to labour. People do not make a living by using social media. Yet there is a form of social coercion (Fuchs 2014): if you don't use social media, you will be less connected with friends and may be rejected by them. That is especially true among the younger generation.

We should have a dialectic and historical perspective on social media. When online companies are profit-oriented and exploit users, then they are part of the "online ruling class" and operate against users' objective interests. Social media companies make large profits from user-generated content. Yet the social media companies never pay users for the profits they make. The strategy used by them is that users get "free" access and services in exchange for their online content, connections, attention, and other behaviours. For instance, on the official Sina Weibo website one question listed in the FAQ section for new users is "Is Sina Weibo free?" and the answer provided by the company is "Sina Weibo is developed by Sina company, and it provides *free Internet service* for Internet users. Please don't worry about it[6]" (Sina Weibo official website). The term "free", however, is not just a strategy used by social media platforms, but rather an ideology applied to disguise the hidden process of capital accumulation. But what is ideology?

4. Marx's ideology theory

Marx never created an explicit and full-developed theory of ideology, but his discussion of the subject is contained in his writings on other matters. He uses the concept of ideology in different circumstances, even with various peculiar meanings that later generated different interpretations of his thoughts. However, this does not mean that there are direct inconsistencies or even reversals in his concept of ideology. Rather, when one goes through the development

of Marx's thought, one can find out that his different usages "were held together by an implicit coherence which, in an astonishing way, foreshadowed many of the achievements of later ideology-theories" (Rehmann 2014, 20).

Eagleton suggests four versions of ideology in Marx's writings. The first is "illusory or socially disconnected beliefs which see themselves as the ground of history [...] and serve to sustain an oppressive political power". Secondly, ideology can denote "those ideas which directly express the material interests of the dominant social class, and which are useful in promoting its rule". The third way to understand ideology is that it "encompasses all of the conceptual forms in which the class struggle as a whole is fought out, which would presumably include the valid consciousness of politically revolutionary forces" (Eagleton 2007, 84). The final meaning of ideology pointed out by Eagleton is related to the particular capitalist mode of production and commodity fetishism (ibid., 87).

Similarly, Rehmann distinguishes three inseparable and sometimes overlapping ways that later developed into three theoretical tendencies, to understand Marx and Engels' ideology: firstly, an "ideology-critical approach"; secondly, a "neutral concept"; and thirdly, a conception that conceives ideology as "the ensemble of apparatuses and forms of praxis" (Rehmann 2014, 21–22).

These different interpretations of Marx's theory of ideology arise for two main reasons. The first one is that the discussion of ideology at first comes out of Marx's twofold critique of idealism and old materialism. Thus in order to deeply criticize these two approaches of philosophy, Marx has to sometimes choose a relatively "one-sided" position (Larrain 1979, 38). He uses both the terms "phantoms" and "camera obscura" to indicate an arbitrary distortion of reality of consciousness. But this confusion should be understood in the context of Marx's criticism of idealism. Marx's emphasis is on the determination of consciousness by material life. The other reason is that there is an obvious "intellectual development" that runs throughout Marx's works (Larrain 1979, 36). His thought developed and its focus changed, and so did his analysis of ideology. But there are no direct conflicts or inversions in this development.

Based on Larrain's two phases of Marx's intellectual development, we can discern three periods in the development in his analysis of ideology. The representative works of the first stage are the *Critique of Hegel's Philosophy of Right* (1843), *Theses on Feuerbach* (1845) and the *German Ideology* (1845–1846). This is the starting point for Marx's study of ideology.

In this stage, Marx focused on the critique of both idealism and old materialism. He tried to integrate them to build a new theory to show the relationship between subject and object with the mediation of practice. Ideology here relates to the relationship between consciousness and reality.

While Feuerbach, the representative of old materialism, realizes the difference between reality and thought, this dualism "does not see how the sensuous world around him is, not a thing given direct from all eternity, remaining ever the same, but the product of industry and of the state of society" (Marx and Engels 1998, 45). For Marx, the Young Hegelians gave "undue prominence to the power of ideas in society" (Eagleton 1994, 23). Marx's important criticism of idealism is that consciousness is social and material: "Consciousness [*das Bewusstsein*] can never be anything else than conscious being [*das bewusste Sein*], and the being of men is their actual life-process" (Marx and Engels 1975, 36). The German idealist philosophers separated consciousness from reality and perceived it as totally autonomous and arbitrary entities. However, for Marx, "life is not determined by consciousness, but consciousness by life" (ibid.). So, by integrating these two philosophical approaches, consciousness is conditioned in real historical reality with relatively autonomy from the outside world.

Marx sees false consciousness as the real meaning of "what men do" that is different from "what they think they do". Marx argues that ideology comes from the historical conditions, so consequently one cannot change a society by merely combating false consciousness without referring to practices and without changing the whole real life process.

Departing from the scrutiny of practice as mediation between consciousness and reality, Marx's focus of study started to shift from the critique of philosophy to a concrete analysis of social conditions and political economy. His thoughts about ideology developed consequently to a second stage. This is more like a transitional period that covers his works in the first stage and leads to the next phase. In this stage, Marx analyses the broad mechanisms of ideology based on general material relations. Humans' practices bring about the division of labour. This division is related to the existence of different social classes and consequently contradictions. Because of the limitation of the productive forces, the scarcity of a society, any society in history, can only satisfy "the needs of a few (dominant class) at the expense of the majority (dominated class)" (Larrain 1979, 45). So there are contradictions in all these societies: "in antiquity the contradiction between free men and slaves, in the Middle Ages that between nobility and serfs, in modern

times that between the bourgeoisie and the proletariat" (Marx and Engels 1975, 432).

People cannot overcome these contradictions by their will. Instead, they can only liberate themselves "each time to the extent that was dictated and permitted not by their ideal of man, but by the existing productive forces" and, based on the historical conditions, the "restricted productive forces" at that time (ibid., 431). Because once men produce social conditions and social relations, they work independently from men's will and frame people's practice. So when contradictions rise but cannot be solved in practice, people have "distorted solutions" in mind (Larrain 1979, 46). This negation or inversion of the contradictions that appears as unsolvable is ideology. It is a unity of reality, a restricted material mode of activities, and consciousness – there are distorted representations of reality. Figure 8.2 shows the relationship between reality and ideology. Here ideology is a distorted perception, an imagination that exists in human consciousness.

With this general analysis of social contradictions, Marx's theory of ideology goes through a third stage. Because ideology is closely related to contradictions in certain social conditions and these contradictions, according to Marx, are historical, we can say that thus ideology is also historical. In this stage Marx focuses on studying the specific capitalist mode of production and analysing the specific relations and the hidden ideology of capitalism. It contains his *Grundrisse* (1857–1861), *Preface* to *A Contribution to the Critique of Political Economy* (1859) and, of course, his "mature" work – *Capital Volume 1* (1867), especially Section 1.4: *The Fetishism of the Commodity and its Secret*. In the *German Ideology*, Marx recognizes a "reproductive practice and the constitution of an objective power over and against the individuals". In *Capital*, he "completes the analysis of this practice in detail and spells out the forms which this objective power assumes" (Larrain 1979, 54). He also broadens ideology

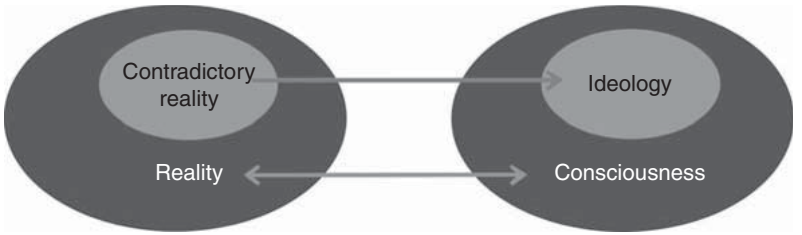

Figure 8.2 Reality and ideology

from inversions between reality and consciousness discussed by philosophers to distortions resulting from distorted appearances and existing in common mind.

The capitalist mode of production, for Marx, is concealing the real social relations behind them and is showing themselves in external fantastic appearances. The commodity form hides the social class relations, in which workers generate surplus-value. But this does not mean that these appearances are not real. They just present themselves in a different way from, "and indeed quite the reverse of", their inner essence (Marx 1992, 312). The circulation of commodities conceals the hidden social relations between capital and labour. This fetishism of the commodity then has an ideological consequence. Ideology takes on the form of the appearance of reality and negates the essential social relations behind them.

Figure 8.3 shows the relationships of reality, appearances and ideology in capitalist society. The appearances exist both in reality and in consciousness, they are mediation between the contradictions in reality and ideology, distorted consciousness concealing those contradictions.

Thus, as shown in the figure, not all the consciousness that interacts with reality is ideology. It leaves room for non-ideological consciousness–free mental production. But how can we then distinguish an ideology from free mental production? Or to go back to the original question, what is ideology?

Before a definition of ideology can be given, we need to clarify certain points, to distinguish different terms related to ideology in order to better understand Marx's theory. Eagleton (2007) argues that there are discontinuities and discordant definitions of ideology in Marx's works. I am critical of such claims. Marx does not use the term "ideology"

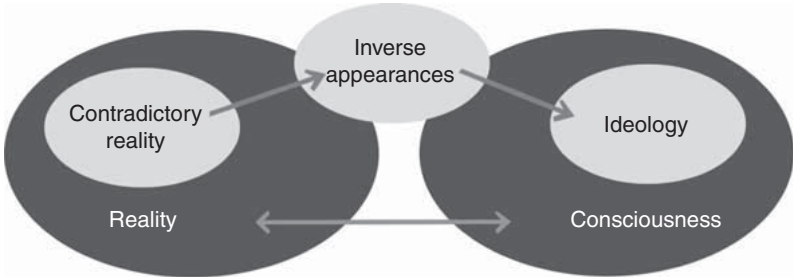

Figure 8.3 Reality, appearances, and ideology in capitalist society

itself in some circumstances where he talks about ideology, yet Eagleton argues that in these passages Marx speaks of ideology.

This concerns, for example, the relationship between ideology and class. Marx makes the famous claim that "the ideas of the ruling class are in every epoch the ruling ideas". Eagleton automatically perceives this passage as a discussion of ideology, and refers to it as a "political model of ideology" (Eagleton 1997, 79). However, though with occasional confusions, Marx does recognize that "originally some forms of consciousness of the ruling class correspond to the form of intercourse and, therefore, are not ideological" (Larrain 1979, 51). This means in practice that the consciousness of people with a bourgeois family background is not necessarily bourgeois, as shown by the examples of Marx, Engels and Lenin, who all come from bourgeois and relatively wealthy families. As Larrain points out, for Marx "not all class-orientated thought is ideological" (ibid., 63). Moreover, Eagleton himself also recognizes that in the *Preface of the Contribution to a Critique of Political Economy*, Marx clarifies that ideologies are not confined to the ruling class and has a "rather less pejorative sense of the class struggle at the level of ideas" (Eagleton 2007, 80).

Another issue concerns the relationship of base and superstructure. First of all, the difference between base and superstructure is clear – the point is determination. According to Marx, the "base" is "the sum total of these relations of production" which "constitutes the economic structure of society" and thus it is "the real foundation, on which rises a legal and political superstructure and to which correspond definite forms of social consciousness" (Marx 1979, 11). Eagleton claims that these "definite forms of social consciousness" are equivalent to ideology, though he also admits that this assumption is not unproblematic. But from Marx's consistent idea about consciousness and reality, we can say that here "definite forms" do not necessarily mean a specific kind of consciousness, namely ideology. For Eagleton, Marx just repeatedly claims that that social being determines consciousness. Yet Marx does here separate the political superstructure from social consciousness. One can say that for Marx, therefore, the superstructure consists of two parts: the political superstructure and social consciousness. And ideology exists in the superstructure. Both forms of superstructure can be ideological. Ideological consciousness would vanish once the social contradictions of dominative societies have been overcome, so would the ideological features of the political superstructure, yet not the political and cultural superstructures

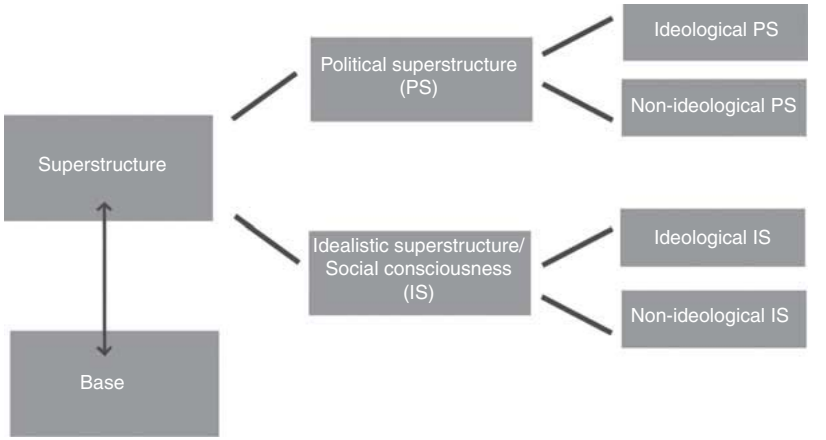

Figure 8.4 Relations of the base and superstructure

themselves. Social consciousness will exist forever. Figure 8.4 visualizes these relationships.

In order to form a consistent understanding of Marx's theory of ideology and to emphasize his critical position with regard to it, here I refer to Marx's definition of *ideology* in which "men and their circumstances appear upside down as in a camera obscura" (1998, 42). Ideology is the concealment of contradictions in social relations resulting from the inversion of social conditions in class society. And to be, to think, or to act in accordance with ideology means to conceal these contradictions intentionally or unintentionally.

So, judged from this definition, to talk in terms of a "free" internet and social media is ideological. It is an ideology that hides the contradictions between users on the one hand and internet companies and advertising companies, as well as the exploitation of users by these companies on the other.

Why is the ideology of free access so widely accepted and spread? There are two principal reasons. Firstly, it is because of the existence of a deceptive appearance. Just as the wage-form and the commodity form disguises the surplus-value generated by labour, users' exposure to advertisements as an exchange to the service provided by internet companies conceals the surplus-value generated by users. Internet companies make money from a large amount of user-generated content.

Moreover, even though the users can recognize the hidden contradictions they cannot so easily change them. Even though there are alternative platforms, it is hard for users to move all personal data to

them. And because users cannot solve this problem of how to foster alternatives to the advertising-based platforms, are often unaware of these platforms, and are locked into the corporate monopoly platforms by social coercion, they tend to accept the ideology of "free" '. They then share the distorted representation of reality that online advertising is a fair exchange of data for the "free" access to the internet.

It is also necessary to apply a historical perspective to criticize this idea of the "free" internet. Tracing back the history of the internet, one can say that the commercial usage of the internet definitely promotes the development of this ideology. When online companies started to develop on the basis of surplus-value generated by exposing users to advertising, they needed to introduce ideologies that justify advertising culture. And these companies started to use this ideological claim to attract more users and audience members as workers and to make more profits.

5. Conclusion

Financial data and the high level of advertising on three typical Chinese social media platforms – Weibo, Youku and Renren – show that advertising plays an essential role for social media in China.

These platforms can make profits from advertising because their users are sold as commodities to advertising clients through targeted online adverting. The privacy agreements and terms of use indicate that these companies sell private data and usage statistics. They sell users' time, attention and space on their platforms to advertising clients in order to expose users to targeted advertising. In this way, these platforms make profits by transforming users into workers. Users generate use-value for themselves by connecting and sharing ideas and culture with each other. This circumstance is obvious to most people because it can be experienced directly. However, what is less clear for users is that they also, at the same time, generate use-value and value for these platforms. Their online behaviour and information make it possible for social media to sell them to advertising companies and to make profits. The exploitation of users is a capital accumulation strategy.

However, the claim of "free access" disguises this exploitation of user labour on social media. Marx's critique of ideology developed in three stages. Starting from the critique of philosophy of idealism and mechanic materialism, Marx points out a dialectic relation between reality and consciousness and the determination of reality. Then he shifts to analyse general social conditions. In this second stage of analysis,

ideology is resident in consciousness as an imaginary solution of real unsolvable contradictions. Marx's analysis of ideology corresponds to his concrete study of the capitalist mode of production. In the analysis of the commodity and capitalism, he identifies that ideology is an inverse appearance that exists between reality and consciousness. He finally points out a distinction between base and superstructure. Political superstructures and social consciousness are two forms of superstructures (as shown in Figure 8.4). Ideology can be defined as the concealment of contradictions that are immanent in social relations. It expresses itself as the inversion of social conditions of class societies so that domination appears as natural. By referring to this definition, the idea of "free" social media promoted by all analysed three Chinese media platforms conceals the contradictions between social media platforms and users, the exploitation of users.

However, if the social connections and personal expressions, which are two features essential for human beings according to Marx, can be seen as a kind of wage, then the more actively one behaves online, the more value one generates for social media platforms yet at the same time there is also a wage increase. This question requires a further discussion concerning the issue if satisfactions can be seen as a wage or not, which requires a thorough engagement with the theory and political economy of the wage.

Notes

1. Translated by author, original version is in Chinese (access on 12 Jan): "您已知悉且同意，在您注册微博帐号或使用微博提供的服务时，微博将记录您提供的相关个人信息，如：姓名，手机号码等，上述个人信息是您获得微博提供服务的基础。同时，基于优化用户体验之目的，微博会获取与提升微博服务有关的其他信息，例如当您访问微博时，我们可能会收集哪些服务的受欢迎程度，浏览器软件信息等以便优化我们的服务"。See online: http://www.weibo.com/signup/v5/privacy
2. Translated by author, original version is in Chinese (access on 12 Jan): "在现行法律法规允许的范围内，微博可能会将您非隐私的个人信息用于市场营销，使用方式包括但不限于：在微博平台中向您展示或提供广告和促销资料，向您通告或推荐微博的服务或产品信息，以及其他此类根据您使用微博服务或产品的情况所认为您可能会感兴趣的信息。其中也包括您在采取授权等某动作时选择分享的信息，例如您当新增朋友，在动态中新增地标，使用微博的联络人汇入工具等"。See online: http://www.weibo.com/signup/v5/privacy
3. Translated by author, original version is in Chinese (access on 12 Jan): "当用户注册合一公司的服务时，用户须提供个人信息。合一公司收集个人信息的目的是为用户提供尽可能多的个人化网上服务以及为广告商提供一个方便的途径来接触到适合的用户，并且可以发送具有相关性的内容和广告"。See online: http://www.youku.com/pub/youku/service/agreement.shtml
4. Translated by author, original version is in Chinese (access on 12 Jan): "人人网有权对整个用户数据库进行分析并对用户数据库进行商业上的利用"。See online: http://renren.com/info/agreement.jsp

5. Translated by author, original version is in Chinese (access on 12 Jan): "用户在此授权千橡公司可以向其电子邮箱发送商业信息"。See online: http://renren.com/info/agreement.jsp
6. Translated by the author, original version is in Chinese (accessed on January 12, 2015): "新浪博客是由新浪公司开发的，为广大网友提供的*免费网络服务*。请您放心使用"。See online: http://help.sina.com.cn/comquestiondetail/view/1008/

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9

Mapping Approaches to User Participation and Digital Labour: A Critical Perspective

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1. Introduction

The period since the mid-1990s has been awash with interpretations of the changes brought about by digital technologies and online social media. Many non-critical accounts have been quick to emphasize how these developments have empowered users by providing increased possibilities for participation, global connectivity and the generation of content that can seriously counter the formerly entrenched inequalities. By making a fourfold challenge to such celebratory accounts, we suggest in this chapter an alternative, critical approach to user participation (Section 1). We maintain that relating user participation to digital labour substantiates the critical approach since it allows speaking of user participation as exploited and participating in the reproduction of social inequality (Section 2). We map two influential critical accounts to user exploitation in informational capitalism. Finally, we apply the suggested critical perspective to the concrete example of social media usage by taking Marx's understanding of the mode of production into account and situating the business model of social media within (Section 3).

2. The Wondrous Technologies: Theories celebrating the social status quo

Non-critical and celebratory approaches to social media and Web 2.0 do not use critical conceptual frameworks that would make possible a coherent analysis of internet-based platforms as a part of the capitalist accumulation cycle. Instead of speaking of digital labour they

use other concepts such as peer production, prosumption, produsage, and crowdsourcing. This makes it difficult to differentiate, even at the most basic political-economic level, between digital practices where user cooperation and collaboration is being exploited for private profits (e.g. Google, Facebook) and activities that are instead focused at building a real commons-based society (e.g. Wikipedia). At the same time, these approaches view technological changes as revolutionary and disruptive, meaning they interpret existing social relations as completely different to previously existing historical relations. For Shirky (2008), technology is, for example, augmenting new organizational connections and seriously challenging older institutional forms. As he points out, "thanks to the web, the costs of publishing globally have collapsed" (ibid., 9) stories can "go from local to global in a heartbeat" (ibid., 12), all the while "getting the free and ready participation of a large, distributed group with a variety of skills [...] has gone from impossible to simple". Both technological and social reasons combine "to one big change: forming groups has gotten a lot easier", (ibid., 18) which means that obstacles for groups to "self-assemble", even when they lack any finances, have basically collapsed (ibid.). Shirky's account is comprised both of presenting changes as a disruptive revolution and as incomparable to anything similar in social history.

Celebratory accounts depicting developments in information and communication technologies are hardly novel. Dyer-Witheford (1999, 22–26), for example, combined statements of the key advocates of the coming "information society" into a revolutionary doctrine. Amongst several claims, which helped them to conceal the cold objectives of capital and legitimated a big technological reorganization, was that human society will enter a completely new phase, which will be global in its scope. It will bring about a knowledge society devoid of traditional class conflicts. Similar myths have appeared with the rise of the internet. Mosco (1982; 2004), for example, described "pushbutton fantasies" and "the digital sublime", while Fisher (2010) described these accounts as "digital discourse". As he noted, this discourse celebrated network technologies and went far beyond simply popular jargon, as it also entered academic, political and economic circles. According to Curran (2012), celebratory accounts about the internet asserted that technology will spur a radical economic transformation, which will be connected to a future of great prosperity for all. It will bring about harmony between the peoples of the world, enable completely novel approaches to politics and democracy, and also pave the way for a renaissance in journalism.

Non-critical, celebratory approaches do not deal with other less amicable processes that have accompanied the rise and normalization of new information and communication technologies. They are devoid of issues such as globalized ubiquitous mass surveillance, intensive and extensive commodification, novel techniques of controlling and managing production process, or new and expanded ways of labour exploitation that all help to strengthen class inequalities. Even though the celebration of technological changes has remained fundamentally flawed because of its one-sided interpretations, it remains crucially important to analyse the promises that are given in such accounts. This is the case because refuting the myth is not enough; it also entails figuring out why it exists in the first place (Mosco 2004, 29). According to Mosco (2004), myths are socially important as they can offer an attractive vision of the future, helping people in their struggles with antagonisms of daily life. This means they can be seen not only as post-political (as claimed by Barthes), but also as pre-political, because they indicate the location of social problems. Myth is also closely related to power, however (ibid., 7). As pointed out by Mosco (ibid., 24), they "matter in part because they sometimes inspire powerful people to strive for their realization whatever the cost". For myths to be successful, those in power must embrace them and keep them alive (ibid., 39; cf. Dyer-Witheford 1999; Fisher 2010). Celebratory mythological accounts embraced by political leaders, corporate executives, academics, journalists and researchers often not only describe the future; they in fact prescribe it (Dyer-Witheford 1999, 19, 22). In a manner of a self-fulfilling prophecy, they generate a specific version of reality they predicted (ibid.).

Celebratory accounts are important, therefore, in understanding society, but they never take account of the "whole picture". Our goal in this part of the chapter is to delineate from a critical perspective in what fundamental ways these mythological celebratory accounts are erroneous. In discussing the "fundamental" shortcomings of these accounts, we have in mind the most basic level of theoretical and epistemological presuppositions. Even though these are often only implicit in certain approaches and descriptions, they are always present and thus, in many ways, set the stage for social research, while also influencing its results. Celebratory and often other non-critical approaches also lack: (a) an in-depth historical awareness, which leads them to interpret social changes in terms of complete discontinuity; (b) a holistic framework that would enable them to analyse and interpret social phenomena as parts of social totality, because it is always the wider context that influences their development and role in society, which means they cannot

be analysed in isolation; (c) a focus on contradictions, antagonisms and power relations, which are entrenched in capitalist social relations. Ignoring these basic issues leads celebratory approaches to interpret the existing social relations as "the best of all possible worlds", because they also lack (d) a real normative underpinning, while they simultaneously take for granted specific social formations such as capitalist market or predominance of commodity exchange.

Critical authors often see the historical dimension as a crucial part of criticality as it can show the temporality of social formations: how they emerged in certain historical contexts and power relations distinctive of it and, consequently, how and why they could dissolve (see Smythe 1971/1978; Wallerstein 1999, 1991/2001; Bonefeld 2009, 125). Celebratory approaches lack any such historical awareness; they are either ahistorical, quasi-historical or even anti-historical. Proponents of the buzzword *produser*, which combines the notions of usage and production into supposedly completely new phenomena, for example, point out that "new terms like produsage can act as a creative disruption to the scholarly process, enabling us to take a fresh look at emerging phenomena *without carrying the burden of several centuries of definition and redefinition*" (Bruns and Schmidt 2011, 4, our emphasis). In this case historicality is portrayed as a problem, because Web 2.0 brought about so completely new social phenomena that they could not be associated in any way to the concepts used during the industrial revolution.

When history is not altogether missing or outright rejected, celebratory approaches are quasi-historical at best. Superficial historical insights are used to demonstrate how the existing society is completely different from what it used to be. The change is, in fact, so vast as to constitute a revolutionary disruption. For Benkler (2006), the "networked information economy" of "decentralized individual action", for instance, brought about a "radical change in the organization of information production" and a break with the "industrial information economy". For him the change is so structurally deep that it transforms "the very foundations of how liberal markets and liberal democracies have coevolved for almost two centuries" (ibid., 1). Shirky (2008) uses similar arguments. According to him, it is because of social media that "we are living in the middle of a remarkable increase in our ability to share, to cooperate with one another, and to take collective action, all outside the framework of traditional institutions and organizations" (ibid., 20–21). Instead of seeing changes in terms of a radical rupture and complete discontinuity, they must – in our opinion – be necessarily understood in terms of a dialectical contradiction between enduring

continuities and important discontinuities (Fuchs 2012b; 2014b, 53–55; Prodnik 2014, 146–148). The persistent continuities are the inequalities, exploitation and antagonisms distinctive of capitalism.

The inability to think of social phenomena as parts of totality is related closely both to historical ignorance and to the non-existent normative basis of celebratory approaches. It is by naturalizing social formations such as economic exploitation that one can ignore its role throughout history and overlook how it often leads to class antagonisms, because not everyone benefits in the same way from technological developments (Mosco 1982). It is by ignoring the contradictions and conflicts emerging from social totality that one cannot imagine a normatively different alternative to the status quo, because for celebratory authors a better society will be an automatic consequence of new technologies. These flawed theoretical presuppositions are therefore mutually interconnected and supportive of each other. For Benkler (2006), the "increasingly information dependent global economy", which is itself revolutionary, will enable "individual freedom", full-blown "democratic participation" and "a more critical and self-reflective culture", leading to "human development everywhere" (ibid., 2).

Labour and exploitation vanish from the conceptual apparatus of celebratory authors as if these phenomena do not exist. In this sense the mentioned approaches are fetishistic (Marx 1867/1976, 163–177), because even when the production process is analysed this is done outside of intensified commodification, inequalities and the wider global capitalist accumulation and commodity chains, which are all indispensable in rendering these technologies even possible (see Fuchs 2014a). In non-critical approaches categories that could lead to critical appraisal are replaced by euphemisms such as "productive participation" (Bruns and Schmidt 2011, 5) or "commons-based peer production" that is supposedly based in decentralized collaboration of non-proprietary and non-monetary sharing (Benkler 2006, 60). For O'Reilly (2005), who popularized the buzzword Web 2.0, this concept similarly denoted dynamic and collaborative platforms that "harness collective intelligence" and feed on the "wisdom of crowds". In his view Web 2.0 allows novel "architecture of participation" and is consequently turned "into a kind of global brain".

O'Reilly (2005), in fact, acknowledged that "users add value", but also added they will rarely do it intentionally. He proposed that Web 2.0 companies should therefore "set inclusive defaults for aggregating user data and building value as a side-effect of ordinary use of application". As in other administrative non-critical scholarship he focuses "on

technology without taking into account its embeddedness into power structures" (Fuchs 2014b, 56). It is beside the point for O'Reilly that aggregating user data, which he cherishes, entails mass surveillance and that adding value necessitates labour and economic exploitation.

3. The digital labour debate: How to think of exploited user participation?

Theorizing user participation becomes a critical endeavour distinguished from a celebratory approach when it is related to exploitation; thus a social structure that permanently reproduces unequally distributed life-chances. Most generally, exploitation means that one social group profits more from the achievements of another group than the latter group itself is able to profit from their own achievements. Erik Olin Wright (1997, 10) argues that exploitation entails three aspects: First, inverse interdependent welfare, the wealth of social groups is dependent on other social groups that profit less. Second, exclusion, social groups ensure that the other social groups are excluded from the profit-generating conditions and the profit itself (through private property rights). Third, social groups are able to appropriate the wealth created by other social groups.

The notion of exploitation, although widely associated with Marx's writings, was not actually invented by him. He did, however, give the theory of exploitation a certain twist when he incorporated it into his own theory of value:

First, Marx conceptualizes "achievements" as surplus deriving from the fruits of labour (1867/1976, 344) and at this point he affirms the labour theory of value that was dominant in classical political economy. In the debate about digital labour, this is a first controversial issue that entails two social philosophical aspects (see Fuchs and Sevignani 2013). Is it appropriate to frame user participation on the internet as work – or is it something different, such as interaction, symbolic expression, or simply pleasure? Does the quality of an activity, e.g. pleasurable user participation, determine whether or not it is work? Or, on a broader philosophical base, does something new emerge from user participation that transcends an existing base?

Second, Marx observes that wealth appears in capitalist societies in commodity form and defines value as a capitalist social relation. In doing so, he leaves behind a naturalistic and social philosophical understanding of value towards a sociological analysis. The value of a commodity cannot be determined by counting concrete labour time

that was necessary to produce it, but by the labour time that is socially necessary to produce it. In capitalism, where products are produced privately for the market, there is no entity that is able to account the time socially necessary to produce any commodity as it would exist in a planned economy. Socially necessary labour time is not known a priori, but comes to light only a posteriori through the social praxis of exchange on the market. How valuable any production was is principally uncertain and the social relation that determines it is one not mediated by conscious value orientation of the people, but exercises itself behind the peoples' backs mediated by their labour products (Marx 1867/1976, 135).

Consequently, Marx connects the theory of exploitation to his value theory and maintains that in capitalism the exploitation of the fruits of labour/socially produced surplus takes on a "more refined and civilized" (1867/1976, 486) quality that makes it distinct from earlier forms of society and accords it to the specific social form of wealth creation in capitalism. Exploitation is organized through labour markets, where labourers have specific state-guaranteed rights and freedoms that frees them not only from personal dependences, but also from controlling the conditions for the realization of their labour to make ends meet. The wage-form, which is labour power becoming a commodity exchangeable for money, is a crucial consequence of the capitalist development and integrates the older concept of exploitation into the mechanism of market societies.

If value and surplus-value is redefined in capitalism as a market relation then labour spent outside this relation may be necessary, but is not valuable in the strict sense. This is why Marx comes to say that being a productive value-creating labourer "is not a piece of luck, but a misfortune" (1867/1976, 644) since value creation is an alienated and, for the labourer additionally, an other-directed activity, which sustains its exploitation albeit society provides him or her with certain freedoms. In terms of digital labour, there is much debate whether e.g. user participation is subsumed by the capital relation and can count as productive value-creating activity and how this should be normatively and politically evaluated. It poses questions such as if there is such a thing as a double free internet user, whether users' participating activities are actually exchanged, and whether they are subsumed to capitalist control.

Third, a further problematic aspect is included in Marx's value theory: Not only is labour outside the capital relation classified as unproductive – this unproductiveness extends also to all labour spent in

circulation. Marx distinguishes production from circulation and this distinction presupposes a standpoint that observes the entire economic process and not solely that of a single corporation seeking profits. The latter sphere includes all labour necessary that a production can be started, e.g. labour in the finance industry that helps to provide money to undertake production, as well as all labour that is necessary that a product actually can be sold, e.g. labour that becomes necessary for marketing. Although these labours may all be completely subsumed under the capital relation (wage labour produces commodities for profit purposes), they do not count as productive (Mohun 2002). Here it appears that the value theory and therefore the theory of exploitation, which Marx set out to reframe, is still a valid presupposition in his mind. Value is obviously not solely defined by the capital relation, but also by material aspects in the sense that it finally relates to the satisfaction of needs and must produce use-values that are not functional to the capital relation. Marx's theory oscillates, therefore, between a social philosophical and a strictly sociological approach. In terms of user participation, it is an ongoing matter of dispute whether users participate productively or whether their activity is based in the circulation sphere thus being "unproductive".

What we can retrieve from the previous brief introduction regarding the notion of exploitation and its framing by Marx are several questions that should be answered by any critical theory of user participation. Against this background, two main approaches of how to understand user participation critically have developed. The first of these situates itself within the Smythian tradition of critical communication studies (Smythe 1977/2006; Jhally and Livant 1986; currently most prominently represented by the works of Fuchs 2014a; 2014b, but see also Ritzer and Jurgenson 2010; Andrejevic 2015). The second approach is based on a rethinking of Marx's concept of rent in the digital age (Pasquinelli 2009; Caraway 2011; Arvidsson and Colleoni 2012; Huws 2014; Ouellet 2015).

Dallas Smythe first speaks of the commodification of audiences through the corporate media (1977/2006). Just like labour power was commodified and became exchangeable on markets with the rise of capitalism, audience power is now traded in the media industry. With the rise of a "surveillance-driven culture production" (Turow 2005, 113), most internet services rely on advertising as their business model, Smythe's notion of audience power was updated. Fuchs argues that "advertisers are not only interested in the time that users spend online, but also in the products that are created during this time – user generated

digital content and online behaviour" (2012, 704). The "work of being watched" (Andrejevic 2002) is now a key quality of using the internet and the user participates in the production of the service. He or she is therefore a "prosumer" or "produser". Fuchs and others within this strand generally highlight a correlation between user base and revenues (Andrejevic 2015, 7) in terms of extensity and intensity of time spent online from which they derive their notion of the exploited internet user.

The second approach focuses less on active time spent online, considering instead competitive advantages that a strong user base epitomizes for those who want to sell commodities. Rent is here the key mechanism to make profits for internet corporations. It is an opportunity to extract surplus-value that is produced elsewhere, including, for instance, offline production sites (Marx 1894/1991, chapters 37–47). Marx himself situates rent solely in the context of natural sources, such as, for example, waterfalls that make mills much more productive than if they were situated on a normal river. More recently, rent was related to culturally produced sites (Harvey 2001) and internet business models (Foley 2013). This reconceptualization enables us to think that human activity is involved in establishing the preconditions of rent seeking. A monopoly, e.g. in access to a wide user base, is exchanged for money with somebody who thinks that her or his own business can be enhanced through it. The costs for access (rent) are a reduction of profits, but an economically rational one, since this allows a realization of higher profits than competitors can do without it. Having access to Facebook's user base may from an economic perspective be more sensible than to advertise a commodity on a site with much less users or in a newspaper.

First, in contrast to prosumer approaches, rent approaches do not rely on qualifying internet usage as labour (Jin and Feenberg 2015), but also they do not exclude this perspective. For instance, Bolin (2009) maintains that users cannot be classified as working; this term should only be applied to employees, who operate the software and pack user data into commodities. Robinson (2015, 47) argues that user data are not the product of labour since leaving traces on the internet is not an intentional activity. Proponents of immaterial labour theory are, however, notable exceptions in this regard. They see a general change in the quality of work in cognitive capitalism, which broadens the meaning of labour to more autonomous forms that cannot be immediately realized as labour (Terranova 2000), but none the less stress the relevance of the rentier economy, which they see as an expression of a comprehensive change in the nature of capitalism (Vercellone 2010). Prosumer

approaches also make use of a broad understanding of labour, including cognitive, communicative and cooperative aspects (Fuchs and Sevignani 2013).

Second, is user participation subsumed under the capital-value-relation? Undoubtedly, internet users are free to exchange in markets. They are legally independent actors that consent to internet services' terms of use and no authority forces them to use a particular service. Prosumer approaches would argue that they are also free from the means of communication (Hebblewhite 2012), which exercises force over them to use at least one of the available commercial services in a highly concentrated internet. Thus being able to benefit from its various functions and generally to socialize and live a good thus connected life under given circumstances. Rent approaches, on the other hand, maintain that there are alternative (also non-commercial) services available and that the power to migrate from one service to another outweighs the coercion (Robinson 2015, 49f). These approaches would therefore deny one aspect of the double freedom mentioned by Marx. The degree of subsumption of user activities under capital's control, of course, relates to this second form of freedom. On the one hand, the rent-based capital accumulation model that prevailed on the internet has to do with the increasing autonomy of labour and a decrease in capital control (Vercellone 2010). Prosumer approaches challenge this assumption, arguing that extensive means of surveillance and the resulting privacy outcries exemplify continuing capital control that conflicts with user control. Due to accumulated money and network power capital is able to set the terms of using the internet by determining online information flows, e.g. on social media wall pages, and clicking behaviour according to their business interests (Sevignani 2015).

One crucial aspect of capital control is bringing labour activity into the wage-form (Huws 2014). Clearly, there is no monetary wage for using most of the internet services. There are, however, approaches that see the access to the social media service as comparable to a paid wage (Jhally and Livant 1986; Rey 2012), one could speak at this point of a service wage. This position risks underestimating the relevance of money as a universal equivalent in capitalism and its necessary function to make ends meet through its ability to buy any commodity (Fuchs 2012a, 703; Huws 2014, 175). Prosumer approaches point to the existence of legally binding terms of use that grant internet services extensive property rights of user-generated content and speak of hyper exploitation since no amount of money is paid back to the prosumer in exchange of these rights (Fuchs 2010). Rent approaches are "wage-centrist" and stress

the existence of a monetary exchange between providers and users as a precondition not only for effective rights to control user activity but also for speaking of exploitation in a precisely Marxian meaning of value and therefore exploited surplus-value (Comor 2015). Those who stress the relevance of user activities' subsumption under capital on behalf of the wage form make the point that mere commodification, which is making e.g. any user-generated content exchangeable, would not suffice to speak of exploitation since, e.g. data traces, are not produced under capital's control but are appropriated later by it for profit purposes (for the so called ongoing primitive accumulation see Böhm, Land, and Averungen 2012). On the contrary, prosumer approaches downplay the relevance of an actually paid wage for speaking about internet users' subsumption under capital.

Third, even if it is accepted that user participation is subsumed to capital, one can still hold that it is not productive and exploitable in a strict sense. Robinson (2015) argues that labour put into marketing, including advertising, although necessary for capital is not a value-producing activity. Consequently, user participation that e.g. creates data traces applied for advertising purposes is unproductive and not exploitable. Rent theory reserves value producing activity, productive labour, to labour that is actually exchanged on markets and is applied to produce and not to sell a commodity. Prosumer approaches, on the other hand, point to labour time as the substance of value and surplus-value (Fuchs 2014a). Here the tie between exploitable surplus-value and market exchange is softened.

Prosumer approaches point to the productive quality of user participation in a twofold sense; they can thus be named productive prosumer approaches: Not only is users' activity subsumed to the capital-value relation, but it is also at the heart of the capital circuit and not merely circulation work. They make the point, for instance, that users are a kind of productive transport workers and accelerate the turnover time of capital (Fuchs 2014a). Generally, they tend to argue that capital entails the tendency to subsume the whole of society and it is hard to speak of any activity external to capital that may be necessary for its reproduction but is not part of it. Simultaneously, they point to the fragility of distinction between circulation and production. Rent approaches tend to deny both and emphasize the ongoing relevance of both distinctions, which must be drawn from the standpoint of total society and cannot be drawn from a single capital or workers perspective.

To conclude, both approaches can speak of exploitation if they qualify user participation as work that creates something new. They diverge,

however, in their assessment of whether or not user participation is exploited in a specific capitalist way. However, political evaluations of the users' potential exploitation are not connected to a specific approach. On the one hand, it may be seen positively when internet users are not exploited, since it means that this realm is not determined by capital and may be a germ form of another society. On the other hand, it may be evaluated negatively since being productive and exploited simultaneously means being at the power centre of capital's reproduction and has the potential to break with the capital relations from within. In this sense, Fuchs (2014a), from the viewpoint of a productive prosumer approach, and Ursula Huws (2014), defending the rent approach, both highlight that questions of value and exploitation theory are of immediate relevance for class analysis and, ultimately, a rationally informed class struggle against exploitation. Of course, they differ in their assessment of user participation: Fuchs seeks to include it in the core of capital's reproduction, holding that it is productive prosumer activity; Huws may concede that user participation is relevant for reproduction, but situates it outside the "knot" of the capital relation.

4. Critical perspectives on social media: The dialectics of productive forces and relations of production

After having mapped both celebratory and critical, as well as varieties of critical approaches, we now apply the critical perspective to the concrete example of commercial social media in the final section. We therefore take Marx's understanding of the mode of production and the dialectics of productive forces and relations into account and try to situate the exploitative business model of corporate social media platforms within.

The mode of production of social media is based on productive forces including social media users and objects and instruments of labour as well as relations of production of social media owners and users (see Figure 9.1).

The productive forces of social media are a system of social media users and facts and factors of the process of social media production that cause and influence online labour. The relationship between social media users (subject) and means of production (object) forms the productive forces of social media. On the one hand, subjective productive forces are the unity of physical and intellectual abilities of a social media user. On the other hand, objective productive forces are factors of the process of digital labour; that is, objects of digital labour

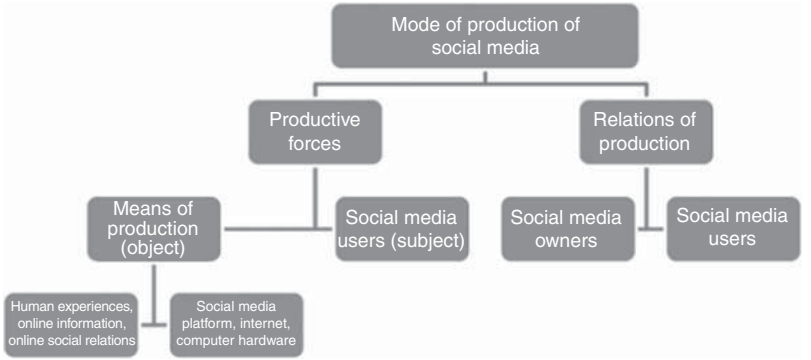

Figure 9.1 Mode of production of social media

such as human experiences, online information and online social relations (Fuchs and Sevignani 2013, 255) and instruments of digital labour including social media platforms, the internet and digital devices (desktop, laptop, tablet, mobile phone, etc.). Social media users make use of PCs, the internet, and social media platforms in order to establish and organize human experiences, online information, and online social relations. These are "the general productive forces of the social brain" (Marx 1997). The process is extinguished in the product and includes online profiles, new social relationships, and new community buildings.

The process of social media production takes place within certain social structures; that is to say, relations of production of social media owners and users. The principle of Web 2.0 platforms is the massive provision and storage of personal(ly) (identifiable) data being systematically evaluated, marketed and used for targeted advertising. With the help of legal instruments, including privacy policies and terms of use, social networking sites have the right to store, analyse and sell personal data of their users to third parties for targeted advertising in order to accumulate profit. Social media activities such as creating profiles and sharing ideas on Facebook, announcing personal messages on Twitter, uploading or watching videos on YouTube, and writing personal entries on Blogger, enable the collection, analysis and sale of personal data by commercial web platforms. Web 2.0 applications and social software sites collect and analyse personal behaviour, preferences and interests with the help of systematic and automated computer processes and sell these data to advertising agencies in order to accumulate profit. Online time is monitored, stored and packaged together to data commodities and advertising clients purchase this online data packages in order to be able

to advertise their products to user groups. An asymmetrical economic power relation characterizes Web 2.0, because companies own the platform, the data of their users, and the profit, and decide on terms of use and privacy policies. While the users do not share ownership rights at all, do not control corporate social media platforms, have no right to decide on terms of use and privacy policies, and do not benefit from the profit being created out of user data produced for free. Commercial new media accumulate capital by dispossession (Harvey 2003) of personal information and data being produced in social and creative processes. This process can be considered as the accumulation by dispossession on Web 2.0 (Jakobsson and Stiernstedt 2010). From the point of view of the productive forces, social media are tools that entail social and communicative characteristics. From the point of view of the relations of production, the structure of corporate social media primarily maximizes power of the dominating economic class that owns such platforms and benefits the few at the expense of the many. Social media platforms are unsocial capitalist corporations. It thus makes sense to speak about (un)social media in capitalist society.

The mode of production of social media is based on a dialectical relationship of productive forces and relations of production. The economic structure enables and constrains the development of the productive forces, which form the relations of production. The competition between Facebook, Google, Myspace, Twitter, Blogger, LinkedIn, etc. force every company to increase users on a quantitative and qualitative level and integrate ever more services into their platform in order to accumulate profit. The social networking business can be considered as a dynamic and very competitive online field with fluctuations. For example, the social networking service Google+ was launched in June 2011. This launch was as a further attempt of Google to rival Facebook and others, after previous forays into the social media economy such as Orkut (launched in 2004, now operated entirely by Google Brazil), Google Friend Connect (launched 2008, retired 2012), and Google Buzz (launched 2010, retired in 2011) had failed. This shows that the relations of production and competition drive forward the development of the productive forces of corporate social media. When people (having a digital device and an internet access) signing up as users and creating profiles on Facebook, accepting the data use policy, and expressing their experiences and enter online relations being controlled by capital, they simultaneously accept the ownership of the platform and reproduce the relation between Facebook and their users. This indicates that the productive forces form the relations of production of social media.

Commercial social media present themselves as platforms enabling sociability, networking, connectivity and communication. Facebook (2015) states that its "mission is to give people the power to share and make the world more open and connected". In the language of Marx, the social and communicative qualities can be interpreted as the use-value of social media. A use-value reveals out of different qualities of products and exists, if usefulness occurs and human needs can be fulfilled. The usefulness emerges out of the material nature of things. Use-values are only realized in consumption. The maintenance of existing contacts, friendships and family relations, social relationships over spatial distances, information and news, the finding and renewing of old contacts, the sharing of photos and other media, and the establishing of new contacts occur as the usefulness of new media fulfilling human needs. The use-value of social media is realized in using such platforms. Just as sitting on it might be the use-value of a chair, so the realization of social and communicative characteristics is the use-value of social media.

But the specific characteristic of the capitalist mode of production is that a use-value of a commodity is only a means to an end in order to produce an exchange-value of a commodity. The use-values "are also the material bearers [*Träger*] of . . . exchange-value" (Marx 1976, 126). The use-value is, therefore, the condition of the exchange-value. The exchange-value is a social form and only realized through social exchange. If a thing is not only a use-value, but also an exchange-value, it evolves to a commodity. The exchange-value expresses the commodity value in the form of money.

Because commercial web platforms exchange data for money in terms of selling the data commodity on the market that is expressed in the form of money, one can argue that the monitoring, surveillance, analysis and sale of private data are the exchange-value of social media transforming personal data to commodities.

Corporate social media usage is the connection of use and exchange-value. Social media platforms simultaneously satisfy user needs and serve profit interests and are means of communication and means of production (Fisher 2012, 174–177). Human sociality is used for capital accumulation.

The leading discourse that "'social media' are new ('Web 2.0'), pose new opportunities for participation, will bring about an 'economic democracy', enable new forms of political struggle ('Twitter revolution'), more democracy ('participatory culture'), etc" (Fuchs 2012, 698) strengthen the ideological agenda of privately owned social networking platform owners. Due to the fact that a large proportion of the revenue from social media comes from advertising and thus, depending on the extensity and intensity of users, it is very important to promote the benefits and to hide profit interests in order to keep a good image of the service as well as to avoid a reduction in the number of users. The survey results might be seen in this context. The exchange-value and commodity character of social media conceals behind the use-value in public discourse and in commercial social media's self-presentation. Social media platforms are "playground and factory" (Scholz 2013). The contemporary internet is both a social medium and a new space of capital accumulation with ideological tendencies of revealing the first and simultaneously concealing the second. The new media user apparently considers him/herself as being a social and creative subject (see Allmer 2015), but is treated as object serving platform owners' capital interests. The following contradiction forms the usage of social media and is partly reflected in our study results: The appearance of social networking sites in terms of being a tool of socializing and networking and the existence of social networking sites in terms of being a massive surveillance machinery of profit accumulation and the total commodification of online social relations and human life.

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10

Is the Concept of Rent Relevant to a Discussion of Surplus Value in the Digital World?

Olivier Frayssé

But before we talk too much of Rents, we should endeavour to explain the mysterious nature of them (. . .)
Sir William Petty, *A Treatise of Taxes & Contributions*, 1662 (Petty 1679, 28)

1. Introduction

Confronted with the spectacular changes in the economy brought about by and concomitant with the generalization of the internet in recent years, people trying to make sense of the new phenomena have been coining a variety of new concepts, or have given new life to old ones. The concept of rent is an example of the second path.

This chapter will first sum up and pursue the discussion on the current uses of the concepts of rent that have been used to understand value creation and appropriation by internet actors. It turns out that the concept of rent has been used as a metaphor, which is perhaps unsurprising. As a matter of fact, "our ordinary conceptual system, in terms of which we both think and act, is fundamentally metaphorical in nature" (Lakoff and Johnson 1980, 3). It is this system that enables us to adapt to new situations and invent, by discovering patterns of similarity or analogy between what we know and what we are trying to make sense of. And since the internet is still a relatively new thing, the language used to describe it, including its labour aspect, is necessarily metaphoric to some extent (Frayssé 2014, 483). As we shall see in a second part, the word rent itself is polysemic, meaning that several different analogies can be established, using one or other meaning of the word. In this second section,

through examining the metaphoric uses of the word rent by economists since the eighteenth century we will be able to isolate the different patterns that the notion of rent evokes in their thinking, which will enable us to further classify the contemporary uses of the concept in the literature on the creation and appropriation of value on the internet. Finally, we shall see whether and to what extent the concept of rent can be used within the framework of the Marxist labour theory of value to understand value creation and distribution on the internet, both as metaphor and as a non-metaphorical concept rooted in time/space appropriation, just like the original ground-rent that Marx and the classics discussed.

2. Contemporary uses of the concept rent to describe wealth appropriation on the internet

The use of the concept of rent in the literature on digital media has taken two forms. The simplest approach is that of Brett Caraway as he debunked Dallas Smythe's theory of audience labour (Smythe 1981). The meaning of rent he uses is broadly in line with the meaning of rent in the common language, as in to "rent a car" or "rent a house": "The economic transaction described by Smythe is rent. The media owner rents the use of the medium to the industrial capitalist who is interested in gaining access to an audience" (Caraway 2011, 701). This is factually untrue, since the firm that "rents medium use" is more likely than not an advertising agency of some type, and the ultimate producer of the advertised product is not necessarily an "industrial capitalist". Furthermore, the amount of "rent" that is agreed on by the parties is based not on the value of the medium as a physical instrument, but rather on the quantity and quality of the audience that the medium reaches. Finally, the fact that it takes the form, or more accurately the appearance, of ground-rent tells us nothing about the value creation or appropriation mechanisms that make up this rent. Whose surplus labour generates that value, and how is it distributed? Yet there is something in that approach, the notion that the media owners control a channel of access to the consumer and levy a toll for its use, and we shall see that it can make sense when physical realities are taken into account, beyond the commercial language.

A much more sophisticated version is that advanced by Pasquinelli. Drawing inspiration from Nicholas Carr's analysis of Google as data-miner in *The Big Switch* (Carr 2008), Pasquinelli (2009) uses the concept of rent in a specific sense, that of cognitive rent, linked with the notion of biopolitics originally developed by Foucault (Foucault 2012, 160), and

systematized by Hardt and Negri (Hardt and Negri 2000, 2004, 2009a, 2009b). Focusing on the case of Google, he argues for the development of a "*bioeconomic* analysis to explain how Google extracts value from our life and transforms the *common intellect* into *network value* and wealth". He describes Google as "an apparatus of value production from below. Specifically, Google produces and accumulates value through the PageRank algorithm and by rendering the collective knowledge into a proprietary scale of values – this is the core question. The political economy of Google starts from the political economy of PageRank." What precisely is the value that is created, who exactly produces it, and in what sense is it a rent? This Pasquinelli leaves unanswered.

To say that Google "produces value" "from below" thanks to its servers, the proprietary software that "glues them together" (Carr 2008, 41), would have made more sense. It would have been like saying that Ford produces cars from its workers ("below") on assembly lines glued together by bureaucratic procedures implemented by management, and appropriates part of the produced value. This type of formulation would rather point to a theory of surplus-value extraction of the digital labour performed by Google users, and Christian Fuchs would not have needed to criticize Pasquinelli's position when he wrote his "Prolegomena to a Digital Labour Theory of Value": "Rent theories of the Internet substitute categories like class, surplus-value, and exploitation by the notion of rent" (Fuchs 2012, 731).

Pasquinelli's value is "attention value, cognitive value, network value". It is also unclear how that translates into economic value, since it is impossible to price. Finally, the rent aspect described by Pasquinelli is metaphoric in nature. The rent is called "cognitive" because Google is supposed to establish "its own proprietary hierarchy of value for each node of the internet and becomes then the first systematic global rentier of the common intellect". But what precisely is meant by a "rentier of the common intellect"? Google does not feed on the general intellect, in the Marxist sense, nor on an amorphous collection of the intellectual productions of minds of its users, but precisely on what makes these productions useful to target ads and generate advertising revenue – that is, their idiosyncratic qualities, the distinctive characteristics of each behaviour, arranged into market segments. There seems to be a confusion linked with a metaphor presenting the internet as a global human treasure, a digital commons, which can be privatized as the actual commons were with the enclosure movement. Here the fuzzy categories invented by Hardt and Negri (2000, 2009a, 2009b), the concept of "multitude" which boils down to "the poor and oppressed", in the Catholic

tradition, and the notion of "the common" and the "Commonwealth", play a central part.

The actual commons were never common to all, since they were actually common only to the residents of a particular parish. Similarly, the so-called digital commons is not common to all humans either. Obviously, no one can access its totality, a lot of humans never access it at all, and those who do access only a limited series of pages, depending on their interests, their socio-economic situation, their language, and their location. The strong utopian drive of the internet pioneers that generated the digital commons metaphor is admirable indeed, but the metaphor is not apt to describe the reality of the internet. Rather, it should be applied to the hopes for a better, more comprehensive humanity that is far from being achieved – and probably never will be. The use of the word commons to describe the internet reminds one of the use of the same metaphor by English natural rights philosophers who constructed the notion of the state of nature on the model of the very same actual commons to explain the birth of private property, using the phrase "tenant in common" of the whole earth to describe a Native American, supposedly in the state of Nature and observing that he " knows no Inclosure" (Locke 1988, 287), thus extending the notion of commons, stripped of its determined historical realities, to the whole of the world.

This should warn us about the dangers of metaphors. We need to submit any analogies we discern to a careful scrutiny to identify both the valid and the invalid characteristics of the metaphors we use to describe the new reality with old words.

3. A short history of the concept of rent as a metaphor

The word rent in English, borrowed from the Old French *rente*, was originally polysemic, meaning simultaneously, according to the *Oxford English Dictionary*, "a source or item of revenue or income; a separate piece of landed or other property yielding a certain return to the owner", "revenue, income", "profit, value", "recompense, reward; a privilege accorded to a person", "a tribute, tax, or similar charge, levied by or paid to a person", "return or payment made by a tenant to the owner or landlord, at certain specified or customary times, for the use of lands or houses". The etymology of the word refers us to the Latin verb *reddere*, to give back, and therefore to the notion of debt. Discussing Sumerian accounting, David Graeber describes a system which "temple bureaucrats used to calculate debts (rents, fees, loans . . .)" (Graeber, 39).

Enforcement of the collection of debts, including rent due to individuals or the state, has usually been a function of the state, so that the question of state power has always been involved.

In modern times, the word rent has, more often than not, acquired a pejorative connotation, obviously linked with the meaning of "a tribute, tax, or similar charge", but justified primarily by both the ideological legitimating of profits and the development of labour theories of value and the concomitant rise of the "value of work", as noted by Max Weber (Weber 1985). The notion of "unearned income" has enabled political economists to challenge the morality, the economic efficiency and the social utility of "rents" without questioning the principle of private property rights. The first great theoretician of rent, Adam Smith, was quite explicit in his negative judgment of rent, which he outlined in his sixth chapter of *Wealth of Nations*, "On the component part of the price of commodities":

> As soon as the land of any country has all become private property, the landlords, like all other men, love to reap where they never sowed, and demand a rent even for its natural produce. The wood of the forest, the grass of the field, and all the natural fruits of the earth, which, when land was in common, cost the labourer only the trouble of gathering them, come, even to him, to have an additional price fixed upon them. He must then pay for the licence to gather them, and must give up to the landlord a portion of what his labour either collects or produces.
>
> (Smith 1976, vol. 1, 67)

The notion of unearned income, "reaping where you never sowed", is highly subjective and extensible: the terms rent and "quasi-rent" were thus able to gain currency to describe almost any possible situation in which an individual receives an income that is not more or less correlated with his productive or managerial efforts or his risk-taking, which, under mainstream capitalist ideologies, are the justifications of wages and profits, so that income from almost any source that is considered abnormal, excessive or unfair can be called rent.

The generalization of the concept of rent is usually traced to one of the first and most promising opponents of the labour theory of value, Samuel Bailey, who started from the premise that "value, in its ultimate sense, appears to mean the esteem in which any object is held. It denotes, strictly speaking, an effect produced on the mind" (Bailey 1825, 1). Bailey's definition of rent is monopoly rent: "It is simply out

of this monopoly-value that rent arises. Rent proceeds, in fact, from the extraordinary profit which is obtained by the possession of an instrument of production, protected up to a certain point from competition" (ibid., 195–196). "The extraordinary profit out of which rent arises, is analogous to the extraordinary remuneration which an artisan of more than common dexterity obtains beyond the wages given to workmen of ordinary skill. Insofar as competition cannot reach them, the owner of the rich soil and the possessor of the extraordinary skill obtain a monopoly price. In the one case this monopoly is bounded by the existence of inferior soils, in the other of inferior degrees of dexterity" (ibid., 196–197). The metaphorical aspect of the notion of rent is here explicit with the use of the word analogous. The focus here is on monopoly, or rather oligopoly in a market, as the quintessence of rent.

Another meaning of rent, completely divorced from ground-rent, developed from the French word *rente*, a fixed amount of money paid to the *rentier* out of the proceeds (profits, interest, ground-rent, etc.) of a capital fund, or from the taxes collected by the state, drawing a financial "rent". Cantillon adopted the French version in his analysis of fixed income, regardless of its source (Cantillon, 18). This meaning was adopted in the English language by the Americans in 1847 and by the British in 1885 (*Oxford English Dictionary*, rentier entry). With the advent of industrial capitalism, the financial rentier (the "capitalist" in US parley) became the focus of the same condemnation as the landlord. The widespread hostility to "rent", whether expressed in the popular language or by economists in elaborated theories, whether ground-rent or financial rent, rests on a vision of society that distinguishes between useful, serviceable members and parasites/predators. Thorstein Veblen's *The Theory of the Leisure Class* puts it squarely:

> The relation of the leisure (that is, propertied non-industrial) class to the economic process is a pecuniary relation – a relation of acquisition, not of production; of exploitation, not of serviceability. Indirectly their economic office may, of course, be of the utmost importance to the economic life process; and it is by no means here intended to depreciate the economic function of the propertied class or of the captains of industry, The purpose is simply to point out what is the nature of the relation of these classes to the industrial process and to economic institutions. Their office is of a parasitic character, and their interest is to divert what substance they may to their own use, and to retain whatever is under their hand. The conventions of the business world have grown up under the selective surveillance

> of this principle of predation or parasitism. They are conventions of ownership; derivatives, more or less remote, of the ancient predatory culture.
>
> (Veblen 1994, 129)

A similar notion prevailed in Schumpeter's analysis of the difference between entrepreneurs and capitalists: entrepreneurs bring about change, while capitalists provide necessary support, playing an "auxiliary and conditioning" role (Schumpeter 1947 [1989], 153). This role might be played by other sources, as Keynes had seen, which explains Keynes's famous phrase about the euthanasia of the rentier, where he uses the notion of rent to describe those who profit by the scarcity of capital like landlords profit by the scarcity of land:

> I feel sure that the demand for capital is strictly limited in the sense that it would not be difficult to increase the stock of capital up to a point where its marginal efficiency had fallen to a very low figure. This would not mean that the use of capital instruments would cost almost nothing, but only that the return from them would have to cover little more than their exhaustion by wastage and obsolescence together with some margin to cover risk and the exercise of skill and judgment. In short, the aggregate return from durable goods in the course of their life would, as in the case of short-lived goods, just cover their labour-costs of production plus an allowance for risk and the costs of skill and supervision.
>
> Now, though this state of affairs would be quite compatible with some measure of individualism, yet it would mean the euthanasia of the rentier, and, consequently, the euthanasia of the cumulative oppressive power of the capitalist to exploit the scarcity-value of capital.
>
> (Keynes 1936, 375–376)

Lenin identified capitalists uninvolved in any entrepreneurial activity as rentiers, i.e. parasites (the word used by Marx), as the fundamental force of financial capitalism that characterizes imperialism as a stage of capitalism, identifying "the extraordinary growth of a class, or rather, of a stratum of rentiers, i.e., people who live by 'clipping coupons', who take no part in any enterprise whatever, whose profession is idleness" (Lenin, 101).

The notion of rent is thus fundamentally a metaphor for an imposition on the rent-payer levied by the rentier, justified in the eyes of

the rentier in many ways, unconscionable for the rent-payer and the critic. Few notions are as expressive of the social contradictions as that of rent, which always includes the notions of class, class conflict and justice. Rent is the most expressive way of pointing to the contradiction between the social character of production and the private ownership of the means of production per se. It is no wonder, therefore, that the words rent and rentier have emerged as "catch-all" phrases to describe many of the most revolting aspects of domination of the internet.

As a matter of fact, as we shall see, the Marxian notion of rent, for all its scientific refinements on the works of Cantillon (Cantillon 1755, especially Part 2, Chapter 3), Smith, Ricardo (Ricardo 2001, especially chapters 2 and 3), Say (Say 2003, especially pp. 255 seq.), Malthus, who was the lonely voice of the landowner's viewpoint in the concert (Malthus 2013), and others, is not altogether devoid of that character.

4. The Marxian notion of rent

Marx's notion of ground-rent, developed in the third volume of *Capital*, includes three distinct concepts: differential rent, which contains two concepts, and absolute rent. The three forms are the three ways through which the landed class, by virtue of its monopoly on the land, is able to grab a part of the surplus profit made by capitalists over and above the average rate of profit (both resulting from surplus labour and surplus-value appropriation by the capitalist).

Differential rent (chapters 38–40) is a mechanism distributing surplus-value in relation to the relative advantages presented to capital through the specific attributes of different qualities of land (differential rent 1) and different levels of capital investment on similar pieces of land (differential rent 2). Differential rent 1 is a difference in capital productivity that results from the difference in the fertility of different pieces of land, and endures as long as the difference in fertility persists, it is "the result of varying productivity of equal amounts of capital invested in equal areas of land of different fertility". A $1,000 capital investment in a piece of land with very fertile soil yields a higher profit than the same invested in a less fertile plot of the same size. That difference is rent. Differential rent 2 measures the difference between capitals of different productivity invested either "successively in the same plot of land or side by side in different plots of land".

Absolute ground-rent, described in Chapter 45, is a mechanism which reflects the effects of the class monopoly of land ownership, "an alien force and barrier . . . presented by landed property, when confronting

capital in its endeavour to invest in land; such a force is the landlord vis-à-vis the capitalist". It is the precondition of differential rent: "differential rent presupposes precisely the monopoly of landed property, landed property as a barrier to capital, for otherwise the surplus profit would not be transformed into ground-rent and would not accrue to the landlord instead of to the farmer" (Marx 885). In Chapter 46, when this power, normally associated with a "passive" class of landowners, is compounded by a combination of landed property with industrial capital "in the same hands", a situation arises where "one section of society here demands a tribute from the other for the very right to live on the earth, just as landed property in general involves the right of the proprietors to exploit the earth's surface, the bowels of the earth, the air and thereby the maintenance and development of life" (Marx 909), in short a form of tax, a word Marx himself also uses.

While obviously playing a significant part in the formation of prices of production, the apportionment of surplus-value and the distribution of surplus profits, this absolute ground-rent is thus of a purely political nature.

With Marx also, the metaphoric character of the notion of rent can be observed. Engels' preface to the third volume of *Capital* even makes the metaphorical aspect explicit, in the last words of his criticism of Loria:

> With this astounding dexterity, Loria solves by sleight of hand the same question that he had declared insoluble ten years before. Unfortunately he did not disclose to us the secret of what it is that gives this "unproductive capital" the power not only to pinch from the industrialists this extra profit above the average, but also to hang on to it for themselves, in the same way as the landowner confiscates the surplus profit of the farmer as ground-rent. If this actually were the case, the merchant would in fact extract a tribute from the industrialist completely analogous to ground-rent and thereby establish the average rate of profit. Commercial capital is of course a very important factor in the formation of the general profit rate, as almost everyone knows. But only a literary adventurer, who at the bottom of his heart simply thumbs his nose at all economics, can permit himself to maintain that this commercial capital has the magic power to absorb all excess surplus-value over and above the general rate of profit, and moreover, even before such a rate is established, to transform it into a ground-rent for itself, and all this without needing anything like landed property.
>
> (Marx, *Capital*, Vol. III, p. 108)

This should lead us to re-examine the role of the circulation sphere, and of commercial capital, in the appropriation of total surplus-value.

5. The current importance of the circulation sphere

In twenty-first-century capitalism, there is indeed something *analogous* with this power to "pinch from the industrialists this extra profit above the average", a power which is not magic but derived from the power of modern distributors to allocate shelf space to products and the central importance of advertising in the circulation sphere.

One of the characteristics of twenty-first-century capitalism is aggravated permanent under-consumption, as the share of surplus-value that workers manage to retrieve through class struggle from capitalist profits has kept shrinking in the last forty years, resulting in a growth of inequalities and a persistent deficit in consumption from the greater part of mankind. This has considerably increased the importance of credit and reinforced financial capital's domination, which has been in itself a crucial element in the process of squeezing more surplus-value from workers, and holding to it through union-bashing and anti-redistributive tax and budget policies. Since this surplus-value can only be realized when the produced goods and services are actually sold, whether on credit or not, an unprecedented power has accrued in the hands of now heavily concentrated merchant capital, which has also largely merged with financial capital. Getting access to the customer to realize surplus-value has become impossible for most producers of goods and services without passing under the yoke of mass retailers.

The combination of under-consumption and globalization created a "retail revolution" which has enabled researchers to describe the current phase of capitalism as "Walmart capitalism" (Lichtenstein 2006). "Walmart capitalism", among other things, implies a new type of relationships between merchant capital and industrial capital: "Just as 19th century cotton houses could switch their source of supply from Mississippi to India or Egypt, so too can cell phones, sweat shirts, and tennis shoes find their manufacturing home in Honduras, the Pearl River Delta, Ho Chi Minh City, or Bangladesh" (Lichtenstein 2014, 21). The difference between the nineteenth century and our own is that in the previous period only raw materials were affected by the process, while now every type of goods and services are, so that the share of merchant capital in the appropriation of general surplus-value rises.

Another aspect of the under-consumption crisis is the ever-increasing importance of advertising. Industrial capital's resistance to distribution's

concentration results in massive efforts at branding and, consequently, in a growing share of general surplus-value being appropriated by advertisers and the media that are used by advertisers. On the other hand, the distributors themselves increasingly rely on massive advertising campaigns, the branding of their distribution networks, and also increase the percentage of their sales that is done via the internet. As the advertising share of the internet media and the share of e-commerce keep increasing, heavily concentrated communication capital is able to appropriate a growing part of general surplus-value. Given the characteristics of today's global supply chain, commercial capital, in both distribution and advertising, in traditional media but above all in digital media, is thus able to appropriate some of the surplus profits of industrial capital.

Understanding this broad picture is a prerequisite to analysing the specific features of value creation and appropriation on the internet from a labour-value perspective, and to assess the appropriateness of the notion of rent to give an account of it.

6. Reapplying Marxist concepts of rent to the "cyberspace": Advertising and market research

There are striking similarities between purchasing the right to post an advertisement on a billboard and purchasing the right to post it in any other media, including via the internet. In all cases, one pays for a space in which to advertise for a given period of time.

In the case of a billboard, the price covers the ground-rent of the owner of the location, the profit of the billboard owner who installs and maintains the billboard, which consists of the surplus-value related to the setting up and maintaining the billboard. The ground-rent of the owner of the location can be broken down into several parts: the absolute ground-rent, reflecting the private ownership of the land on which the billboard stands; differential rent 1, which depends on the location, based on the number and the quality (fertility) of the audience that the advertisement gets; and, differential rent 2, depending on whether the advertiser invests the same quantity of money (new and possibly more efficient ads) successively on the same billboard or side by side on different billboards. In practice, the contracts spell out conditions and terms of renewal, which redistribute these forms of rent between the billboard manager, the location owner and the advertiser.

Billboards and banners, TV spots or emails, or any form of advertising are physically similar in that they occupy visually (and/or audibly) accessible portions of space for some time. Even in the case of the

internet, this space is not "cyberspace" but a watched physical screen, i.e. a time/space/consciousness unit. The head of the major private French TV channel gave a very blunt account of his vision of the TV medium:

> There are many ways of talking about television. But, from a business perspective, let's be realistic: basically TF1's job is to help, say, Coca-Cola, to sell its product. For an advertising message to be perceived, the viewer's brain must be available. The purpose of our broadcasts is to make it available, that is, to divert it, to relax it in order to make it ready between two ads. What we are selling to Coca-Cola is available human brain time.
>
> (Les associés d'EIM 2004)

In the circulation sphere that human brain time is spent in helping to realize surplus-value for Coca-Cola. If a purchase follows, it generates profits for the TV channel and the advertiser. It also creates "value for the brand", increases its "share of mind" and therefore builds up monopoly super-profits for the brand. It is audience labour in the Dallas Smythe sense, and there is no room for rent there.

Brain time is limited, and the competition for brain time is intense. Perceptual defence also makes it possible to ignore a billboard while driving, or a banner when surfing, and I can also leave the room voluntarily when a TV spot is on. A bombardment of messages creates noise that obscures some messages. Positioning strategies (Ries and Trout 2001) are in fact pre-positioning strategies which make the human brain more receptive to the messages from a well-positioned brand, as when a certain type of soil cultivation makes it more receptive to some types of seeds. In "positioning against" strategies, one brand uses the position (fertility) created by another brand to sow its own seeds, as in the famous campaign by Avis, "We are only number 2, why go with us?", capitalizing on the Hertz position in the mind of the consumer. Sponsoring, especially via a friend on social networks, is also a way of enriching, fertilizing the human brain to make it more apt to grow the seeds included in the message. Metaphorically, we could speak in these cases of differential (cognitive and affective) rent. But the reality is that the paid labour of marketers and the audience labour of watchers enable advertisers to take a share of total surplus-value, in the circulation sphere, by maximizing the opportunities to realize surplus-value for producers.

But there is also a non-metaphorical rent aspect. Access to that brain time primarily requires physical access to the senses of the brain-owner,

which means that you must first occupy a physical screen space in the brain-owner's environment. The screen of a digital device occupies actual space, just like a TV set or a billboard. Competition for watched physical screens, objective time/space/consciousness units exists when one looks up the weather forecast on her mobile while simultaneously watching a weather forecast channel. "Consumer behavior today is all about multiscreen multitasking" (Elkin 2014), hence the importance of cross-device strategies, i.e. maximizing the time/space available to one actor for communication to the human brain. Even on one type of screen, there is competition for a limited resource, i.e. time/space/consciousness by several actors: Google, Facebook, or any site that asks whether you want it to become your home page.

Within that framework, the notion of rent carries a meaning that is close to the Marxist notion of absolute ground-rent, as "an alien force and barrier … presented by landed property, when confronting capital in its endeavour to invest in land; such a force is the landlord vis-à-vis the capitalist", applies to the various actors (search engines, social networks, digital newspapers, etc.) that monopolize the consumers' screens, preventing the advertisers from making money out of the realization of surplus-value unless they too take a share. It is a classic case of advertiser v. media owner conflict. In the US internet advertising is now commanding a share of advertising revenue that is almost as large as TV and this is expected to continue to grow at the expense of other media (Statista 2014), so that this type of rent is bound to increase, although the share of total surplus-value accruing to media owners will not necessarily increase, nor the 2–3% advertising share of general surplus-value.

Thus the physical characteristics of advertising leave space for a non-metaphorical use of the concept of rent that is absolute ground rent. What about the tracking of user behaviour that helps to design and target online ads? As a matter of fact, on the internet, audience labour is not only the labour of watching, it is also the labour of being watched. Contrary to models for painters or subjects for scientific research, internet users do not have an opportunity to ask for wages. Their free labour enables companies (manufacturers, retailers, advertisers) that operate on the internet to track consumer behaviour and thus save on the costs of market research. That gives them a competitive edge on other media, which translates into higher market share/profit margin depending on their pricing strategy.

How does the notion of rent apply there? I suggest there is an element of primitive accumulation, in the shape of an expropriation of

the consumer's actual ground-rent, the resistance he opposes to capital investment. Cookies that help track consumer behaviour are hosted for free in the internet user's digital device, whereas AC Nielsen pays (a little) to install its "people meters" in the homes of the people it wants to watch (and for the labour of pressing the buttons to tell them whether you are watching or not), and Nielsen Audio (formerly Arbitron) pays $45 a month plus goodies to have you carry their device measuring your exposure to radio signals (Fong-Torres 2010). Here exploitation takes two forms: profit from unpaid labour (manning the devices) and the expropriation of rent (occupying your space). In the same way, internet-based watchers of consumer behaviour both make a profit on your labour of being watched and expropriate your ground-rent by occupying your devices.

7. Conclusion

The metaphorical uses of the notion of rent are linked with the notion of toll, tax, tribute, and refer to parasitism, based on the private ownership of means of production and the resulting surplus-labour appropriation. Current theories which use the rent notion to deal with value creation and appropriation are based on two metaphors, one that calls rent the power to demand free labour within the framework of biopolitics, and one that uses "the commons" as a metaphor for mankind's resources. Other metaphorical uses can be made to analyse the various degree of fertility of labouring audiences, but these metaphors are not very useful either. There is finally a non-metaphorical use of the notion of ground-rent. In the case of the internet, the Marxian notion of rent does apply in a limited way: in advertising, the ability of some media owners to monopolize screen space enables them to levy a ground-rent. In market research, the element of rent lies in the expropriation of actual ground-rent by placing trackers on the user's own devices.

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11

The Demise of the Marxian Law of Value? A Critique of Michael Hardt and Antonio Negri

Jakob Rigi

1. Introduction

This chapter does not offer a comprehensive analysis of Michael Hardt and Antonio Negri's work.[1] It only critiques their claim that the Marxian law of value is passé (Negri 1991; Hardt and Negri 1994, 2000, 2004, 2009). As this claim has been best espoused in *Multitude* (2004) and *Commonwealth* (2009), I shall focus principally on these titles. The next section, quoting from these two books, provides an account of this claim. The third section, argues, in agreement with Hardt and Negri, that certain sectors of the world economy, taken in isolation, undermine the law of value. However, the arguments of the section are radically different from those of Hardt and Negri, in being derived from Marx's theory of value. The fourth section demonstrates that this tendency is only a partial reality and is neutralized by intensive and extensive global expansion of the domains of the law. The fifth section deals with the value-form that Hardt and Negri suppose has replaced the value-form that Marx described. This, allegedly, new value-form, they argue, is the representation of an immeasurable "common". The section shows that Hardt and Negri's construction of this allegedly new value-form is fraught with serious mistakes. To the extent, the section argues that valueless commons is exchanged with money, such money is rent, a component of surplus-value in the Marxian sense. The sixth section argues that Hardt and Negri fail to grasp the concept of surplus-value. The conclusions restate that the law of value is still the integrating principle of the global economy.

2. A summary of Hardt and Negri's arguments

Hardt and Negri say the following about the law of value:

> This law, however, cannot be maintained today in the form that Smith, Ricardo, and Marx himself conceived it. The temporal unity of labour as the basic measure of value today makes no sense. Labour does remain the fundamental source of value in capitalist production, that does not change, but we have to investigate what kind of labour we are dealing with and what its temporalities are.
>
> (*Multitude*, 145)

Hardt and Negri describe the loss of "temporal unity" as follows:

> . . . the working day and the time of production have changed profoundly under the hegemony of immaterial labour. The regular rhythms of factory production and its clear divisions of work time and non-work time tend to decline in the realm of immaterial labour
>
> (ibid.)

So Hardt and Negri maintain that the factory regime of time and related to that the Marxian law of value are passé. However, under new temporalities labour is still the source of value. The core aspect of new temporalities is that in immaterial production the time of life and that of labour overlap. "Labour and value have become bio-political in the sense that living and producing tend to be indistinguishable" (*Multitude*, 148). The authors illustrate this by two patterns. First, big companies such as Microsoft entice their workers to spend longer hours in their workplaces by creating a homely environment, blurring the boundary between home and workplace and with it that of labour time and free time. Second, precarious workers do several jobs with intervals of free time in between. This also blurs the boundary between labour time and free time (*Multitude*, 145). Biopolitical production is "immeasurable, because it cannot be quantified in fixed units of time" (*Multitude*, 146). Therefore, Marx's theory of value has lost its relevance (*Multitude*, 145–146).

However, we still have a value-form and labour is still the origin of value. But this labour is immaterial/biopolitical labour, and value-form is the expression of "the common" by money/finance (*Multitude*, 148, 151; *Commonwealth*, 135–137).

> By 'the common' we mean, first of all, the common wealth of material world – the air, the water, the fruits of soil and all nature's bounty-which in classical European political text is often claimed to be the inheritance of humanity as whole, to be shared together. We consider the common also and more significantly those results of social production that are necessary for social interaction and further production, such as knowledges, languages, codes, information, affects and so forth.
>
> (*Commonwealth*, viii)

Consequently, the hegemony of immaterial production has brought about a radical transformation in the form of exploitation.

> . . . in the paradigm of immaterial production, the theory of value cannot be considered in terms of measured quantities of time, so exploitation cannot be understood in these terms. Just as we must understand the production of value in terms of the common, so too must we try to conceive exploitation as *the expropriation of the common*. The common, in other words, has become the locus of surplus-value. Exploitation is the private expropriation of part or all of the value that has been produced as common.
>
> (*Multitude*, 150, italics original)

Finance capital is the instrument of this expropriation, which extracts surplus-value from a position external to production, as cooperation has become independent from capital (*Multitude*, 147, 151; *Commonwealth*, 140–142, 157–158). The externality of finance to production has transformed profit into rent (*Commonwealth*, 140–142). Real estate, stock exchange and what economists describe as positive externalities are mystified instances of the common which are expropriated by the finance sector (*Multitude*, 147–148; *Commonwealth*, 156–158).

3. A mistaken conclusion from an unwarranted assumption

The assumption that the distinction between labour time and free time is no longer relevant must be taken with a grain of salt. If anything, as Camfield (2007) points out, neoliberalism has increased the official labour time of waged labour. This is reflected in a number of phenomena, including the extension of the labour-day, forced overtime, and the increase of the pension age. If people in their free time produce

the common that yields surplus-value, why then do capitalists invest trillions in order to deploy wage labour? If life-time and labour time coincide and human activities in general produce the common that is expropriated as value by finance, why then bother to invest in the production of clothes, food, cars, planes, computers, etc., and distribution chains? Why take the risk of losing your capital and dealing with unruly workers when you can just put your money in a bank and receive your share of the value extracted by the bank from the common?[2] Furthermore, what is the rationality behind the struggle of the working class for a 35-hour workweek in advanced capitalist countries such as Germany and France, and capitalist resistance against reducing work-time?

The assumption that the distinction between labour time and free time is no longer relevant, however, does not invalidate the law of value. The fact that some companies create a "homely environment" in order to entice their workers to work overtime or that precarious workers must do more than one job in order to survive does not terminate the law of value. Even if the worker worked 24 hours, i.e., if the entirety of life-time was labour-time, this would not abolish the law of value but would instead extend it. Consider, for example, the putting-out system at the dawn of modern capitalism. Under this arrangement the home was also the workplace. Yet this did not erase the distinction between the time that workers spent on producing commodities for the capitalist and the time they spent on producing goods for their own families, and their free time. In the present day a precarious worker who performs three part-time jobs a day in order to make a living can exactly measure the time she spends on each job by her wristwatch. Although, as George Caffentzis (2013) mentions, abstract labour time is not clock time that the labour time of an individual worker can be precisely measured indicates that socially necessary abstract labour-time is also measurable. That a worker may be involved in the production of different commodities during a day, or a week, or a month, in no way changes the fact that she performs abstract socially necessary labour in contributing to the production of each commodity. Her labour congeals as value in these different commodities. That the value that the worker's labour time produces is embodied in a few commodities instead of being embodied in one commodity does not change the fact that s/he produces value in the way that Marx described.

The category of workers who do irregular jobs is not a new phenomenon. Marx (1976, 794–797) divides the surplus population that constitutes the industrial reserve army into three categories: floating,

latent and stagnant. The last category consists of workers with precarious jobs. Marx (1976, 796) describes it as follows:

> This forms a part of the active labour army, but with extremely irregular employment. Hence, it offers capital an inexhaustible reservoir of disposable labour-power. Its condition of life sinks below the average normal level of the working class, and it is precisely this that makes it a broad foundation for special branches of capitalist exploitation. It is characterized by a maximum of working time and a minimum of wages.

Marx (1976, 797) also considered the poorest layers of society as components of the industrial reserve army. All these people had precarious and irregular employments. Yet Marx demonstrated that their conditions were also conditions of the accumulation of capital, i.e. the most complete manifestation of the law of value.

To sum up this section, even if we accept Hardt and Negri's claim about the alleged blurring of boundaries between home/workplace, or labour time/free time, this in no way signals the end of the law of value as described by Marx.

4. Science and technology's tendency toward the termination of the law of value

However, there is some truth in Hardt and Negri's assertion, though they fail to describe it properly. The hegemony of knowledge in the advanced sectors of the capitalist economy has partially undermined the law of value. First, increasing automation has minimized the deployment of variable capital in the automated sectors and thereby has also minimized the production of value and surplus-value in these sectors. Secondly, in the advanced capitalist societies capital has been increasingly invested in the production of concepts and codes that have no value.

As labour (variable capital) is the source of new value, a fully automated production unit does not produce any new value. It only transfers the value of constant capital to the product. To the extent that the automation eliminates variable capital, and as a consequence surplus-value, the value of the commodity consists only of constant capital which consists of fixed and circulating elements. Given the high level of productivity of automated machines their value is divided by a huge number of commodity units, which means that each unit absorbs a relatively small amount of fixed capital. Therefore, the value of one unit

of a commodity mainly consists of the value of raw materials and energy used in its production. Thus, automation undermines the law of value (Marx 1973, 704–706; Caffentzis 2013).

The value of commoditized knowledge, defined as cognitive forms, always tends towards zero, though it often has a price that is rent (Perelman 2002, 2003; Zeller 2008; Texiera and Rotta 2012; Folley 2013; Rigi 2014; Rigi and Prey 2015). As I have discussed this in length elsewhere (Rigi 2014), I will be only brief here. The reason why the value of cognitive forms tends to zero is that once produced, knowledge can be reproduced at almost negligible time and costs. Furthermore, as Marx argues: "…the value of commodities is not determined by the labour-time originally taken by their production, but rather by the labour time that their reproduction takes…" (1981, 522).

5. The counter tendency that preserves the domination of the law of value

Although automation and the commoditization of cognitive forms are important aspects of the contemporary capitalist economy, it is still dominated by the law of value. This is because, in parallel with the expansion of automation and investments in information, labour-intensive service and manufacturing sectors have also expanded all over the world.

5.1. Service sectors, immaterial labour and the law of value

As Caffentzis (2013) argues, an ontological distinction between material and immaterial labour is problematic because all labour processes require the involvement of the human body and the expenditure of energy. However, heuristically and from the vantage of products of labour, the distinction makes sense. Material labour produces material objects and immaterial labour produces immaterial products, i.e. services or cognitive forms. Accepting the validity of the distinction, I argue, in contrast to Hardt and Negri, that most instances of immaterial labour produce value in the Marxian sense. Thus, the expansion of service sectors since the 1950s (Mandel 1975, 377–408) has also been matched by an expansion in the production of value. Most service sectors are labour-intensive and pay lower wages than are available in other sectors. From the point of view of the production of value we can classify services into four major types: sale and purchase; transportation; repair work; and the social and biological reproduction of human life (see also Caffentzis 2013).[3] According to Marx, only the labour that is involved in the first category, i.e. sale and purchase, does not produce value (Marx

1992; Murray 2008; Harvey 2013). Labour involved in all three remaining categories produce value and surplus-value if exchanged with capital (Marx 1976, 1987a; Murray 2008). What Hardt and Negri call "immaterial labour" overwhelmingly consists of the labour that is deployed in the fourth sector. This is evident in Michael Hardt's (2010, 134–135) definition of immaterial labour:

> Toni Negri and I argue that immaterial labour or biopolitical production is emerging in that hegemonic position. By immaterial and biopolitical we try to grasp together the productions of ideas, images, knowledge, code, languages, *social relations, affects and the like*. This designates occupations through the economy, from the high end to *the low*, *from health-care workers, flight attendants and educators* to software programmers and from *fast food and call center workers* to designers and advertisers…. Industry has to informationalize; knowledge, code and images are becoming more important through the traditional sectors of production; and the production of *affects and care* is becoming increasingly essential in the valorization process. This hypothesis…has all kinds of immediate implications for gender division of labour and various international and other geographical division of labour…
>
> (italics and underlines added)

From the point of view of the production of (surplus-)value there is an opposition between the labour that is involved in the production of the underlined categories in the quote above: namely ideas, images, knowledge, code, languages, software, and advertisements, on the one hand; and the labour which is involved in the italicized categories: namely social relations, affects, health care, education, flight services, fast food services and call centre services. Various forms of the first, in the final analysis, produce concepts that can be digitally copied and distributed through the internet with negligible extra expenditure of labour power. Therefore, they do not produce value. The second category of work, however, produces value if exchanged with capital, because the reproduction of their products/services, other conditions being equal, requires the expenditure of the same amount of social labour as their production.

Consider a profit-making private hospital. A nurse who gives care to a hospitalized patient must renew her relation with the patient and give him/her new care every time s/he attends him/her. The same is true of most other services. A flight attendant spends new energy each time

s/he checks the flight belt of a passenger or serves him/her a meal. The same is true of a worker who works in a call centre or someone who delivers food. A teacher must also spend new energy for delivering the same lecture to a new audience of students. Therefore, the reproduction of affects, social relations and communication, other conditions being equal, require the same amount of energy as their production. Hence, unlike cognitive forms, they have value, and as they are labour intensive they include more newly created value per unit of invested capital than the commodities produced in advanced agriculture and manufacturing. Thus, Hardt and Negri's hypothesis that the hegemony of immaterial labour has made the law of value redundant does not hold. If anything, the capitalist expansion of biopolitical production has also expanded the domain of the law of value.

Thus, immaterial labour is internally divided. While cognitive labour does not produce value labour deployed in most services does. Hence, the conflation of these two types of labour into immaterial labour has gender, racial, and imperialist implications (Dyer-Witheford 2001; Camfield 2007; Caffentzis 2013).

5.2. The globalization of capitalist agriculture and manufacturing, and the law of value

In 1972 the first edition of Ernest Mandel's classic *Late Capitalism* was published in German. As Mandel (1975/1972: chapters 2 and 3) observed, major parts of the integrated world economy were still outside the capitalist mode of production. Thus, he argued, a major source of the superprofits of the advanced capitalist sectors was the value that was extracted from the pre-capitalist modes of production through mechanism of primitive accumulation (chapter 3). In the intervening five decades, since the publication of that book, this picture has changed fundamentally. First of all the semi-feudal relations of production and, to a great extent, the domestic mode of production in the periphery of the capitalist world have been replaced by the capitalist mode of production. The story of the NICs (Newly Industrialized Countries), most strikingly illustrated by the development of capitalism in countries such as South Korea, Taiwan, Hong Kong and Singapore, marked the first wave of the globalization of the capitalist mode of production. Another even more dramatic development has been the conquest of the previous so-called "socialist" territory by the capitalist mode of production: in China since the death of Mao in1976, and in Central and Eastern Europe since 1989. As a result, today the capitalist mode of production has become globalized. This is aptly illustrated by the rise of the BRICS

countries (Brazil, Russia, |India, China, and South Africa). The globalization of capitalist manufacturing and agriculture is such a striking and familiar phenomenon today that it hardly needs any further elaboration in this context. My point is that this development has expanded the production of value, in Marx's description, on a scale unprecedented in modern history.

6. The dependence of automation, and commoditization of knowledge on the law value

In the previous section, I have described two opposing tendencies. The first tends to abolish the law of value, whereas the second expands its domain. In this section, I argue that the first tendency is dependent on and subordinated to the second one. Capitalists who invest in automated production or in the production of cognitive forms make money (profits or rents) that is value. As they themselves do not produce value they extract it in forms of profit and rent from sectors that produce it. Below, I briefly describe the mechanisms of this extraction.

Labour power deployed in the capitalist production of commodities produces value that is larger than its own value (variable capital). The difference between these two values, namely the value added by labour to commodities and the variable capital, is surplus-value. Surplus-value is metamorphosed into profit if related to constant capital (C) and variable capital (V). Therefore, the rate of profit is S/C+V. Within a given rate of exploitation (S/V), a given amount of capital produces higher amounts of surplus-value in labour-intensive branches of production which have lower organic compositions of capital (C/V) than in those with higher organic compositions (capital-intensive branches). As a result, capital flows from branches with high organic compositions to branches with low organic compositions. Consequently, the supply of commodities in the first branch decreases and their prices increase. This increases their profits. The reverse happens in the second branch. This continues until a general rate of profit, which is equal to the total surplus-value divided by the total social capital, stabilizes so that a given capital earns the same amount of average profit regardless of the branch in which it is invested.

The concepts of total social capital, the related general rate of profit, and average profit are central to Marx's understanding of capitalism as a totality (Marx 1981). The surplus-values that are produced by individual capitals are gathered in one total pool and are redistributed again among

different individual capitals in proportion to their sizes according to the general rate of profit. Thus, while a fully automated enterprise does not contribute to the total pool of surplus-value, it receives a profit from this pool in proportion to the size of its constant capital. The capital that produces cognitive forms receives not profit but rent by selling these cognitive forms. If the buyer is a member of the exploiting class, s/he pays this rent out of a portion of the total social surplus s/he has extracted from the global working class. If s/he is a worker, s/he pays the rent out of his/her wages. In both cases the rent is a portion of the total value that is produced by the global working class (see Rigi 2014). The division of the world economy into labour-intensive and capital-intensive branches is an aspect of uneven development, which is in its turn a permanent and major feature of global capitalism and imperialism. Today, automation and costly research and development in the advanced capitalist countries are funded by the surplus-value that is extracted from the labour of less advanced countries[4] (Zeller 2008; Perelman 2002, 2003; Teixiera and Rotta 2012; Caffentzis 2013; Rigi 2014). In brief, the law of value is a global law that is supported and operates through the uneven production of surplus-value and collection and redistribution of this surplus-value through the formation of total social capital.

7. The value-form: "the common", money, finance, "externalities", and real estate

For Marx, the value-form is the exchange-value generally expressed in the following equation: X commodity = Y money (Marx 1976, 138–163), in which commodity and money are distinct qualities (objects) and X and Y are distinct quantities. Marx demonstrated that in this form money represents value that is abstract socially necessary labour that is congealed in the commodity in the production process (1976, 129–163). Hardt and Negri propose a new value-form in which the expropriated "common" is equated with money. But this form is not consistent since Hardt and Negri claim that "the common" is immeasurable. If so, how then can it be equated with money that is a measurable thing? We all know that $1,000,000 consists of one million $1. What is important in money is its quantity. Now, Hardt and Negri are not completely off the mark, since this irrational form exists in practice. Unworked land and cognitive forms that have no value are exchanged for money. Further, in their natural forms land and knowledge are commons and can only be commoditized through fencing.

The form, as Hardt and Negri also claim, seems to invalidate Marx's theory of value. Marx, however, already recognized this riddle in *The Poverty of Philosophy* and thought that the theory of rent was its solution (1966/1847, 134–144). He reiterated this in *A Contribution to the Critique of Political Economy* (1967/1856), investigated it at length in *Theories of Surplus Value II* (1978b) and offered a theory of rent in *Capital*, Vol. III (1981). Marx shows that this seemingly absurd and contradictory relation by no means negates the law of value. By contrast, it is an aspect of the fetishism of commodity that is generated by the value-form itself.

That Hardt and Negri takes this fetishism at face value is evident from the quote below:

> Insofar as biopolitical labor is autonomous, finance is the adequate capitalist instrument to expropriate the common wealth produced, external to it and abstract from the production process. And finance cannot expropriate without in some way representing the product and productivity of the common social life. In this respect finance is the power of money itself. "*Money represents pure interaction in its purest form*", George Simmel writes. "*It makes comprehensible the most abstract concept*; it is an individual thing whose essential significance is to reach beyond individualities. Thus, *money is the adequate expression of the relation of man to the world*, which can be only be grasped in single and concrete instance, yet only really conceived when *the singular becomes the embodiment of the living mental processes* which interweaves all singularities and in this fashion creates reality."[5] Finance grasp the common in its broadest social form and, through abstraction, expresses it as value that can be exchanged, mystifying and privatising the common in order to generate profits.
>
> (*Commonwealth*, 158; italics added)

So, according to Hardt and Negri, finance expropriates the common and, through abstraction, expresses it in value. All this happens because of the power of money. Furthermore, they quote Simmel[6] in support of this claim. Simmel, however, takes the fetishism of value-form at face value, since he ascribes the power of exchangeability of money with everything else to the symbolic capacity of money itself. The fetishist nature of Simmel's view is strikingly revealed if we compare it with Marx's view on the power of money:

> With the extension of commodity circulation there is an increase in the power of money, that absolutely social form of wealth which

> is always ready to be used . . . . Since money does not reveal what has been transformed into it, everything, commodity or not, is convertible into money. Everything becomes saleable and purchaseable. Circulation becomes the great social retort into which everything is thrown, to come out again as money crystal. Nothing is immune from this alchemy, the bones of the saints cannot withstand it, let alone more delicate *res sancrosanctae, extra commercium hominum*. Just, as in money every qualitative difference between commodities is extinguished, so too for its part, as a radical leveller, it extinguishes all distinctions. But, money itself is a commodity, an external object capable of becoming the private property of individual. Thus, the social power becomes the private property of any individual
>
> (Marx 1976, 229–230)

Marx and Simmel share the idea that money is a general leveller. Simmel attributes this power of money to its symbolic–linguistic function: that money is the representation of "pure interaction in its purest form" or money being "the embodiment of living mental processes". Marx, on the other hand, explains this by two factors: (1) extension of the process of circulation; and (2) fetishism: money hiding its origin. According to Marx, the law of value governs circulation. What money hides is the fact that it represents the abstract socially necessary labour that has already congealed in commodities in the production process. In the fetishist appearance of the value-form in the circulation sphere money's power appears and functions as an inherent characteristic of the money itself and not that of the social labour which is expressed in money. This fetishism, combined with the extension of circulation, endows money with the magical power to become the equivalent of everything. It becomes the reincarnation of social power in general. Simmel, taking this fetishism at face value, elevates money to represent the relation of humans to the world, purest interactions and living mental processes. For Simmel and for Hardt and Negri, value is a result of the power of abstraction of money, a power that allegedly stems from money's symbolic capacity. For Marx, on the other hand, money's power stems from the fact that it represents/materializes an abstraction that has already taken place in the realm of production, and only this enables money to erase all distinctions.

That money can be exchanged for everything, even for things that are not the product of labour, is only possible because money represents general abstract human labour. In other words, money's power in the realm of circulation is a manifestation of the law of value as described by

Marx. Thus, money can be exchanged for things that have no value, but are means of power, prestige, vanity, pleasure and production. Money that is exchanged for unworked pieces of nature or cognitive forms (both have no value) is rent.

Hardt and Negri's conflation of rent with profit, and interest (Rigi 2014) requires a lengthier critique which cannot be undertaken here due to a lack of space. Therefore, I confine myself to Hardt and Negri's understanding of the so-called "positive externalities" and the "value" of real estate.

> Economists register the common in a mystified form through the notion of "externalities." Positive externalities are benefits that accrue through no action of one's own. The common classroom example is that when my neighbour makes his house and yard more beautiful, the value of my property goes up. More generally and fundamentally, positive externalities refer to social wealth created outside the direct productive process, the value of which can be captured only in part by capital. The social knowledge, relationships, the form of communication that result from immaterial production generally fit into this category. As they become common to society they form a kind of raw material that is not consumed in production but actually increases with use. An enterprise in Michigan, northern Italy, or southern India benefits from the education system, the public and private infrastructure of roads, railways, phone lines, and fibre optic cable, as well the general cultural development of the population. The intelligence, affective skills, and the technical knowledge of these populations are positive externalities from the stand point of businesses.
>
> (*Multitude* 147–148)

Hardt and Negri claim that these externalities are the mystified form of the common, and that real estate value mainly consists of the expropriation of value of the common (positive externalities) by finance capital (*Commonwealth*, 154–156). This is a mistaken theory. These externalities consists of three components: (1) elements of fixed capital, such as roads, railways, phone lines and fibre optic cables; (2) affective skills and tacit knowledge of the population; and (3) elements of the general intellect such as the general cultural development, intelligence and social knowledge. Fixed capital embodies value that is transferred to products produced by its use, except when the product is a cognitive form (Harvey 1982, 2013; Marx 1992; Rigi and Prey 2015). If a government

finances the construction of these infrastructures and capitalists use them for free (which cannot be fully the case, because capitalists also pay taxes), then capitalists appropriate the value of these elements of fixed capital for free. They simply extract a tribute from the taxpayers, but this by no means changes the fact that these infrastructures embody value that functions as fixed capital. The public uses some infrastructure (such as roads), but they pay for them through taxes and tariffs. The affective skills and tacit knowledge as components of labour power also have value and produce value if exchanged with capital (Murray 2008). In order to use the labour power that possesses such skills and knowledge capitalists must pay the workers who embody them. Only the components of the general intellect as cognitive forms have no value. Capitalists not only appropriate for free general intellect in developing machines (Marx 1981, 1999, 1973, 699–701) but also privatize and sell some of its components as intellectual property, earning rent (see Rigi 2014).

Hardt and Negri are correct in that the built, cultural, scientific environs of real estate constitute commons that influences its price. But they are mistaken in claiming that this price is a value that is expropriated from these environs by finance. The values of surrounding fixed capital and affective skills are not transferred to the prices of real estate. Furthermore, the socio-cultural status of a neighbourhood has no value at all, because it is an image. The price of real estate consists of two components: the value that is congealed in the process of its production; and monopoly rent (Harvey 1982). The surrounding common determines the amount of this rent but by no means is its origin, as the size of a pool can determine the amount of water that flows into it without being the origin of the water itself. The origin of the value that is transformed into rent is surplus-value that is produced by value producing labour at the global level (Rigi 2014).[7]

8. The form of exploitation

Economic exploitation is the extraction of surplus labour by the exploiter from the exploited. Forms of extraction of surplus labour in different class societies determine the forms of these societies (Marx 1976, 325). The total labour time of the direct producer is divided into two parts: necessary and surplus. The first part produces goods and services that are necessary for the reproduction of the labourer and her family, and the second part produces the surplus that is appropriated by the exploiter. In capitalist society the extraction of surplus labour

takes the form of surplus-value. During necessary labour time the worker reproduces the value of labour power (wages) and during surplus labour time the worker produces surplus-value for the capitalist. Hardt and Negri maintain that the form of exploitation remains the extraction of surplus-value (*Multitude*, 150), but that surplus-value is no longer surplus time, since "the temporal unity of labour as the basic measure of value today makes no sense" (*Multitude*, 145). This is, however, a strange statement. The rate of exploitation (surplus time divided by necessary time) can be only measured if both parts of time consist of homogenous units. If the temporal unity of labour has vanished, then it no longer makes sense to speak of surplus-value. The alleged surplus-value is a surplus to what? And how can it be measured? A surplus of something presupposes a non-surplus part, otherwise it cannot be a surplus at all. And both are quantities of the same thing (quality). If immaterial labour and its product – "the common" – are unquantifiable and immeasurable as Hardt and Negri claim, then neither can be divided into necessary and surplus (parts). Thus, their claim that immaterial labour and the common are the origin of surplus-value appears as a mystery. This is the mystery of rent that is exchanged for cognitive forms. As the labour that produces cognitive forms does not produce abstract value, its time cannot be measured with a homogeneous unit of abstract labour time; which is the yardstick of value. Hardt and Negri have certainly provided a service by pronouncing this mystery, but in no sense have they illuminated it. The mystery is unpacked if we recognize that the origin of the rent of cognitive capitalism is the value-producing global working class (see Rigi 2014). In other words, rent is a portion of surplus-value.

9. Conclusions

The automation of production and the commoditization of knowledge-information in advanced capitalist societies undermines the law of value. This tendency, however, is neutralized by the global expansion of labour-intensive branches of production. The total global economy is still under the sway of the law of value. The expansion of those branches of the economy that undermine the law of value is dependent on the expansion of the law at the global level. Thus, viewed from vantage of value, capital accumulation is a contradictory process. It undermines the law partially, but expands it globally. The law of value is still the totalizing principle of the whole system. Without the prevalence of the law of value capitalism will cease to exist.

Notes

I am grateful to Robert Prey for his editorial help and insightful suggestions. Needless to say, I am alone responsible for shortcomings.

1. For perceptive critiques of Hardt and Negri see George Caffentzis (2013), Nick Dyer-Witheford (2001) and David Camfield (2007).
2. My argument here is not intended to deny that capitalism has colonized the free time of workers and chained it to the requirements of the reproduction of the system. However, in free time a worker certainly has a choice between reading Marx or watching a meaningless TV programme, or between taking part in an anti-racist meeting or watching a football game. S/he has not the same choice in relation to labour time. Labour time, even when the worker can arrange it flexibly, must be devoted to performing labour and cannot be devoted to an alternative activity. Otherwise, the worker will not receive wages.
3. As the reader might have noticed, I do not include the production of cognitive forms in the service sector. The reason is that such forms can be treated as independent products. A service is consumed during its production. A cognitive form once produced lasts forever, if it is saved by humans.
4. Profits and rents of advanced branches, due to monopoly power, are usually above the average profits.
5. The quote is taken from Simmel (2004, 129).
6. Simmel's book was published first in Berlin in 1907 (Frisby 2004, xiii), a time in which, according to Hardt and Negri's narrative, immaterial labour was not yet hegemonic. Hardt and Negri do not bother to tell the reader whether Simmel's definition of money and value were valid for his own time. If they were valid, this creates two problems for Hardt and Negri's turn to Simmel. First, it would invalidate Marx's theory of value which Hardt and Negri was valid until immaterial labour became hegemonic. Second, it would invalidate Hardt and Negri's claim that the hegemony of immaterial labour requires a new value-form and a new value theory, since Simmel's theory would be equally applicable to both industrial and immaterial labour.
7. A factor that enhances the status of a neighbourhood and thereby increases the value of real estate there is not necessarily always positive. Branding, which is always manipulating, of a neighbourhood, or movement of rich people into it who have no creative cultural activity in the neighbourhood also enhance its status and the prices of real estate.

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12

Devaluing Binaries: Marxist Feminism and the Value of Consumer Labour

Kylie Jarrett

Consumer activity has increasingly been theorized as work that contributes inputs necessary to the economic calculations of digital media companies. Users provide unpaid labour that generates content in the form of video uploads, meme sharing, status updates, game play and the affective investment rendering commercial digital media pleasurable and meaningful. Consumer interactions also actively and passively generate data that are captured by the economic systems of such sites, with clickstream records and taste information being sold to advertisers and marketing companies. There is a growing body of literature establishing the value-creating and exploited nature of this kind of work, sparked initially by the insights of Tiziana Terranova (2000) and Nick Dyer-Witheford (1999), but expanded and detailed by Christian Fuchs (2008; 2009; 2014a; 2014b; see also Scholz 2009; (ed.) 2013; Petersen 2008; Andrejevic 2011; 2013). These analyses typically cast the products of such work as alienated from the user, resulting in a reduced capacity for individuals to self-actualize through their productive consumption activity. These arguments are not without their critics, based either in close interrogation of Marxist definitions of productive labour – see contributors to this volume, for instance – or in empirical studies of consumer practices that do not establish their alienating effects. The analysis of consumer labour is consequently shot through with a series of binaries: productive/unproductive, alienation/agency, economy/culture.

The point of this chapter, however, is not to align with any particular position within those debates, but to provide a different perspective from which to view, and perhaps resolve, these apparent contradictions.

In the theorization of consumer labour, especially those drawing on concepts from Autonomist Marxism, it is often assumed its exploitation is a novel set of circumstances, driven by social and technological change. This chapter takes an alternate stance to this now commonplace narrative. It asserts instead continuity between the labour of digital media consumers and the always essential reproductive activity of capitalism, and in particular unpaid, feminized, domestic work. It then draws on Marxist feminist theorization of domestic labour to engage more holistically with the value generated by consumers, avoiding many unproductive binaries between cultural and economic approaches to this activity. In providing a framework for consumer labour to be both economically valuable and socially meaningful, these theoretical perspectives provide a space for integrating analysis of both its fiscal and cultural dimensions. This, in turn, expands, what we understand to be valuable in the work of digital media consumers.

1. The value of domestic work

Reproductive activity, which includes, but is not limited to, unpaid domestic labour, is integral to capitalism and has been from the outset. Its products include not only the labouring body, but also the labouring subject. As Jason Read (2003) reminds us, from its very inception capitalism has required a certain disposition from worker and capitalist alike, suggesting the pervasive influence of its social logics well beyond nascent factory gates. Marx (1976/1990, 270) says, "in order that the owner of money may find labour-power on the market as a commodity, various conditions must first be fulfilled." Key of these conditions is that the capitalist must find a "free" worker who has possession of his/her labour-capacity and thus also of his/her person. The existence of this "free worker", able and willing to sell his/her labour-power as a commodity, is thus the precondition for capital as well as the end-result of the emergence of the capitalist mode of production. It is both cause and effect, necessary and contingent.

Unpaid domestic work, particularly in relation to the care and education of children, is the exemplar of this dynamic not only because it is the labour that produces healthy and appropriately oriented capitalist subjects, but because its status as unwaged work is integral to capitalism itself. Silvia Federici (2004) documents the gendered division of labour that emerged during the phase of primitive accumulation associated with the emergence of capitalism. She describes the increasing separation of work involved in the production of goods from that associated

with reproduction of the health, well-being and life of people as the enclosed commons dispossessed peasants and denied the possibility of a subsistence economy. In the shift to a wage relation, the unity of production and reproduction was broken. She argues that during this period, a conceptual distance emerged between "work" and that which reproduces individuals and the family, manifesting as the physical distance between the home and the industrial context where this newly-defined productive labour took place.

This division between productive and reproductive labour – ultimately between the sphere of paid work and the private world of domestic labour – was no mere side-effect of capitalism. In the same way as the expansions of colonialism allowed for the accumulation of living labour, so too did the removal of domestic labour from regimes of compensation. Federici (2011, 71; see also Mies et al. 1988; Bernería 1999) says, "capital accumulation feeds upon an immense amount of unpaid labor; above all it feeds upon the systematic devaluation of reproductive work that is translated into the devaluation of large sectors of the world proletariat." In the context of a patriarchal system, this process differentiated work along gendered lines, isolating women's labour in the devalued domestic sphere where they remained dependent on the male wage for survival.

A Marxist feminist interpretation of domestic labour not only locates gender oppression in capitalist norms, but also asserts that domestic labour is a productive force that increases surplus. The product of this activity is labour power that has use-value and, importantly, also exchange-value in capitalism. Domestic work is therefore generating "value-able" products. Moreover, this labour is linked to the generation of relative surplus because it reduces wage costs for the capitalist (see Mies et al. 1988; Picchio 1992; Ferber and Nelson (eds) 1993; Fortunati 1995; Folbre 2001). If capitalism necessarily requires the production, reproduction and maintenance of effective labouring bodies then it requires social services producing that effect. Without cooking, cleaning, caring and indeed sexual affection being supplied for free or at marginal cost, the wages of the worker would need to increase to pay for these services in the marketplace. Unpaid and unrecognized when provided by a housewife, the maintenance of health, nutrition and psychological security is supplied to the capitalist below cost, thereby becoming an additional source of value and increasing the relative surplus generated by any individual worker.

When this worker exchanges his[1] labour power for wages, what he sells is not only the "socially necessary labor time supplied by the

male worker himself within the process of production, it also contains the socially necessary housework labor time required to produce the labor-power itself" (Fortunati 1995, 84). A worker's capacity for production thus also contains the (female) production capacity expended on his reproduction: his productivity depends on hers. This economic reality is tacitly endorsed by the calculation of the exchange-value of labour power – the "natural" price of labour – based upon that which is necessary to reproduce a worker and (typically) his family who are the next generation of workers (Marx 1976/1990, 270–280; Picchio 1992). As Dalla Costa and James (1972, 34) put it, the exploitation of wageless domestic work offers the worker the freedom "to 'earn' enough for a woman to reproduce him as labor power". Unpaid and feminized domestic work is thus not only integral to the maintenance of capitalism as a mode of production, but is also inextricably linked to the generation of surplus-value. Rather than being merely "natural labour", and against many characterizations within Marxist thought which describe it as unproductive, domestic work is productive, value-generating labour.

2. Domestic work and consumer labour

The relationship between domestic work and digital media consumers' labour is clearly not one of direct equivalence, not least because domestic work is so often physically gruelling, structurally coerced and essential for material survival in ways social media use simply is not. Nevertheless, there are some formal similarities that make it logical to use models of reproductive labour to interrogate its economic functions. Firstly, the work involved in both forms of labour is physical, but features significant cognitive, affective and communicative elements. Since Terranova's intervention, the concept of immaterial labour has become a crucial prism for understanding digital media consumers' activity. Hardt and Negri (2000; 2005) point to the decentring of extractive and manufacturing industries and their associated industrialized, physical labour in favour of industries associated with symbol manipulation in the period associated with post-Fordism. They suggest that while most present-day workers may not actually be involved in producing immaterial goods, with agricultural and industrial labour remaining dominant areas of employment, immaterial labour has become "hegemonic in qualitative terms" (2005, 109). The valorization of this mode of accumulation has "imposed a tendency", meaning that "today labor and society have to informationalize, become intelligent, become

communicative, become affective" (2005, 109; see also Virno 2004; Berardi 2007; 2009).

The kinds of work associated with consumers in contemporary digital media are also typified by this emphasis on immaterial inputs and outputs. This is the key point advanced by Terranova (2000). Informed by Lazzarato's (1996, 133) depiction of labour that produces the cultural content of a commodity such as those "involved in defining and fixing cultural and artistic standards, fashions, tastes, consumer norms, and more strategically public opinion", she identifies the importance of "forms of labor we do not immediately recognize as such: chat, real-life stories, mailing lists, amateur newsletters, and so on" (2000, 38). She locates this work as "part of a process of economic experimentation with the creation of monetary value out of knowledge/culture/affect" (2000, 38).

In the cognitive, affective and communicative dimensions of creating content, such as the play experience of an online multi-player game, an amusing YouTube video, a tweet about a political event, or a comment on a health forum, is labour similar to that involved in the immaterial sphere of domestic work. This activity is defined by Fortunati as "affect, care, love, education, socialization, communication, information, entertainment, organization, planning, coordination, logistics" (2007, 144), all of which resemble the complex activities of amateur media production, but, more importantly, the quotidian, almost naturalized practices of commenting, liking and sharing information on any one of the various social networking sites. Domestic work and consumer labour draw on similar cognitive, affective and communicative capabilities and produce similar outputs of self-creation, interpersonal relationships and social solidarity. Like so much reproductive work, they are both about producing and reproducing subjects shaped by the tools of the capitalist social, economic and technical infrastructure.

Moreover, consumer labour occupies a similar position in relation to the generation of surplus-value as domestic work. Most commercial digital media sites generate the bulk of their revenue through advertising. They are, therefore, reliant on the generation of what Dallas Smythe (1977) called "the audience-commodity" for the creation of surplus-value: the redacted and reduced data about audiences that is sold to advertisers in order to generate revenue (see also Jhally and Livant 1986). This is the basis for Fuchs' (2008; 2009; 2014a; 2014b) interpretation of consumer labour as productive. He argues that if, like the media companies explored by Smythe and Jhally and Livant, the commodity produced by internet platforms is user data, "then the process of

creating these data must be considered to be value-generating labour" (Fuchs 2014b, 246). These data are produced by consumers in more or less active ways – for instance, the geographic location of IP addresses are valuable data points but are not necessarily inputted actively by users – and effectively mean that consumers self-define their marketing demographic. Without this constant clickstream of user preferences and taste-identifying information, digital media companies and commercial retailers would require expansive (and expensive) marketing arms to collect post hoc ratings or conduct user focus groups. The interactive platforms of digital media automate this data collection and interacting users provide the necessary labour to transform the potential of those interfaces into commodifiable data.

Because the work of contributing content, user data and brand value (Arvidsson and Colleoni 2012; Pitts, this volume) is unpaid, like the work of the housewife it is almost entirely surplus. It reduces the necessary outlay by the capitalist on professional content producers, sales executives or marketing departments. Fuchs (2014a, 111) emphasizes this point:

> The rate of exploitation (also called the rate of surplus value) measures the relationship of workers' unpaid work time and paid work time. The higher the rate of exploitation, the more work time is unpaid. Users of commercial social media platforms have no wages ($v = 0$). Therefore the rate of surplus value converges towards infinity. Internet prosumer labour is infinitely exploited by capital.

Thus, there is more than the superficial resemblance between the types of activities involved in consumer labour and that associated with domestic work. They both operate in a regime of almost total exploitation, generating surplus by reducing the costs of production. Additionally, and this is important to emphasize, they are both involved in reproducing society. It would seem logical then to draw on the long history of modelling domestic work's relationship to capitalism to understand the value creation of digital media's consumers.

3. Indirect relationship to capital

As I have argued elsewhere (Jarrett 2014), in *Arcane of Reproduction* Leopoldina Fortunati (1995) provides a valuable framework for interrogating consumer labour. She not only offers a convincing economic model, but also allows interrogation of the wider reproductive role of

this labour. Fortunati's model is predicated on the feminist understanding that domestic work is a necessary component of capitalist value chains because it produces labour power. However, she argues its incorporation is not direct because the labour power commodity produced in domestic work has two interrelated characteristics. Firstly, it is the *capacity* to work, rather than an alienable object. Its related second characteristic is that it "does not exist outside of the individual who contains it" (1995, 72). These qualities mean that the "female houseworker cannot directly reproduce the male worker's labor-power" because that is "a capacity which exists within the male worker himself" (1995, 73). The process of reproduction therefore has two phases: "firstly, the transformation of the means of production of housework into use-values which are directly consumable by the male worker; and secondly, the transformation of the latter into labor-power" (1995, 74). It is only in the case of her own labour power that a domestic worker can directly produce the final form of labour power.

Although this is not underscored in her analysis, which instead emphasizes the alienating aspects of this system, Fortunati's model is important for understanding consumer activity as a form of concrete labour producing use-values. The indirect relationship to capital the model describes allows for the production of use-values that are not directly commodified, but instead consumed and experienced as use-values within certain contexts of the value chain. The model means that at one, intermediate phase of the value creation process, products and the labour itself retain their inalienability and thus can be interpreted in terms of their distinction from the destructive, exploitative logics of capital. They *are* involved in a wider process of surplus-value production and the alienation and exploitative logics of capital, but they are not only this.

Fortunati's model offers a powerful description of domestic labour, which is associated with the generation of socially, psychologically and emotionally meaningful products that are inalienable, even while this work is firmly implicated in capitalist economics. It also describes the work of consumers that, while exploited and alienated at the formal level, is often experienced as socially and individually significant. My Facebook conversations, for instance, may be generating valuable user data, but they are also an inalienable and integral part of my sociality and self-actualization. It is this duality attributed to the products of affective, immaterial labour that is the most valuable contribution of this model for theorizing consumer labour: its ability to move beyond binaries.

4. (Un)productive labour

The first of these unhelpful binaries is between productive and unproductive labour. While I have clearly weighed in above to establish the productivity of both domestic work and consumer labour, I have great sympathy for those who argue that it is inappropriate to approach certain kinds of work and their products using concepts derived from the market because they are simply uncommodifiable. For instance, a radical feminist position asserts that to apply concepts such as the labour theory of value to socially meaningful domestic work is a serious category error, arguing instead for a different (feminized) register in which to valorize behaviour. There is much "anxiety" about whether intimate care and domestic work should or can ever be linked to organized, productive labour (see Meagher 2002; Cameron and Gibson-Graham 2003 for surveys of these positions). Rather than calling on market terms, feminist economist Nancy Folbre (2001; see also Lynch 2007; Lynch and Walsh 2009; Hochschild 2012) makes a claim for the retention of "family values", defined as the ideas of love, obligation and reciprocity, as the organizing basis for domestic labour's economic systems. Furthermore, the products of this work, and the inputs that generate them, are often immaterial and unmeasurable, particularly in terms of the clock time associated with productive, waged labour (Marazzi 2007; Adkins 2009; Lynch and Walsh 2009, 38). They are typically use-values, only made visible through their instantiation in individuals and social practice. For example, the nurturing of a child produces a responsible, caring adult, while generating a sense of solidarity between people may result in shared political commitment within a social group. These remain outside of capitalist logics.

Implicit in these types of arguments is the idea that certain kinds of activity have social importance outside, and *only* outside, market relations and so can only be measured by the values of those contexts. As a great variety of empirical analyses suggest, digital media consumer labour is also best understood outside of market logics. Nancy Baym and Ron Burnett's (2009) study of Swedish independent music fans' contributions to building and sustaining the sector has found intrinsic, socially embedded rewards are the key products of these users' activity. Similar conclusions that the key products of consumer activity are non-fiscal use-values are found in the work of Milner (2009), Light et al. (2012), Malaby (2006), Miller (2008), Tufecki (2008) and Lampel and Bhalla (2007), to cite just a few studies. As Lynch says about caring labour, the interdependence and social nature of the use-value to

consumers of digital media interactions means that this work "cannot be entirely marketised without undermining [its] care or solidarity purposes" (2007, 563). Like domestic work, the activities of consumers *must* be outside of market logics and commodification and thus be formally unproductive if they are to remain meaningful.

How then do we reconcile this evidence with the various arguments about the productivity of such work in the Marxist literature on consumer labour? This is only an issue, however, if it is assumed use-values such as love, care and social solidarity are subsumed within, or are entirely subordinated to, the capitalist system. However, by highlighting the multi-phasic incorporation of reproductive labour into capital, Fortunati's model acknowledges the persistence of use-values that are encountered as use-values before, and even during, their incorporation into capital. It allows, therefore, for such activity to exist within an economic framework, but to nevertheless maintain the integrity that comes from its non-market dimensions. It allows for a longer value chain so that such work can be productive, in that at one moment it is abstracted dead labour that ultimately has exchange-value generating surplus-value, and also unproductive in that at another it is living, concrete labour, escaping capture, measure and categorization within economic categories. Fortunati's model allows these multiple outcomes, offering a *both/and* relationship between productive and unproductive labour as described by Goran Bolin (2011), rather than an either/or binary. Consumer labour can be simultaneously the "unproductive" generation of socially meaningful use-values and the production of the exploited and exploitable audience-commodity.

5. Alienation vs agency

Following on from this argument, it is no longer possible to exclusively declare consumer labour a regime of exploitation, with attendant alienation, or an example of consumer agency and self-actualization. As noted above, this binary has been a recurring theme in the analysis of digital media consumer activity. Contra to the typification of this activity as exploited labour by Fuchs and others, many argue that rather than being alienated from their products, users can best be described as co-creators (Banks 2002; 2013; Zwick et al. 2008; Banks and Deuze 2009) with at least some degree of control, agency and/or profit within the productive activity of the sector. This work is often highly passionate (Postigo 2009), pleasurable and constitutive of social relations, technical skills and cultural capital through which users counter the

alienating tendencies of this work and capitalist society more generally. Banks and Humphreys (2008), for instance, describe how users involved in modding for Auran Games articulate a power, albeit one different from that associated with industrial capital's waged labourers. The "user creators" in this study are depicted as "quite competent and canny participants" (2008, 405) in the economic exchanges taking place in their game production, manifesting agency to resist, change and negotiate their shifting "working" arrangements. Banks and Humphreys (2008, 413) do take pains to point out this is not an equitable power relationship, but their study demonstrates an investment and control within the production process that suggests there is far more than the appropriation of user labour power in these relations. "User-led labour", they conclude, "is an agent of change that unsettles existent industrial knowledge regimes" (2008, 416). If attention is brought to the meanings cultural workers bring to their work and the compensations they find there, the claim of alienation becomes less tenable.

In allowing for the persistence of use-values within capitalist contexts, Fortunati's model validates the existence of these self-actualizing practices of consumers, even while insisting they maintain their function with capitalist circuits. It allows for consumers to be formally exploited and to encounter alienated manifestations of their inputs into digital media while not discounting that these same inputs are valuable and inalienable expressions of self and culture. This is the experience of unpaid familial domestic and care work, which, for all its frustrations and structural exploitation, can be immensely rewarding and meaningful, not to mention being integral to a vibrant social fabric. The Marxist feminist approach allows for exploitation or agency to be more or less foregrounded at different points within an extended production/consumption cycle, creating a continuum between these social effects and their wider political implications. It may well be the case that there are certain exchanges of a labour process that involve alienation and others that do not. This model calls for attention to the specificity of each moment within that process(es) and openness to the potential for duality and contradiction in their relationship to capital. It is no longer required or possible to declare any practice or platform as categorically exploitative or a site of agency, but instead to determine the particularity of its varied exchanges.

6. Bridging the "mythical divide"

This leads inexorably to another binary collapsed under a Marxist feminist driven model of consumer labour: that between cultural and

political economy approaches to the study of media. Advocates of these two paradigms have been engaged in long-standing and often acrimonious debate over their respective validity (for summary of these and other debates, see Kellner 1998; Meehan 1999; Wittel 2004; Fenton 2007; Fuchs 2014b: 59–73). Each approach frames the other as wanting, using concepts also deployed in debates about exploitation and agency in consumer labour. Cultural theorists refuse the economic determinism or reductionism they ascribe to political economy approaches, while political economists query the critical insight of cultural studies that focus on agency over structural determinants. Analyses of media's political economy can be criticized for failure to engage with the rich layers of cultural and social experience and the particular ways in which struggle is articulated outside of class categories, relying instead on attributions of passivity and false consciousness (Carey 1995; Grossberg 1995). On the other hand, studies of cultural practice arguably collapse into description of a plurality of differences, denying solid ground from which to organize meaningful political action (Morris 1990; Garnham 1995; Turner 2012).

Obviously, this description is merely a reductive caricature of a complex and nuanced series of debates. But it serves to demonstrate the emphasis of both approaches that can be incorporated by the both/and understanding of value creation offered by a Marxist feminist framework. As Bolin argues, media consumers may be connected to the audience-commodity, but are also producing "ideas, meaningful discourses, views of the world and, in the long run and in combination with other things consumed, identities and cultures" (2011, 33). Using domestic work as a basis for understanding labour practices underscores this latter role in reproducing social norms; after all, it is the work of social reproduction. Consumer interactions generate psychological, emotional and social rewards for continued engagement with digital media platforms. Thus, like domestic work's production of the labour-power of healthy and properly socialized workers, this work produces and reproduces appropriately desiring subjects aligned with the logics of commercial digital media. The work of consumers is therefore not only economically valuable, but is *of value* to capitalism more generally because its product is (potential) labour-power, the creation of culturally embedded and embodied subjects. This work and its products are therefore economic but also cultural; material and symbolic; alienated and self-actualizing. To use this model then is to refuse the false binary between these spheres that, as Janice Peck (2006) points out, has characterized the debate between the two research paradigms.

The prism of domestic work allows for a return to the tradition of the formative texts from which the discipline of Cultural Studies emerged. As described by Hall (1980, 58), works such as E.P. Thompson's *The Making of the English Working Class* and Richard Hoggart's *The Uses of Literacy*, but particularly Raymond Williams' *Culture and Society* and *The Long Revolution*, took questions of culture seriously "as a dimension without which historical transformations, past and present, simply could not adequately be thought". These approaches foreground "questions of culture, consciousness and experience" (Hall 1980, 58), accenting agency, but directly link its organization to material and historical changes in industry, class, labour and democratic relations. This tradition refuses to conceptualize base and superstructure as separate spheres, but focuses instead on the "radical interaction" between economics and the organization of lived experience. The two-stage model of incorporation into capital that domestic work demonstrates, and the persistence of use-values this framework allows, mirrors this logic and provides a means for conceptualizing the place of culturally rich interactions within capitalist circuits.

To adopt such an approach involves rejecting the reduction of value to only fiscal surplus and instead opens up interrogation of the capitalist subjects (or counter-subjects) of Williams, but also of Gramsci, Althusser, Foucault, Bourdieu, Said, Butler and so on, who are produced within and by the cultural mechanisms of digital media and their role within capitalist society. It also allows for pleasure, agency and empowerment of the kind identified by Banks or Baym and Burnett to be meaningfully observed. At the same time, it also allows for critical appraisal of how those use-values emerge from, or are implicated in, the ongoing inequitable distribution of resources in contemporary global capitalism. For instance, it allows us to look more closely at the agency experienced by Auran's co-creators, examining how it may emerge from a particular class, gender, racial, sexual or other cultural location and whether the agency identified there in turn recreates those subject positions and the exclusions of capitalist economies. It does this within an economic and political model that fits within the Marxist critical tradition. To explore how consumer labour produces and reproduces these subject positions alongside economic value is thus to generate a more holistic understanding of value and of value-creation, bridging what Natalie Fenton (2007) refers to as "the mythical divide" between the two paradigms and avoiding fruitless squabbles over the primacy of any one theoretical approach. More importantly, by expanding what we interpret as valuable in the capitalist mode of production, this approach also

complicates and extends our view of the social importance of consumer labour and digital media more generally.

7. "My Marxist feminist dialectic brings all the boys to the yard"

The prism of Marxist feminism, which recognizes the specificity of domestic work's relationship to capital that gives rise to Fortunati's model, thus offers productive insights into value generation by digital media's consumers. It allows for this activity to produce commodities with exchange-value, not least the audience-commodity, but also immaterial and material use-values that build sociality and subjectivity. It allows for a role in the generation of surplus, but also for the generation of value that potentially escapes alienating relations. The value produced by consumers can be viewed as both economic and cultural, meaning it can be criticized not only for its exploitative qualities, but also for its role in reproducing (or not) the normativity of capitalist structures. Marxist feminist perspectives expand the critical approaches that can be usefully applied in understanding consumer labour.

This conclusion is reflected in the quote used as the title for this section of the chapter. This text – "my Marxist feminist dialectic brings all the boys to the yard" – appeared in a meme shared on the *Socialist Meme Caucus*, a humorous Facebook page I follow. This page articulates the complexity of value being discussed here for it is an expression of the multifaceted agency of users, but also the intricacies of value generation in digital media and domestic work. The page is hosted by Facebook, an arch-exploiter of consumer labour, but, as its name indicates, *Socialist Meme Caucus* is also driven by critical social and economic ideologies. It is intentionally humorous and light-hearted, but nevertheless expands the public expression of alternative social and political models. At the same time, the pleasures associated with the site ultimately encourage generation of more user data as we "like" or "share" each meme and also facilitate the ongoing expression of subjectivity through the constraining affordances and economic frameworks of commercial digital media. In doing so, the page perpetuates the logics of digital media capitalism. *Socialist Meme Caucus* users add value to Facebook, contributing to the generation of surplus as data and as brand value. They are also generating the use-values of pleasure, self-expression and politically aware social solidarity that are anti-capitalist in content, but which, in their reproduction of the phatic self of Facebook, may also be of value to the maintenance of capitalist infrastructure. The framework needed

to unpack this complexity is precisely what a Marxist feminist dialectic "brings to the yard". Moreover, it is only through allowing for this complexity that the value to capitalism of such sites can be adequately understood.

Note

1. I use highly problematic gender-specific terminology here to reflect feminist arguments asserting the specificity of women's oppression under capitalism and its relationship to the privileging of masculinized, waged labour, particularly in the historical circumstances in which much of this analytical insight was produced. The use of this language is not to assert that this work is only done by women for men, but to highlight the feminist politics that animates its concepts.

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13

The Concept of Subsumption of Labour to Capital: Towards Life Subsumption in Bio-Cognitive Capitalism

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1. Introduction

In the last forty years, the current process of capitalist accumulation and valorization has assumed different names[1]: the most common of these, post-Fordism, is also the oldest. The term post-Fordism became popular during the 1990s, especially through the French *école de la régulation*.[2] This term, however, is not without its ambiguities and diverse interpretations, as are all terms that are defined in a negative way. With the term post-Fordism we define the period, from the 1975 crisis to the early 1990s crisis, during which the process of accumulation and valorization was no longer based on the centrality of Fordist material production, the vertically integrated, large factory. At the same time, in this period, we do not yet possess an alternative paradigm. Unsurprisingly, in the prefix "post-" we express what is no longer there, without underlining what actually appears in the present. The post-Fordist phase is, in fact, characterized by the conjoined presence of more productive models: from the Japanese Toyotist model of the "just in time" derived from Taylorism[3] to the industrial district model of small enterprises[4] and the development of productive lines that tend to become international according to a hierarchy.[5] Among these models, it is still impossible to identify a hegemonic paradigm. After the first Gulf War, innovations in the fields of transportation, language and communication (ICT) started to gather around a new single paradigm of accumulation and valorization.

The new capitalist configuration tends to identify in "knowledge" and "space" (geographic and virtual) as commodities a new foundation for dynamic skills of accumulation. As a consequence, two new dynamic economies of scale are formed, which are the basis for the growth in productivity (or, the source of surplus-value): learning economies and network economies. The first are connected to the process of generation and the creation of new knowledge (based on new systems of communication and information technologies); the second derive from the organizational modalities of each district (territorial networks or system areas), which are no longer used for production and distribution only, but increasingly as a vehicle of diffusion (and control) of knowledge and technological progress. We can name this paradigm of accumulation cognitive capitalism[6]:

> The term capitalism designates the permanence, though metamorphic, of the fundamental variables of the capitalistic system: the leading role of profit, and the wage system in particular, or more precisely, the different forms of employed labour from which surplus value is extracted. The attribute cognitive evidences the new nature of labour, of the sources of valorization and property structure, on which the process of accumulation is founded, and the contradictions that this 90 mutation generates.[7]

The centrality of learning and network economies, typical of cognitive capitalism, is put into question at the beginning of the new millennium, following the bursting of the internet economy bubble and its speculations, in March 2000. The new cognitive paradigm alone is unable to protect the socio-economic system from the structural instability that characterizes it. It is also necessary for new liquidity to be directed into the financial markets. The ability of financial markets to generate "value" is tied to the development of "conventions" (speculative bubbles) which can create somewhat homogeneous expectations, thereby pushing the main financial operators to support certain types of financial activities.[8]

What the internet economy did in the 1990s was followed in the 2000s by the great attraction to the development of Asian markets (China entered the WTO in December 2001) and real estate. Today, the focus is mostly on the performance of European welfare states. Independently of the dominant convention, contemporary capitalism is always in search of new social and vital circles to absorb and commodify, increasingly involving the bare vital faculties of human beings.

It is for this reason that over the course of the past few years we have been hearing about bioeconomy and biocapitalism.[9]

In recent years this tendency has been particularly emphasized by the spread of the so-called "social media" (Facebook, Twitter, Instagram and similar sites), whose consumption shows how it is difficult to find a clear separation between productive and unproductive activity (in terms of the production of wealth). More and more, leisure, game and *otium* (in the Latin sense) converge towards form of labour.[10]

At this point, the reader should clearly understand how the term used in these pages is nothing but the contraction between cognitive capitalism and biocapitalism: bio-cognitive capitalism is the phrase that defines contemporary capitalism.

2. Formal subsumption and real subsumption in Marx

Capitalist exploitation is described by Marx with two different forms of *subsumption*:[11] *formal* and *real*, as the outcome of the historical evolution of capitalism and the continuous metamorphosis of the capital–labour ratio. Those two forms of *subsumption* refer to two different concepts of surplus-value: absolute and relative. According to Marx, the stage of the *formal subsumption* of labour to capital is characterized by the prevalence of absolute surplus-value. The *real subsumption* instead is associated with the extraction of relative surplus-value.

The historical period of *formal subsumption* corresponds to the period of pre-industrial capitalism that leads up to the threshold of the Industrial Revolution and the first craft capitalism, in which the exploitation of labour and its submission to the capital takes place "on the basis of a pre-existing labour process".[12] In this context, the surplus-value origins from the extensification of labour through the continued lengthening of daily working time:

> I call absolute surplus value the surplus value produced by prolongation of the labour day.[13]

The first stage of capitalism can therefore be read as the stage in which the production activity is not affected by a strong acceleration of technological progress, except for the period of the industrial revolution at the end of XVIII century, which marks the widespread introduction of machines and relatively affects the "know-how" of the workers. However, what it is structurally certified at this stage of *formal subsumption*

is the gradual, more or less violent, transition towards the figure of the *artisan labourer*. With this step, the artisan loses its autonomy of self-employed to be transformed on salaried employee of the capital, while partially maintaining unchanged its labour performance (*salarization*).

The extraction of absolute surplus-value, however, meets an insurmountable limit: 24 hours a day. The prolongation of the working days cannot be such as to endanger the reproduction of the labour-force, as well as the slave, although wholly owned by the master, needed to be maintained. In the first half of the XIX century some legislative limits on work-time are thus introduced: labour time cannot exceed 10 hours, with further limits as far as labour-time for women and children is concerned

It is necessary to find new ways to extract surplus labour and increase the surplus-value. Thus, the stage of *real subsumption* of labour to capital is going to begin. At the stage of *formal subsumption*, the capitalist system of production proceeded in the direction of extensification of labour activity, towards a greater control of the capital. To this aim, it is possible to work in two ways: a. the prolongation of the working day up to the maximum limit allowed by the need to guarantee the reproduction of the labour-force and b. the *salarization* of the greater amount of labour possible, in presence of a given labour organization. The term *salarization* is nothing more than the other face of the concept of productive labour. Just because – let's not forget – labour is formally a freely exchanged and paid commodity, labour-force is productive only when it generates surplus-value.[14] The extension of productive labour through its monetary *salarizatio*n, is complementary to the extension of the working day. These two aspects of *formal subsumption* of labour to capital are the starting points of the beginning of capitalism and, at the same time, the arrival point of the primitive accumulation.[15]

With the transition to *real subsumption*, the process of exploitation and extraction of surplus-value passes from the extensification to the intensification of the labour process. This transition takes place through a succession of three different models of organization.[16] The initial *simple cooperation*, typical of the first phase of pre-capitalist *formal subsumption*, gives place to the s.c. *manufacture system* of the late XVIII century, in which labour still has a formal self-organization and the worker uses his own tools, albeit in an increasingly exclusive status and in confined areas. It is the stage described by Adam Smith,[17] when the *simple cooperation* changes its configuration and transforms

itself in the *division of labour*, with the aim to decompose artisan activity in different and heterogeneous operations, each of which is permanently assigned to individual workers. The stage of *manufacture system* of the mid-XIX century, then, turns in the third organizational model which Marx calls *the factory*, where there is no more specialization and the worker is forced by the "machine" to perform monotonous operations throughout the entire labour day. The worker becomes so completely servant (*enslaved to*) of the machine, by reducing himself to a body that acts without thinking. It is in this transformation that the transition to the *real subsumption* of labour to capital takes place. The extraction of surplus-value (now, relative) is thus determined by the increase of the intensification of the pace dictated by the speed of the machines. This intensification (what economists call "labour productivity") is designed to shorten the socially required labour time for the reproduction of the same labour-force. The result is to allow a greater volume of output, surplus-labour and then surplus-value.

It is with the rise of the *factory system* that time becomes the measure of labour and the socially labour time emerges as a central factor. Thus, the chronometer, as a means to quantify the economic value of labour and prescribe the modes, becomes, together with the mechanization, the essence of economic and cultural changes of the work determined by the industrial revolution and the fundamental characteristics of *real subsumption*.

> In this way, labour becomes more abstract, not only in the form of exchange value, but also in its content, devoid of any intellectual quality and creative element.[18]

In other words, the *subsumption* of labour to capital becomes real when it happens within the production process and not just from the outside. It is dictated by the technology and by the externalization (with respect to the collective worker) of the knowledge (now embodied in the machines), which is at the basis of the division of labour and permits the productive coordination and co-operation. The constraint to wage labour is not only monetary, but also technological, *endogenized* by technical progress. In this way, the individual labour of the worker, increasingly reduced to mere living appendage to the machine system, "it is not in itself of no use if it is not sold to the capital".[19]

The transition from the *formal* to the *real subsumption* changes the relationship between labour-force and machines, or between living and

dead labour, that is, between constant and variable capital. We can describe this process as a transformation of the relationship between knowledge (learning) and labour.

In the *formal subsumption*, the craftsman turned into waged employee, still retaining control, albeit partial, of its labour capacity (know-how). What is alienated is the use-value, but not his professionalism. The capital is able to valorize itself only ex post. In the *real subsumptio*n – which reaches its maximum level with the development of the Tayloristic labour organization – the knowledge and the ability to work are totally expropriated by capital and embodied in the constant capital. Hence, we are witnessing the transition of knowledge from living to dead labour (machinery). The capital now tends to self-valorize. It's up to this transition that the main dichotomies arise, able to stiffen the Taylorist production system: between manual and intellectual labour, and between work time and leisure time. From those, other dichotomies unravel, such as that between production and reproduction/consumption or between productive and unproductive labour (which assumes, socially, the forms of a gender division). This latter division is the basis of the Taylorist accumulation process, up to innervate also the social structure so as to regulate it in a disciplinary and rigid way. The division of labour innervates the social hierarchies and affects education structure. In fact, it is based on the separation between manual and intellectual labour and between productive and unproductive labour.

Summarizing, the *real subsumption* allows the industrial capitalism to encompass the whole of society, through the generalization of the wage relation and of exchange-value, with profound effects on the habits and mode of life of employees.

With the development of the Fordist paradigm of production and the stage of *real subsumption*, capital accumulation based on production material reaches its apogee. The Smithian division of labour, outcome of the fragmentation of labour tasks, extends to its maximum.

3. Towards the life subsumption

With the crisis of the Fordist paradigm, that is the crisis of *the real subsumption* based on material production, a transition starts to the present days, where we see a shift from the production of money by means of commodities: (M-C-M') to the production of money by means of knowledge and relational activities [C(k)]: [M-C(k)-M'], with structural effects on the mode of production and on the valorization process (*bio-cognitive capitalism*).

We are entering a new phase of *subsumption* of labour to capital, where at the same time *formal subsumption* and *real subsumption* tend to merge and feed off one each other.

Today we can still talk of *formal subsumption* of labour to capital when labour activity refers to the ability and to relational learning processes that the individual worker holds on the basis of his experience of life. These are skills that that are partially completed in a period prior to time of their use for the production of exchange-value. The learning and the relationship, initially, arise as use-values and, such as tools and manual skills of the artisans of the first pre-tayloristic stage of capitalist, are then "salarized", *obtorto collo*,[20] and *formally subsumed* in the production of exchange-value.

> Mass education and the development of a diffuse intellectuality make the educational system a central site for the crisis of the Fordist wage relation. The key role attributed to the theme of the development of a "socialised and free" sector of education in the conflicts concerning the control of 'intellectual powers of production' is, therefore, an essential element of Marx's elaboration of the notion of the general intellect. The establishment of a diffuse intellectuality is configured as the necessary historical condition, even if, in the Grundrisse, this reference is implicit and, in some cases, concealed by a dialectical approach to the evolution of the division of labour that privileges the analysis of structural changes instead of the institutions and the subjects which could have originated these transformations.[21]

Unlike Marx, the *general intellect* is not fixed in machinery, it is not just "growth of fixed capital" but today is more and more dependent on living labour, i.e. the variable capital.[22]

As well argued by Marazzi, the *bio- cognitive capitalism* tends to be seen as an anthropogenetic model of production and accumulation:

> The metamorphosis toward the capitalist anthropogenetic model or, if you prefer, the "biopolitical turning point" of the economy, has a precise amount reflected in the evolution of employment of the labor force. Over the past decade the secular decline of the manufacturing sector compared to the service sector accelerates. This is not only a decrease in the number of industrial activity for increases in population (a phenomenon that has been going on since the beginning of the 900), it is a decline in absolute terms, since 1996, which in United States, England and Japan is equivalent to a reduction of

> one/fifth of jobs and, in Europe, at an average net loss of 5%. (...) The difficulties, which we encounter in analyzing these trends in the labour market, indirectly confirm that the emerging model is an anthropogenetic paradigm, a model in which growth factors are in fact directly attributable to human activity, to his communication, relational, creative and innovative skills.[23]

The valorization process works by exploiting the capabilities of learning, relationship, and social (re)production of human beings. It is in effect a kind of primitive accumulation, which is able to put to labour and to value those activities that in the Fordist-Taylorist paradigm were considered unproductive. The *formal subsumption* in the bio-capitalism, therefore, has the effect of broadening the basis of accumulation, including training, care, breeding, consumption, social, cultural, artistic and leisure activities. The idea of human productive act changes, the distinction between directly productive labour (*labor*), the artistic and cultural work (*opus*), leisure activities (*otium* and *play*) fail and tends to converge into labour, a directly and indirectly productive (of surplus-value) activity.[24]

At the same time, in the bio-cognitive capitalism the *real subsumption* is modified with respect to the Taylorism but we believe that it still operates.

Carlo Vercellone has rights when he writes:

> From the moment in which knowledge and its diffusion is affirmed as the principal productive force, the relation of domination of dead labour over living labour enters into crisis[25]

and (quoting Marx):

> Labour no longer appears so much to be included within the production process; rather, the human being comes to relate more as watchman and regulator to the production process itself.[26]

But, on our opinion, the changing relation between dead and living labour leads to a redefinition of the two concepts, as well as for the concepts of abstract and concrete labour.

As already suggested, the *formal subsumption*, implicit in bio-cognitive capitalism, has to do with the redefinition of the relationship between productive and unproductive labour, by making productive what in the Fordist paradigm was unproductive.

Now the *real subsumption* has to do with dead/living labour ratio, as consequence of the transition from repetitive, mechanical technologies to linguistic, relational ones. Static technologies, at the basis of the growth of productivity and of intensity in labour performance (size scale economies) switch to dynamic technologies able to exploit learning and network economies, by simultaneously combining manual tasks and brain-relational activities. The result has been the increase of new, more flexible forms of labour, in which design and manufacturing stages (CAD-CAM-CAE) are no longer perfectly separable but more and more interdependent and complementary. Even the separation between manufacturing and service production becomes more difficult to grasp. They becomes inseparable within the production filiére. As far as material production is concerned, the introduction of new computerized systems of production, such as CAD-CAM and CAE necessitate a professional skills and knowledge that make the relationship between man and machine increasingly inseparable, to the point that now it is the *living labour* to dominate the *dead labour* of the machine, but inside new form of labour organization and of social governance.[27] On the production side of services (financialization, R&D, communication, brand, marketing), we are witnessing a predominance of the downstream valorization of material production.

It should be noted that the reduction in industrial employment, however, does not correspond to an actual decrease of the share of manufacturing on total GDP, which in the United States and in all the developed countries, remains, since 1980, more or less unchanged.

In the bio-cognitive capitalism, *real subsumption* and *formal subsumption* are two sides of the same coin and feed off one each other. They, together, create a new form of *subsumption*, we can define *life subsumption*. We prefer this term to that of *subsumption of general intellect*, as proposed by Carlo Vercellone,[28] since we do not refer only to the sphere of knowledge and education but even to the sphere of human relations, broadly speaking. This new form of the modern capitalist accumulation highlights some aspects that are at the root of the crisis of industrial capitalism. This leads to the analysis of new sources of valorization (and increasing returns) in the bio-cognitive capitalism. They derive from the crisis of the model of social and technical labour division (generated by the first industrial revolution and taken to the extreme by Taylorism) and they are powered by:

> the role and the diffusion of knowledge which obeys a co-operative social rationality which escapes the restrictive conception of human capital.[29]

It follows that the certified and direct labour time cannot be considered the only productive time, with the effect that a problems of the unit of measure of value arises. The traditional theory of labour value needs to be revised towards a new theory of value, in which the concept of labour is increasingly characterized by "knowledge" and is permeated with the human life and life time. We can call this step as the transition to a *theory of life value*,[30] where the fixed capital is the human being "in whose brain resides the knowledge accumulated by the company".[31]

When life becomes labour-force, the working time is not measured in standard units of measurement (hours, days). The working day has no limits, if not the natural ones. We are in the presence of *formal subsumption* and extraction of absolute surplus-value. When life becomes labor-force because brain becomes machine, or "fixed capital and variable capital at the same time", the intensification of labour performance reaches its maximum: we are so also in the presence of *real subsumption* and extraction of relative surplus-value.

This combination of the two forms of *subsumption* – precisely *life subsumption* – needs a new system of social regulation and governance policy.

4. The governance of life subsumption

The process of salarization has historically represented the primary mode which allowed the command of capital over labour in presence of *formal subsumption*. The composition and the technical division of labour, based on a strict separation between human being and machine and on the hierarchical discipline of labour performance, has characterized the phase of *real subsumption*.

If the process of salarization (both direct and indirect[32]) is still the way that, in part, promotes the *formal subsumption* (i.e., the salarization of care work, (re)production, learning, (although it does not operate for other productive activities, such as consumption[33] and social relations, as well as leisure and cultural activities are concerned), in the bio-cognitive capitalism the technical division of labour and the separation between human being and machine are no longer the major factors that fuel the *real subsumption*. Productivity growth is increasingly dependent on the exploitation of dynamic economies of learning and networking, which is on the increasing returns to scale that are fed with the passing of a time that is no longer measurable outside of certified labour performance. It's no more the time of factory production, in which labour productivity was measured by chronometer

applied to the times and rhythms of the machines. The learning and network activities (the birth and diffusion of knowledge) are intrinsically linked to subjectivity, expertise and individuality of the worker. The timing of learning and of networking – the time of the general intellect – become objectively unverifiable and therefore not directly monitorable.

It's therefore necessary to redefine new instruments of control, able to overcome the discipline and establish forms of social control. Deleuze had already identified this step, starting from the analysis of Foucault:

> Foucault located the disciplinary societies in the eighteenth and nineteenth centuries; they reach their peak at the beginning of the twentieth. They proceed to the organization of large areas of imprisonment. The individual never ceases passing from one closed environment to another, each with its own laws: first the family, then the school ("you are no longer in the family"), then the barracks ("you are no longer at school"), then the factory, sometime the hospital, and eventually the prison, which is disciplinary environment for excellence.[34]

Deleuze then added, with reference to the crisis of the 70s:

> We are in a generalized crisis of all imprisonment dispositives, from jail to hospital, factory, school and family. The family is an "internal structure" in crisis like all other internal structures, such as educational, professional and so on. The government does not stop to announce reforms which are deemed necessary. Reforming school reforming the industry, the hospital, the army, the prison, but everyone knows that these institutions are finished, at shorter or longer maturity. It is only to manage their agony and to keep people employed until the installation of the new forces that press upon us. These are the societies of control, able to replace the disciplinary societies. "Control" is the name Burroughs has proposed to designate this new monster, and that Foucault recognizes as our immediate future.[35]

Deleuze points out that in the society of control, the individual is not defined as a "signature" and "a number" but by "a code": the code is a kind of password (access code), while the disciplinary societies are regulated by "mots d'ordre" both from the point of view of integration and from the resistance. The digital language of control is made of digits (codes) that mark access to information or rejection.

> We are no more in front of the couple mass/individual. Individuals have become "dividuals", and masses statistical samples, data, markets or "banks.[36]

Society of control is the governance of life subsumption. Three elements confirms it.

1. The first has already been underlined by the same Deleuze, when he writes:

> Is it the *money* that expresses the distinction between the two societies, since the discipline has always had to do with "paper money", able to reaffirm that gold is the reference value (the "unit of measure, ndr.), while the control implies flexible exchanges . . . . . The old monetary mole is the animal of environments of imprisonment, while the serpent is that of the society of control.[37]

Deleuze refers in this passage to the construction of a supranational monetary systems (the European Monetary System – EMS – of late '80) anticipating the role and task of the financial markets over the following twenty years: that is, the violence of financial markets[38] as an instrument at the same time of "blackmail and consensus" to access to monetary resources and to cope with the public and private debt. The control of financial flows today means control of the emission of liquidity, formally carried out by central banks, but increasingly dependent on the logic of power and on the conventions of the financial oligarchy.

The other side of this control is the governance of individual behaviour through the "debt": today, *debt* is no more only an economic and accountability term, but an indirect disciplinary tool (and therefore of social control), able to regulate the individual psychology up to develop a sense of guilt and self-control.[39]

2. The second process of social control is represented by the evolution of the types of labour contract toward a structural, existential and generalized *condition of precarity*.[40] The precarious condition today is synonymous with uncertainty, instability, nomadism, blackmail and psychological subordination in order to survive. It is a dependency condition that does not manifest itself at the very moment in which it formally defines a labour contract but it is upstream and downstream. It's an existential condition that induces total forms of self-control and self-repression with even stronger results than

> those of the direct discipline of the factory. The precarious condition defines an anthropology and behavioural psychology that is as strong as the labour becomes more cognitive and relational.

Debt, on the one hand, precarity, on the other hand, are the two main pillars that allow the current *life subsumption* of bio-cognitive capitalism to operate.[41]

These two main elements favour an individualization of economic and social behaviour, towards what Dardot and Laval call the "entrepreneurial man", a sort of a neoliberalism anthropology which define a new subjective regime, which need to be addressed.[42]

In order to induce subjective behaviours in line with the process of exploitation of life that underlies *life subsumption*, it is necessary, however, to introduce other dispositif of control, aimed at the governance of subjectivity of individuals.

3. Here is the third trend of social control, which moves on a dual track: the control of the processes of formation of knowledge (education system) and the creation of an *ad hoc* individualistic imaginary. When knowledge, the *general intellect*, becomes strategic, the basis of the process of capitalist accumulation and bio-valorization, it is necessary not only to control it but also direct it. This process can take place along two mutually complementary directives, aimed at the administration of "things" (the first) and the government of the "people" (the second). First, we are witnessing the development of a governance technology (*techne*) as a tool that constantly minimizes (till eliminate) any element of critical analysis and social philosophy. The technical specialization creates "ignorance" in the etymological sense of the term, i.e. "no knowledge". Second, we add the *dispositif* of merit and of individual and selective reward, a sort of *mantra* definitely established in the processes of reform of educational institutions (from kindergarten to university). The aim is to transform the different individuality (put to labour and to value) into individualistic subjectivity, perpetually in competition, and then self-vanishing.

In parallel, *brandization* of life, in term of total commodification of life, leads to ensure that the individual transform itself in unique singularity, with wants and needs aimed more "to appear" rather than "to be". The formal imagery of appearance becomes an instrument of conformist identification, which is often hetero-directed and controlled.

The powerful growth of social networks, with all their ambivalence and potential wealth, witnesses and certifies this process.

Thus, *life subsumption* exploits subjective individuality, puts to value differences and diversity (gender, race, education, character, experience, etc.), by recombining them, into the external cage[43] of debt and precarity, in a continuous and dynamic process of induced social cooperation.

In fact, the governance of the *life subsumption* is based on a calibrated use of two main *dispositifs*: the *social subjugation* and *enslavement*. The *social subjugation* is precisely the production of subjectivity appropriated by the capital, at the very moment in which the subject worker is freely involved in the valorization process, since in it he/she sees or, better, has the illusion of seeing his own realization.

> The *social subjection*, as outcome of individual subjects, gives us an identity, a gender, a profession, a nationality. It constitutes a significant and representative semiotic trap from which no one escapes.[44]

In bio-cognitive capitalism, the techniques of subjection mobilize forms of representation (for example, the art) and discursive, aesthetic and visual practices. They find fulfilment in the concept of human capital, able to take on their own individual responsibility and, in the case of failure, to feel "guilty" and "in debt". The figure that best represents this process of subjugation is, at the same time, the self-employer and the consumer.

The *enslavement* is, instead, primarily machinic and psychological enslavement. The two attributes are totally interdependent, when the machine is inside the individual brain and affects the psyche. On the one hand, it:

> refers to technologies that are not representative, but rather operational, diagrammatic, which operate using partial subjectivity, modular, sub-individual.[45]

on the other hand, it leads:

> the human being, in the same way of mechanical structure, to work as human component and part of the same machinic.[46]

Unlike *social subjection*, in the *enslavement* our subjectivity, our perception, our psychology, our (false) consciousness are not required. There

is no relationship between subject and object, but rather a mechanical procedure, which results from a reciprocal, intimate communication between human being and machine.

Social subjugation and *enslavement* are indispensable to each other and feed off each other. The firms of the bio-cognitive capitalism (like the industrial and great distribution firms or social networks companies (like Facebook, Twitter, etc. or internet services – Google – or those that manage data surveys, databases) for marketing purposes or data-mining), individuals are not considered as only individuals, but also as a source of production, exchange, distribution and processing of information.

The control of information and of knowledge diffusion, the construction of symbolic imaginaries *ad hoc*, as well as the precarity of life and labour are practices both of *social subjugation* and of *enslavement*, able to let us understand the process of *life subsumption* in biocapitalism cognitive and re-enact the Foucault's concept of *biopower*.

The challenge, now, is to measure it, if possible.

Notes

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1. This introduction refers to the preface of my "Twenty Thesis on contemporary capitalism (Cognitive biocapitalism)", in Angelaky, vol. 16, pp. 7–8.
2. As M.Turchetto reminds us: "The origin of the notion of postfordism does not lie in orthodox Marxism or Workerism. hese two currents of thought imported the term and its correspondent definition from France, adapting them to their conceptual apparatus. The copyright of postfordism belongs in fact to the French école de la régulation . . . " (See M. Turchetto, "Fordismo e post fordismo. Qualche dubbio su un'analisi un po' troppo consolidata" in various authors, Oltre il fordismo.Continuità e trasformazioni nel capitalismo contemporaneo (Milan: Unicopli,1999). One of the first authors to use the term "post-Fordism" was the English geographer A. Amin in his Post-Fordism: A Reader (Oxford: Blackwell, 1994).Within the French école de la régulation, see B. Jessop, The Regulation Approach: Governance and Post-Fordism, Economy and Society (Oxford: Blackwell, 1995); A. Lipietz, "The Post-Fordist World: Labor Relations, International Hierarchy and Global Ecology", *Review of International Political Economy* 4.1 (1997): 1- 41; R. Boyer and J.-P. Durand, L'Apre's-fordisme (Paris: Syros, 1998). As far as the Italian debate is concerned, the first text to use the term post-Fordism is S. Bologna and A. Fumagalli, eds., Il lavoro autonomo di seconda generazione. Scenari del postfordismo in Italia (Milan: Feltrinelli, 1997). See also E. Rullani and L. Romano, Il Postfordismo. Idee per il capitalismo prossimo venturo (Milan: Etas Libri, 1998) and the already quoted critical text by M.Turchetto in various authors, Oltre il fordismo.

3. See, among others, T. Ohno, Toyota Production System: Beyond Large-Scale Production (New York: Productivity, 1995); G. Bonazzi, Il tubo di cristallo. Modello giapponese e fabbrica integrata alla Fiat (Bologna: Il Mulino, 1993); M. Revelli, "Economia e modello sociale nel passaggio tra fordismo e toyotismo" in Appuntamenti di fine secolo, eds. P. Ingrao and R. Rossanda (Rome: Manifestolibri, 1995) 161–224; B. Coriat, Penser a' l'invers (Paris: Bourgois,1991).
4. See M. Priore and C. Sabel, The Second Industrial Divide: Possibilities for Prosperity New York: Basic, 1984); S. Brusco, Piccole imprese e distretti industriali (Turin Rosenberg, 1989); G. Becattini, Distretti industriali e sviluppo locale (Turin: Bollati Boringhieri, 2000). For a critical analysis, see M. Lazzarato, Y. Moulier-Boutang, A. Negri, and G. Santilli, Des enterprises pas comme les autres (Paris: Publisud, 1993); A. Fumagalli, "Lavoro e piccolo impresa nell'accumulazione flessibile in Italia. Parte I e Parte II", Altreragioni 5 and 6 (1996–7).
5. See C.Palloix, L'economiamondiale e lemultinazionali, 2 vols. (Milan: Jaca, 1979 and 1982); G. Bertin, Multinationales et propriete industrielle. Le Controle de la technologie mondiale (Paris: PUF, 1985).
6. This term originated in France in the early 2000s from the research of the Laboratoire Isys- Matisse, Maison des Sciences Economiques, Université de Paris I, La Sorbonne, under the direction of B. Paulré, and it is diffused by the journal Multitudes with very heterogeneous texts by A. Corsani, M. Lazzarato, Y. Moulier-Boutang, T. Negri, E. Rullani, C. Vercellone and others. On this topic, see also B. Paulrè, "De la New Economy au capitalisme cognitif", Multitudes 2 (2000): 25–42; C. Azais, A. Corsani, and P. Dieuaide, eds.,Vers un capitalisme cognitif (Paris: l'Harmattan, 2001);Y.Moulier-Boutang, L'eta' delcapitalismo cognitivo (Verona: Ombre Corte, 2002); C.Vercellone, ed., Sommes-nous sortis du capitalisme industriel? (Paris: La Dispute, 2003); A.Corsani, P. Dieuaide, M. Lazzarato, J.M. Monnier, Y. Moulier-Boutang, B. Paulré, and C.Vercellone, Le Capitalisme cognitif comme sortie de la crise du capitalisme industriel. Un programme de recherche (2004). For a more recent analysis, see C.Vercellone, ed.,Capitalismo cognitivo (Rome: Manifestolibri, 2006); A. Fumagalli, Bioeconomia e capitalismo cognitivo. Verso un nuovo paradigma di accumulazione (Rome: Carocci, 2007); Y. Moulier-Boutang, Le Capitalisme cognitif. Comprendre la nouvelle grande transformation et ses enjeux (Paris: Editions Amsterdam, 2007). See also the monographic issue "Le Capitalisme cognitif. Apports et perspectives" of the European Journal of Economic and Social Systems 20.1 (2007), eds. A. Fumagalli and C.Vercellone, with contributions by A. Arvidsson, L. Cassi, A. Corsani, P. Dieuaide, S. Lucarelli, J.M.Monier, and B. Paulré, as well as by the editors.
7. See D. Lebert and C.Vercellone, "Il ruolo della conoscenza nella dinamica di lungo periodo del capitalismo: l'ipotesi del capitalismo cognitivo" in Capitalismo cognitivo (Rome, Manifestolibri, 2006).
8. See A.Orléan, Del'euphorie à la panique. Penser la crise financie're (Paris: Rue d'Ulm, 2009).
9. The terms bioeconomy and biocapitalism are very recent. The concept of bioeconomy was introduced by A. Fumagalli, in 2004; see "Conoscenza e bioeconomia", Filosofia e Questioni Pubbliche IX.1 (2004): 141–61 and

"Bioeconomics, Labour Flexibility and Cognitive Work: Why Not Basic Income?" in Promoting Income Security as a Right: Europe and North America, ed. G. Standing (London: Anthem, 2005) 337–50, as well as Fumagalli, Bioeconomia e capitalismo cognitivo. For an interesting analysis of the concept of bioeconomy, see also F.Chicchi, "Bioeconomia: ambienti e forme della mercificazione del vivente" in Biopolitica, bioeconomia e processi di soggettivazione, eds. A. Amendola, L. Bazzicaluppo, F.Chicchi, and A. Tucci (Macerata: Quodlibet, 2008) 143–58 and L. Bazzicaluppo, Il governo delle vite. Biopolitica ed economia (Rome and Bari: Laterza, 2006). The term biocapitalism was instead coined by V. Codeluppi, Il biocapitalismo. Verso lo sfruttamento integrale di corpi, cervelli ed emozioni (Turin: Bollati Boringhieri, 2008), C. Morini, The feminization of labour in cognitive capitalism, Feminist Review (2007) 87, 40–59. See also the more recent C. Morini, Per amore o per forza. Femminilizzazione del lavoro e biopolitiche del corpo (Verona: Ombre Corte, 2010), A. Fumagalli, Twenty Thesis on contemporary capitalism (Cognitive biocapitalism), in Angelaky, vol. 16, pp. 7–17, 2011 and "La vie mise au travail: nouevelles forms du capitalisme cognitive", Eterotopia France, Paris, 2015
10. See C. Fuchs, Digital Labour and Karl Marx (Mew York, Routledge, 2014), E. Fisher, Media and New Capitalism in the Digital Age: The Spirit of Networks (London, Palgrave, 2013), A. Fumagalli, "La vie mise au travail: nouevelles forms du capitalisme cognitive", (Paris, Eterotopia France, 2015)
11. As suggested by C. Vercellone, the term 'subsumption' is to be preferred to the term 'submission' "because it better allows us to grasp the permanence of the opposition of capital to labour and the conflict for the control of the 'intellectual powers of production' in the unfolding of the different stages of the capitalist division of labour". See, C. Vercellone, "From Formal Subsumption to General Intellect: Elements for a Marxist Reading of the Thesis of Cognitive Capitalism", *Historical Materialism*, 15 (2007), p. 15, note 4.
12. Marx writes: "I call the form which rests on absolute surplus-value the formal subsumption of labour under capital because it is distinguished only formally from the earlier modes of production on the basis of which it directly originates (is introduced), modes in which either the producers are self-employed, or the direct producers have to provide surplus labour for others". See K. Marx, *The Capital*, Book I, ch. VI (unpublished) "Results of the Direct Production Process", 1964: p. 93. (http://www.marxists. org/archive/marx/works/1864/economic/). See also C. Vercellone: "The stage of formal subsumption develops between the beginning of the sixteenth and the end of the eighteenth century. It is based on the models of production of the putting-out system and of centralized manufacture. The relation of capital/labour is marked by the hegemony of the knowledge of craftsmen and of workers with a trade, and by the pre-eminence of the mechanisms of accumulation of a mercantile and financial type": C. Vercellone, "From Formal Subsumption to General Intellect: Elements for a Marxist Reading of the Thesis of Cognitive Capitalism", *Historical Materialism*, 15 (2007), p. 15.
13. K. Marx, *The Capital*, Book I Part V: The Production of Absolute and of Relative Surplus-Value. Ch. XVI: Absolute and Relative Surplus-Value (it. ed. p. 354): https://www.marxists.org/archive/marx/works/1867-c1/ch16.htm

14. See note 1.
15. K. Marx. *The Capital*, Book I, Part VIII: Primitive Accumulation, Ch. XXXI, Ch. 31: Genesis of the Industrial Capitalist (it.ed. p. 738): https:// www.marxists.org/archive /marx/works/1867-c1/ch31.htm; S. Mezzadra, "Attualità della preistoria. Per una rilettura del capitolo 24 del primo libro del Capitale, «La cosiddetta accumulazione originaria»", http:// www. uninomade.org/per-una-rilettura-del-capitolo-24-del-capitale/ and D. Harvey, *The new imperialism*, Oxford University Press, Oxford, 2005.
16. For deepen details, D. Fusaro, *Bentornato Marx*, Bompiani, Milano, 2010, p. 233 ssgg.
17. A. Smith, *An inquiry into the nature and causes of the wealth of nations*, 1776: http:// www2.hn.psu.edu/faculty/jmanis/adam-smith/wealth-nations.pdf
18. C. Vercellone, "From Formal Subsumption to General Intellect: Elements for a Marxist Reading of the Thesis of Cognitive Capitalism", in Historical Materialism, n. 15, 2007, pp. 13–36. See A. Negri, *Marx beyond Marx. Lessons on the Grundrisse* (translated by H. Cleaver, M. Ryan and M. Viano) Autonomedia/Pluto Pess, 1991 pp. 59–85.
19. K. Marx, *Grundrisse*, Penguin Books, 1973, p. 404.
20. "In the absence of other means of access to money and/or to non-marketable appropriation of the means of subsistence" as c. Vercellone writes. See C. Vercellone, "From Formal Subsumption to General Intellect: Elements for a Marxist Reading of the Thesis of Cognitive Capitalism", in *Historical Materialism*, n. 15, 2007, pp. 13–36.
21. *Ibidem*, p. 27.
22. On this point there are different interpretations about Marx thought. From one side, Paolo Virno, identifies the general intellect with fixed capital *in toto*, (see P. Virno, "Quelques notes à propos du general intellect", *Futur Antérieur*, 10, 1992: 45–53), from the other, Carlo Vercellone underlines that the same general intellect presents itself as living labour and, hence, cannot be considered solely as fixed capital. This discussion is still open.
23. C. Marazzi, "Capitalismo digitale e modello antropogenetico del lavoro. L'ammortamento del corpo macchina", in J.L. Laville, C. Marazzi, M. La Rosa, F. Chicchi, (a cura di), *Reinventare il lavoro*, Sapere 2000, Roma, 2005, p. 112.
24. For more details, see A. Fumagalli, *Lavoro male comune*, B. Mondadori, Milano, 2013, ch. 1.
25. C. Vercellone, "From Formal Subsumption to General Intellect: Elements for a Marxist Reading of the Thesis of Cognitive Capitalism", in Historical Materialism, n. 15, 2007, p. 26.
26. C. Marx *Grundrisse*, Penguin Books, 1973, p. 704.
27. See next paragraph.
28. C. Vercellone, "From Formal Subsumption to General Intellect: Elements for a Marxist Reading of the Thesis of Cognitive Capitalism", in Historical Materialism, n. 15, 2007, p. 26
29. C. Vercellone, "From Formal Subsumption to General Intellect: Elements for a Marxist Reading of the Thesis of Cognitive Capitalism", in Historical Materialism, n. 15, 2007, p. 31.
30. A. Fumagalli, C.Morini, Life put to work: towards a theory of life-value, *Ephemera*, vol. 10, 2011, p. 234–252. Carlo Vercellone introduces the concept

of theory of knowledge-value, when he discusses "the concomitant passage from a theory of time-value of labour to a theory of knowledge-value where the principal fixed capital is man 'in whose brain exists the accumulated knowledge of society(K. Marx, *Grundrisse*, Penguin Books, 1973, p. 711)': C. Vercellone, "From Formal Subsumption to General Intellect: Elements for a Marxist Reading of the Thesis of Cognitive Capitalism", in Historical Materialism, n. 15, 2007, p. 31.

31. K. Marx, *Grundrisse*, Penguin Books, 1973, p. 725.
32. For indirect salarization, we mean the remuneration of an employment relationship that is not characterized by prescriptive and subordinated elements of the tasks on the basis of contractual agreements, but rather the remuneration for formally autonomous and independent labour activities, but in fact subjected to an hetero-direction. We refer, for example, to the various cooperation agreements that are today more and more widespread, and to largely relating to forms of cognitive labour (VAT workers, consultants and mono-committed self-employers).
33. On the valorization role played by consumption, the word "prosumer" has been coined. This term derives from the crasis of "producer" and "consumer" and was created in 1980 by Alvin Toffler. Toffler, in his book The Third Wave predicted that the role of the producer and that of the consumer would start to merge. V. Codeluppi, *Il biocapitalismo*, Bollati Boringhieri, Torino, 2008; R. Curcio, *Il consumatore lavorato*, Sensibili alle Foglie, Dogliani (CN), 2005.
34. G. Deleuze, "L'autre journal", n. 1, maggio 1990, now in G. Deleuze, Pourparlers (1972–1990), *Minuit*, Paris 1990, pp. 240–247: http://www.ecn.org/filiarmonici/Deleuze.html
35. *Ibidem*.
36. *Ibidem*.
37. *Ibidem*.
38. C. Marazzi, "The violence of financial capitalism", in A. Fumagalli, S. Mezzadra, *Crisis in the Global Economy*, Semiotexte/Mit Press 2010, pp. 17–60.
39. M. Lazzarato, *The Making of the Indebted Man. Essay on the Neoliberal Condition*, Semiotexte/MIT Press 2013. Please, note that, in German, the term "debt" (*Schulde*) has the same meaning of "guilt".
40. On precarious condition, see A. Fumagalli, "La condizione precaria come paradigma biopolitico", in F.Chicchi, E.Leonardi (a cura di), *Lavoro in frantumi. Condizione precaria, nuovi conflitti e regime neoliberista*, Ombre Corte, Verona, 2011, pp. 63–79, G. Standing, *The precariat. A dangerous class*, Bloomsbury, London, 2012.
41. A. Fumagalli, *Lavoro male comune*, op.cit.
42. See P.Dardot, C.Laval, *La nouvelle raison du monde: essai sur la société néolibérale*, La découverte, Paris, 2009, ch. 8 and 12.
43. External why it is independent on employment and social status: everyone has the right to its 10 minutes of fame!
44. M. Lazzarato, *The Making of the Indebted Man. Essay on the Neoliberal Condition*, Semiotexte/MIT Press 2013. p. 148.
45. *Ibidem*, pp. 148–49.
46. *Ibidem*, p. 149.

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14

Form-Giving Fire: Creative Industries as Marx's "Work of Combustion" and the Distinction between Productive and Unproductive Labour

Frederick H. Pitts

1. Introduction

In this chapter, I consider the role played in the operation of the law of value by what Marx calls the "work of combustion". Marx uses this term to refer to the activities of circulation. I use the creative industries as an example, with a specific focus on graphic design, advertising and branding. I argue that such circulation activities bear a greater determination upon value than Marxian thought has thus far permitted.

In this discussion I utilize a specific interpretation of Marx's theory of value. This interpretation holds value to be subject to the social validation of abstract labour by means of exchange.[1] I apply this interpretation to the question of productive and unproductive labour. It is in Marx's considerations of this question that we find his most direct engagement with the labour of circulation and its role in value production. My interpretation moves away from an intrinsic picture of where productiveness lies. Instead, it gravitates towards one that describes a process of abstraction whereby labour is rendered productive. Although it has a gradually cohering identity at earlier stages, the category of productiveness is a standpoint achieved only at the culmination of this process.

I contend that the activity of circulation renders the labour that takes place in the realm of production productive. This it does by effecting successful exchange. It realizes value and thus brings it into existence. It establishes the basis upon which we ascertain productiveness. Past

labour is rendered fully "productive" only through its abstraction. This abstraction culminates in the exchange of products of labour as commodities. But for this to happen, there is a considerable effort to endow a commodity with a social dimension. I attribute this contribution to the labour that takes place in the realm of circulation. In this case, this includes graphic design, advertising, branding and cognate fields.

I look at these fields with reference to value-form interpretations of the law of value. I give a reconstruction of the theory of productive and unproductive labour that does away with some key assumptions. It situates the distinction between the two as internal to the law of value rather than as one of its foundations.[2]

My examination of Marx's "work of combustion" emphasizes the importance of poles of valorization aside from that of labour. I argue that they should have attributed to them greater credit in the question of where value-productiveness lies. Using the creative and cultural industries as a case study, I adopt the standpoint of a reconstructed theory of value. This necessitates a reconsideration of the theory of productive and unproductive labour. Applied to the economic activities composing circulation, this exposes the way in which the category of productiveness comes to light only at the end of the process. In this way, the ultimate criterion of productiveness rests in exchange rather than labour. In this respect, fields such as advertising and graphic design play a more integral part in the production of value than commonly conceived.

Marx's writings on productive and unproductive labour, and their role in circulation are inconsistent, fragmentary and open. The particular value-form interpretation and specific historical focus advanced here takes advantage of this inconsistent and fragmentary openness to suggest new and unexplored gaps. These gaps concern two specific issues that lie at the heart of this discussion. First, the specific dimensions of productive and unproductive labour when considered in light of the theory of the value-form. Second, the specificity of circulation labour in a contemporary capitalism where the creative industries play a leading role.

In light of these two areas in need of clarification and recalibration, two questions guide this discussion: (1) How can we theorize the distinction between productive and unproductive labour as an outgrowth rather than a foundation of the law of value? (2) How can we understand the labour of circulation with productive and unproductive labour secondary to the operation of the law of value?

2. Argument

The argument made here draws upon so-called "value-form" reinterpretations of Marx conducted in the wake of Rubin (1972). Applying this approach, I see the criterion of productiveness as arising in the social validation of abstract labour as productive. This takes place with the successful exchange of products of labour as commodities (see Heinrich 2012). It is through this that value can be said to have been "produced" in any meaningful sense. This throws into question accounts of productive labour which associate it with any kind of concrete labour that takes place in the realm of production. Rather than the labour of the formal activity of production, it places the burden of productiveness upon the labour that helps bring this social validation about.

Rather than anything intrinsic to concrete labour itself, the productiveness of labour can only be seen fully as a factor of its end result. It depends upon the good or service it produces selling as a commodity. The good or service produced is initially only an ideal or potential commodity. When this product of labour sells as a commodity, the labour performed in its production enters into relation with all the other labours of society as part of an abstract whole. This validates the labour, conferring upon it the standard of productiveness.

In making this argument, I agree with Harvie's (2005, 61) contention that the distinction between productive and unproductive labour rests within the law of value rather than prior to it. Thus, what is productive of value does not precede the process of valorization by lending it its subject. Rather, it comes as a result of that process of valorization. As such, it is an internal part of the theory of the value rather than something outside its purview. This is because productiveness is an outcome of the movement of the law of value, the abstraction of concrete, private labour as a part of the social whole in exchange.

This abstraction relies upon the successful exchange of a product of labour as a commodity. The labour that attaches to a simple product of labour the status of a commodity is that which makes the product of labour exchangeable, and a desirable object of sale. This labour of circulation is traditionally conceptualized as "unproductive" in the Marxist canon. It incorporates the occupations that I identify as the "work of combustion". I emphasize the social validation of abstract labour as productive of value by means of the exchange abstraction. This challenges the familiar distinction between productive and unproductive labour.

The concrete labour behind the mere good or service is not productive at all when taken on its own basis. It has no productiveness of its own

divorced from the continuum of value production. In this continuum, circulation labour plays the most important role at the point of culmination, with the exchange of the commodity. Abstract labour is the labour of value. Abstract labour, rather than possessing any concrete existence, comes into being as a conceptual residue of exchange. The labour that brings exchange about also helps bring about this abstract labour. It does so by making the sale and consumption of commodities both possible and desirable to some buyer or other. From this standpoint, it is such activities that are accountable for the expression of abstract labour as money in its role as the mediating factor in value relations. Hence, by means of the price awarded the commodity, they are responsible for the appearance of value itself.

The prior contributions of concrete labour can be perceived as part of the production of value only from the standpoint of its completion. This standpoint cannot exist save for the labour of circulation. This is the "work of combustion" that brings buyers to sellers through the mediating social relation of the commodity. Previous Marxian analyses have underplayed the significance of this "work of combustion". But I suggest the exertion of new attention upon labour in the "sphere of circulation". This includes that of marketers, advertisers, graphic designers and so on. This attention recognizes the true significance they hold vis-à-vis the production of value.

3. Discussion

3.1. The work of combustion and the form-giving fire

In the second volume of *Capital* (1992), Marx at one point refers to the labour that takes place in the sphere of circulation as that of the "work of combustion". This work of combustion, Marx asserts, produces no value. But the work of combustion is essential for value to come about. He uses a scientific analogy to illustrate this. "This work of combustion does not generate any heat", Marx writes, "although it is a necessary element in the process" by which combustion takes place. It uses up energy but is necessary for heat's generation. (Marx 1992, 132–133).

So, although combustion uses up energy in a supposedly "unproductive" way, it would be hard to deny that it is a prerequisite for the production of heat. Departing from Marx, I suggest that it does this by realizing the potential heat-productiveness of the different elements involved. We might situate advertising and its counterparts in graphic design, marketing and so on, in an analogous relationship to the production of value. They bring about value through their facilitation of

opportunities for the exchange of products of labour as commodities. In so doing, they help make possible the production of value.

I will go on to delineate the theoretical basis of this assertion further. But for now it is worth considering the practical dimensions of this "work of combustion" as it exists in the cultural and creative industries. One might draw a parallel between Marx's utterances on the "work of combustion" and those he makes on the subject of labour's "form-giving fire". He writes in the Grundrisse that "[l]abour is the living, form-giving fire; it is the transitoriness of things". In turn, "the transitoriness of the forms of things is used to posit their usefulness" (1993, 360–361).

The work of combustion may be seen as precisely this "form-giving fire". It posits transitory usefulness in the way described above. It gives exchangeable "forms" to the various heterogeneous "contents" passed on from the realm of production proper. It makes these forms desirable on the basis of their difference or specific quality. In so doing, the combustive work of advertising, branding and graphic design helps organize the monetary exchange of products of labour as commodities. This exchange grants them value and attaches to them a price. Without this, no value would come about.

In his critical treatment of Marxist political economy (see 2002), Asger Jorn develops this notion of "form-giving fire". He suggests that creative workers perform an essential function in capitalism. They create the specific forms which commodities take on the market. The basis for Jorn's contention is that creative workers do not make value in and of themselves, but rather value persists in the difference that they create. This difference manifests in the plenitude of styles, fashions and trends one finds for consumption on the capitalist commodity market. It is brought into being by Jorn's creative elite (Wark 2011, 89). It is this creative elite that "give[s] form to value", by "renew[ing] the form of things" and creating the difference in which value consists (ibid., 84–85). The creative elite are the producers of the form rather than the content of commodities (ibid., n. 33, 89). Indeed, the commodity as it sells in its fetishized existence is pure form, pure symbol, incredulous to content. It need only be desired to be successfully exchanged in the marketplace, regardless of underlying characteristics. It is owing to this that value can attach itself to something in the first place.

Jorn touches upon something important and significant in the role that creative workers and creative industries play in capitalism. He reasserts that which Marx only implied in his discussions of "form-giving fire" and the "work of combustion". Valorization proceeds not through the manufacture of specific goods or services. Rather, it

proceeds through the manufacture of desirable forms, incredulous to content.

Jorn's thesis of the creative elite and their production of forms harkens back to a distinction which Marx himself makes. This is that between form and content in productive and unproductive labour. Marx suggests that productive labour is pure form without content. He writes in his *Theories of Surplus Value* that "the designation of labour as productive labour has absolutely nothing to do with the determinate content of that labour, its special utility, or the particular use-value in which it manifests itself. The same kind of labour may be productive or unproductive" (1861–1863, part 1, online). Thus, it does not matter whether labour is productive or not. Labour itself may in fact be entirely peripheral. Its content must be given form to be said to be productive of value. Advertising and other such industries oriented towards exchange in the sphere of circulation create this sellable form. This pure symbolic form is indifferent to its particular content. This is an aspect which becomes apparent in the periodic scandals about consumer goods purporting to be something that they are not. This may be horsemeat masquerading as beefsteak or quack medicine masquerading as miracle cures.

Marx implies the irrelevance of labour's content. We might infer that the latter depends on the particular form the labour takes, in its guise as abstract labour. It is by being abstracted from, after the fact that labour attains full "productiveness". This abstraction is possible only through the exchange of products of labour as commodities. But for this requires a considerable effort to create a commodity in its full social dimension, as pure form without content. It is to the labour that takes place in the realm of circulation, such as advertising, that we can attribute this contribution.

3.2. Productive and unproductive labour

The implicit tendency of orthodox approaches is to relegate the labour of circulation to a secondary position vis-à-vis the realm of production. Thinking about practices as advertising and graphic design, I challenge this relegation. In an important contribution to existing debates, Harvie (2005) makes the claim that all labour is productive of value. He suggests that the labour involved in circulation such as advertising and other professional services is as productive as any other labour.

I wish to go further than this. The parity Harvie draws between the labour that takes place in production and that which takes place in circulation is a welcome beginning. But it remains too much within the traditional way of conceptualizing value-productiveness. It pushes

against existing Marxist understandings of productiveness by extending the idea elsewhere. But this retains what is problematic. Harvie's approach comes up against an important contradiction. This is that labour can only be said to be fully productive in its abstract form. Productiveness coheres on a continuum, of course. Concrete labour is one part of this continuum. But one can only really speak of productive labour once value is apparent. And value can only be perceived once it has been generated from exchange.

The labour that makes itself shown in exchange is abstract labour. Abstract labour is not so much a kind of labour, per se, but rather a conceptual expression of the social relationship of equivalence between labours. Thus, the only "labour" that we can say exists, and to which we can attach the category of either productive or unproductive, is concrete labour. And this labour withdraws from such associations with productiveness. This is owing to the simple fact that there is no way of saying whether it is productive or not. Abstract labour is social, equivalent and commensurable "labour". It is the "labour" that is associated with the full status of a product as a commodity among all others. It is not labour in any practical or physical sense, of course. And it is only this "labour" that can be said to be "productive labour". But only concrete labour exists or takes place.[3] Thus, "productive labour" does not "exist" in any concrete, tangible form that can be witnessed objectively in the moment of its occurrence. In its abstract dimension, it has real effects. But the "labour" that it describes is not labour than anything other than an imaginary sense.

By extension, nobody performs productive labour in the sphere of production. In the sphere of production, what is "performed" is not "productive labour". It is not necessarily unproductive labour. It might be more usefully termed "non-productive" labour, or at least potentially pre-productive labour. The criterion of productiveness does not so much apply to labour in the sphere of production itself, but to what happens afterwards in the sphere of circulation. The productiveness of labour arises from elsewhere than labour, and to see it one must exert a different focus. I contend that it is the so-called "work of combustion" that renders the labour that takes place in the realm of production productive. It does so by effecting successful exchange. It brings value into existence. In essence, it establishes the basis upon which productiveness is ascertained.

The labour that exists in the realm of production produces the goods that are later sold as commodities. But it is non-productive in the sense that it does not really matter whether or how much of it takes place. All

that matters is that something attracts a price at the end of it all. It is helpful, of course, that labour is expended to create a specific use-value that can hold a distinct appeal to consumers. Yet it is not necessary to generate a specific use-value for it to retail as one on the market. A clever and well-targeted advertising campaign can achieve this, for instance. Furthermore, it is helpful that labour is expended in order to subject it to measure. Measurement is part of the process of abstraction which brings all things into social relation with all other things. But even here, the abstraction and commensuration of labours as parts of the total social whole can be effected in retrospect. This can occur with or without a corresponding expenditure of labour at its basis. Thus, it may be a precondition of the production of value that the thing sold should have had some kind of labour input into its production. But it is neither necessary nor sufficient that such labour should take place. As long as something sells, value appears.

One might just as easily say, then, that due to the quintessence of its role, the labour of circulation is the only labour productive of value. But this would be to adopt an understanding of productiveness entangled in the conceptual framework of orthodox approaches. Value is "produced", if we wish to use the traditional understanding, on a continuum that includes the labour that takes place in the realm of production.[4] But this continuum has its culmination only in exchange. This culmination comes via those who service the ends of exchange, i.e. those involved in the labour that takes place in circulation, Marx's "work of combustion".

Without this culmination, value would not be present to have the understanding of its having been produced applied to it. The labour that goes into the production of a value-generating commodity does not produce this value. As I have suggested, it may or may not take place at all and still result in the production of value. Rather, the value appears at the moment that it is "realized" in exchange. Thus, "production" as a category does not truly exist until this point. It is hard to see what standpoint one could have from which to say that this or that labour is productive at all, except from the standpoint of exchange. I do not claim that the work of combustion in circulation is the only productive labour. Rather I say that if it were not for the former, "production" could not be said to exist.

3.3. Creating commodities from the products of labour

Thus, rather than anything intrinsic to concrete labour itself, the productiveness of labour is a factor of its end result. It ultimate arbiter is whether the good or service it produces sells as a commodity. It is

this that brings the labour performed into relation with all the other labours of society as part of an abstract whole. This validates the labour as part of the "socially necessary" labour of society. It confers upon it the standard of productiveness. This is as a result of the good or service it produces gaining its own confirmation of its status as a full commodity, an object of exchange or sale. This is a principally retrospective activity. The "validation" of past labour as productive conjures a new purely symbolic and abstract quantity of labour. This is nothing but a conceptual, imaginary device by which the social totality of productive activity is pictured. It helps bring its goods and services into a relationship of commensuration and equivalence with one another.

I therefore agree with Harvie, who contends that "[l]abour which is 'unproductive' is [...] categorised as such because commensuration through market exchange does not take place" (2005, 150). That labour is productive by commensuration through commodity exchange is not restricted to the moment that a product hits the market. The commensuration is that by which different concrete labours enter into a relationship of equivalence with one another. They thus attain abstractness, sociality and productiveness. This is a process that unfolds gradually within production and without, culminating fully only in exchange. As Harvie writes, "a thing- commodity – is produced, and then it just is, until it is sold – its value realized". Helping this come together are those recruited by the capitalist, such as "marketers and advertisers, credit-providers and retailers" (see Harvie 2005, 152). Without these functionaries, the commodity moment would not come, and nothing would be "productive" in any real sense at all.

Harvie uses advertising as an example of this. The particular use-value that the service commodity of advertising offers to the capitalist is that it facilitates exchange, validating abstract labour as productive, and thus bringing value into full reality. This it does by means of the sale of a product of labour as a commodity on the market. Thus, advertising insulates the capitalist against the uncertainties of circulation. Not least among these is that of whether a commodity will sell. Advertising also produces use-values for consumers. It conjures "imagined, non-corporeal qualities of products", such as the brands with which one identifies when buying a material good. The two, Harvie suggests, cannot be "disentangled". The brand is completely tied up with, part of and implicated in the specific product purchased. We "buy not only the tangible good, but the identity too" (Harvie 2005, 153). Traditionalist accounts of circulation labour overlook this kind of production.

3.4. Moving goods and moving people

It is not simply that advertising and its counterparts adds a "cultural content" (Lazzarato 1996) to the commodity, on top of an objective sphere of use-value. Rather, it actively intervenes in the latter. The production of a use-value may be the original impetus out of which a good or service arises. It furthermore grants the basis for a good or service exchanging as a commodity with a specific purpose or desirability attached to it. But more must be done to create this desirability than simply to produce something useful. Use is the basis of this desirability. But it may not be quite enough to foster the conditions by which a product of labour can be sold and thus attain the fully-fledged status of a commodity. Something more must happen to grant the good full commodity status and render the labour expended abstract and, thus, productive.

The facilitation of use is a precondition of something being desirable and specific enough in its attributes to constitute a worthwhile purchase. Creative industries help create the correct environment in which use-value means something. This establishes the basis and around which exchange-value can cohere.

Value depends upon the creation of an exchange relation between commodities (and thus the labours attached to them) through the mediation of money. This is, as we have stated, based upon someone wanting something. Use-value is one part of this, but the category of use is a potentiality unlocked only with the conditions in place for use to actually happen. Things will not be used unless they sell. Things will not sell unless they are desirable in some way. Indeed, Marx suggests as much. He writes that the production of a commodity succeeds by "creating in consumers a want for its products as objects of consumption" (Marx, quoted in Gough 1972). Desire, and the want that Marx contends it "implies", are not extraneous to the production and consumption of use-values, but rather essential to it.

In *Capital* Volume 2 (1992), Marx spends some time discussing the role of the transport sector in capitalist valorization. Marx's treatment of transportation parallels that I have offered of the role the creative industries assume in the production of value. Marx situates transportation in production rather than circulation. This is because it does not present itself as a loss or deduction to the capitalist, unlike other ancillary functions. Noting that "the transport industry sells [...] the actual change of place", Marx focuses on the movement of people to commodities and commodities to people. This constitutes both a production process

and an act of consumption. Movement is a very specific and particular commodity in itself (1992, 135).

Marx writes that "the use-value of things is only realized in their consumption, and their consumption may make a change of location necessary, and thus, in addition, the additional production process of the transport industry. The productive capital invested in this industry thus adds value to the products transported" (ibid., 226–227 my italics). Transportation, then, helps in the production and realization of value by bringing goods to people and people to goods. It both produces a commodity – the movement of goods and people – and helps in the production and realization of value – by bringing goods to people and people to goods. It does not present itself to capital as a loss in the same way as the activities of circulation.

The service performed by transportation would not appear to be something limited exclusively to trains, planes and automobiles. We can associate Marx's remarks with the development of a much different infrastructure of activities and industries. Advertising, graphic design and branding are similarly committed to bringing products to people and people to products.

Fields such as marketing, advertising, graphic design and sales bring products to people and people to products. In so doing they turn simple products of labour into commodities. They create the bond and the conditions by which it is possible that something exchanges or sells as a commodity in the first place.

From this reconstruction of Marx's thought one can see that the category of what produces value in capitalist society is potentially much wider. It exceeds activities such as transportation that Marx singles out for special treatment. To drive this home, we might play upon the dual meaning of the verb to move. One can move goods in a spatial sense, as in transportation, but one can move people in an emotional one. I speak of a specific sense of movement – to move people, to stimulate emotion, identification, loyalty, desire and want towards some product or brand. This marks the truly valorizing force not just in the sphere of circulation but within the entire stretch of the circuit of capital as a whole. This applies just as much to the acquisition of means of production and raw materials by businesses as it does to the acquisition of consumer goods by individuals.

It is not enough for a product to be made and used. It is then only a use-value, a product of labour. It must sell and to sell must warrant desire. It is the latter that gives it value, which validates it as something worth exchanging. Orthodox presentations see intrinsic value given osmosis-like to the object. But what is important here is the generation

of meaning, desirability, significance around it. It is this that "creates" the commodity, if we consider the commodity to be that which is sold, and the mere product of labour only a potential commodity. The labour of circulation, in creative industries and elsewhere, stimulates meaning, desire and attachment. This provokes the validation of something as worthy of exchange and grants the attendant status of a commodity.

Thus productiveness is situated in the trajectory of the commodity rather than in the activity of labour. There is some justification for this in Marx. In *Theories of Surplus Value* (1861–1863, Part 1, online) Marx states that "it is not th[e] concrete character of labour" that "stamps it as productive labour in the system of capitalist production". Rather "only labour which manifests itself in commodities" is properly productive capitalist labour. The emphasis here is upon the production of a commodity as the arbiter of productiveness. Concrete labour, therefore, has little to do with productiveness. In fact, it is the stamping of this labour as productive that counts. And the necessary condition of this is the production of a commodity that someone has some use for. This in turn is the necessary condition of whatever this product of labour is – a good or service – becoming an object of exchange – a formal commodity – in the first place. The condition is that it sells, garners value, bringing its labour into a social relationship of abstraction with other such labours. It thus "stamps" that labour as part of the productive labour of society.

4. Conclusion

I began by noting two shortcomings of Marx's treatment of the work of combustion, circulation and productiveness. I suggested that they exhibit a need for recalibration in two ways, theoretical and empirical. First, "value-form" reinterpretations invite a reconstruction of the concept of productiveness. Second, the rising importance of creative industries merits a rethinking of the role of circulation labour in capitalism. I sought to explore these issues through posing two questions: (1) How can we theorize the distinction between productive and unproductive labour as an outgrowth rather than a foundation of the law of value? (2) How can we understand the labour of circulation with productive and unproductive labour secondary to the operation of the law of value? In response to these questions, I offer the following conclusions.

As concerns the first, I have applied a value-form perspective to the question of productiveness. This approach stresses an explanation of the origins of value in the social validation of abstract labour in exchange. It entails a crucial shift of emphasis which conceives of the criterion of productiveness as one determined by the law of value rather than

determining of it. Through this, I have suggested that the productiveness of a given labour process is an unknown quantity until capital attains the vantage point of the sale of a commodity. We can strip away the practices and procedures that mark the gradual unfolding of the exchange abstraction both within the realm of production and without. Aside from these, value boils down to an encounter forged within the moment of exchange. Thus, the productiveness that gives rise to this value is grasped in retrospect. Indeed, the possibility of the labour that went into the production of this value even being "productive" comes with the arrival of this value in its fullest form. This form is the outcome of a transaction of two commodities by buyer and seller by means of the mediation of money.

No labour is productive or unproductive in its very doing. The ultimate judgement of this comes with the success or failure to sell or exchange the particular commodity that it renders. Previously an ideal category, the production of value is conjured. It has no practical or concrete basis other than in the abstraction of exchange. From this standpoint, it functions as a conceptual framework through which to assess past concrete activity. Within production itself, tools of abstraction attain early glimpses of this standpoint. But, in the final instance, production is a category not of the realm of production but of the sphere of circulation.

How then to situate the labour of circulation – Marx's "work of combustion – within this systematization? How to think of this labour in the context of the arbitration of productiveness within the operation of the law of value? In response to the second question delineated above, I say that the work of combustion that occurs in circulation is not, as Marx suggested, unproductive of value. But the possibility of my making such a claim relies upon having done away with the very metric by which Marx evaluated the productiveness of one type of labour or another. Creative industries are productive not on the basis set forth by the traditional Marxist understanding of productiveness. They are "productive" on a more profound level. In creating the conditions whereby value can be "realized", they create the conditions upon which it can be said to be "produced" at all. This does not constitute an argument for the application of the classical definition of productiveness to the creative industries. Rather I suggest that creative industries intervene directly in the possibility of the category of productiveness itself. They assist in its attachment to the labour that has generated a given good or service.

The role of circulation labour such as graphic design and advertising within this is to create saleable commodities out of the simple products

of labour. They attach to pre-existing use-values another layer of significance which styles them in such a way to attract the desire and wants of consumers. They create new use-values by creating new needs where neither were present before. Without this, there is a lessened likelihood of exchange, and without exchange, the impossibility of value. In this respect, creative industries are as crucial rather than peripheral to capitalist valorization.

Value is a social relation rather than something intrinsic to labour and its product. The latter is not by some miracle endowed with a valuable quality by the former. Some other explanation of from where it derives must be sought. Circulation provides a more plausible alibi. It establishes the frontier and criteria of what is productive and what is not, by bringing about the conditions whereby value is established. Without value, of what can we claim any kind of labour to have been productive? The labour of circulation is not the only "productive" labour. It plays a more significant role than this. It makes possible the productiveness of all other labour not through producing itself, but by realizing something that was once only ideal. It thereby makes possible the abstraction we call production.

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Annual Conference of the journal *Historical Materialism*, at the School of Oriental and African Studies, University of London, 7 November 2014.

Notes

1. The most concise presentation is Heinrich (2012).
2. Mohun (1996) is a good example of where the distinction between productive and unproductive labour is depicted as pre-existing the law of value. As I will go on to discuss, Harvie (2005) enunciates the implications of overturning this assumption.
3. For more on the assertion that abstract labour has no concrete existence, see Bonefeld (2010, 260).
4. Bellofiore and Finelli (1998) give a good sense of this position.

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