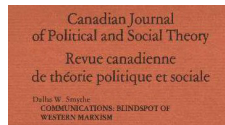


COMMUNICATIONS: BLINDSPOT OF WESTERN MARXISM

Dallas W. Smythe



The argument presented here — that western Marxist analyses have neglected the economic and political significance of mass communications systems — is an attempt to start a debate, not to conclude one. Frequently, Marxists and those radical social critics who use Marxist terminology locate the significance of mass communications systems in their capacity to produce “ideology” which is held to act as a sort of invisible glue that holds together the capitalist system. This subjective substance, divorced from historical materiality, is similar to such previous concepts as “ether”; that is to say, the proof of its existence is found by such writers to be the necessity for it to exist so that certain other phenomena may be explained. It is thus an idealist, *pre-scientific* rather than a *non-scientific* explanation.

But for Marxists, such an explanatory notion should be unsatisfactory. The first question that historical materialists should ask about mass communications systems is *what economic function for capital do they serve*, attempting to understand their role in the reproduction of capitalist relations of production. This article, then, poses this question and attempts to frame some answers to it. Much of what follows is contentious because it raises questions not only about changes in capitalism since Marx’s death but also, in some instances, about the adequacy of certain generally accepted Marxist categories to account properly for these developments. However, as Lenin remarked in a different context, one cannot make an omelette without breaking the eggs.

The mass media of communications and related institutions concerned with advertising, market research, public relations and product and package design represent a blindspot in Marxist theory in the European and Atlantic basin cultures. The activities of these institutions are intimately connected with consumer consciousness, needs, leisure time use, commodity fetishism, work and alienation. As we will see, when these institutions are examined from a materialist point of view, the labour theory of value, the expenses of circulation, the value of the “peculiar commodity” (labour power), the form of the proletariat and the class struggle under monopoly capitalist conditions are also deeply involved. The literature of Marxism is conspicuously lacking in materialist analysis of the functions of the complex of institutions called the “consciousness industry”.¹

The blockage in recognizing the role of the consciousness industry traces back to a failure to take a materialist approach to communications. Both economic goods in general and communications goods in particular existed long before capitalism and monopoly capitalism. While *specialized* institutions for the mass production of communications (i.e. newspapers and magazines) appeared in capitalism in the eighteenth century, these institutions did not reach their mature form until monopoly capitalism shifted their principal economic base to advertising in the late nineteenth century. By a grave cultural lag, Marxist theory has not taken account of mass communications. This lag in considering the product of the mass media is more understandable in European (including Eastern European) countries than in North America. There the rise to ascendancy of advertising in dominating the policy of newspapers and periodicals was delayed by custom and by law. Even in the radio-TV broadcast media, the role of the state (through ORTF, BBC, ITV, East European state monopolies, etc.) has been resistant to the inroads of monopoly capitalism — as compared with the United States and Canada. But the evidence accumulates (recent developments in British, French, West German and Italian mass media, for example) that such traditional resistance is giving way under the onslaught of pressures from the centre of the monopoly capitalist system. Europeans reading this essay should try to perceive it as reflecting the North American scene today, and perhaps theirs soon.

At the root of a Marxist view of capitalism is the necessity to seek an objective reality which means in this case an objective definition of the *commodity* produced by capitalism. What is the commodity form of mass-produced, advertiser-supported communications? This is the threshold question. The bourgeois idealist view of the reality of the communication commodity is “messages”, “information”, “images”, “meaning”, “entertainment”, “orientation”, “education”, and “manipulation”. All of these concepts are subjective mental entities and all deal with *superficial* appearances. Nowhere do the theorists who adopt this worldview deal with the commodity form of mass communications under monopoly capitalism on which exist parasitically a host of sub-markets dealing with cultural industry, e.g., the markets for “news” and “entertainment”. Tacitly, this idealist theory of the communications commodity appears to have been held by most western Marxists after Marx as well as by bourgeois theorists: Lenin², Veblen, Marcuse, Adorno, Baran and Sweezy, for example, as well as Galbraith and orthodox economists. So too for those who take a more or less Marxist view of communications (Nordenstreng, Enzensberger, Hamelink, Schiller³, Burdock and Golding⁴ and me until now) as well as the conventional writers exemplified in the *Sage Annual Review of Communications Research*⁵. Also included in the idealist camp are those apologists who dissolve the reality of communications under

BLINDSPOT

the *appearance* of the "medium", such as Marshall McLuhan.⁶ No wonder, as Livant says, that "the field of communications is a jungle of idealism".⁷

I submit that the materialist answer to the question — What is the commodity form of mass-produced, advertiser-supported communications under monopoly capitalism? — is audiences and readerships (hereafter referred to for simplicity as audiences). The material reality under monopoly capitalism is that all non-sleeping time of most of the population is work time. This work time is devoted to the production of commodities-in-general (both where people get paid for their work and as members of audiences) and in the production and reproduction of labour power (the pay for which is subsumed in their income). Of the off-the-job work time, the largest single block is time of the audiences which is sold to advertisers. It is not sold by workers but by the mass media of communications. Who produces this commodity? The mass media of communications do by the mix of explicit and hidden advertising and "programme" material, the markets for which preoccupy the bourgeois communication theorists.⁸ But although the mass media play the leading role on the production side of the consciousness industry, the people in the audiences pay directly much more for the privilege of being in those audiences than do the mass media. In Canada in 1975 audience members bore directly about three times as large a cost as did the broadcasters and cable TV operators, combined.⁹

In "their" time which is sold to advertisers workers (a) perform essential marketing functions for the producers of consumers' goods, and (b) work at the production and reproduction of labour power. This joint process, as shall be noted, embodies a principal contradiction. If this analytical sketch is valid, serious problems for Marxist theory emerge. Among them is the apparent fact that while the superstructure is not ordinarily thought of as being itself engaged in infrastructural productive activity, the mass media of communications are *simultaneously* in the superstructure *and* engaged indispensably in the last stage of infrastructural production where demand is produced and satisfied by purchases of consumer goods. Chairman Mao Tse-Tung provided the Marxist theoretical basis for such a development as that which created the contemporary capitalist mass media when he said:

When the superstructure (politics, culture, etc.) obstructs the development of the economic base, political and cultural changes become *principal and decisive*.¹⁰

The basic entry to the analysis of the commodity form of communications is acceptance of the significance of the concept of monopoly in monopoly

capitalism. Baran and Sweezy's *Monopoly Capitalism*¹¹ demonstrated how monopoly rather than competition rules contemporary capitalism, and it may be taken as the reference point from which to address this issue. Like J.K. Galbraith¹², Baran and Sweezy emphasize the role of management of demand by the oligopolies which dominate monopoly capitalism. Both civilian and military demand are managed to provide the consumption and investment outlets required for the realization of a rising surplus. The process of demand management begins and ends with the market for the commodity — first as “test markets”, and, when product and package production have been suitably designed and executed, as mass advertising-marketing. But Baran and Sweezy fail to pursue in an historical materialist way the obvious issues which are raised by demand-management-via-advertising under monopoly capitalism.

What happens when a monopoly capitalist system advertises? Baran and Sweezy answer, as does Galbraith, *psychological* manipulation. They cite Chamberlin as providing in 1931 the authoritative definition of contemporary advertising.¹³ Moreover, they somewhat prematurely foreclose further investigation by stating flatly: “The immediate commercial purposes and effects of advertising have been thoroughly analyzed in economic literature and are readily grasped.”¹⁴ The mass media of communications possess no black box from which the magic of psychological manipulation is dispensed. Neither bourgeois nor Marxist economists have considered it worthwhile to ask the following questions which an historical materialist approach would seem to indicate:

(a) What do advertisers buy with their advertising expenditures? As hard-nosed businessmen they are not paying for advertising for nothing, nor from altruism. I suggest that what they buy are the services of audiences with predictable specifications who will pay attention in predictable numbers and at particular times to particular means of communication (TV, radio, newspapers, magazines, billboards, and third-class mail).¹⁵ As collectivities these audiences are commodities. As commodities they are dealt with in markets by producers and buyers (the latter being advertisers). Such markets establish prices in the familiar mode of monopoly capitalism. Both these markets and the audience commodities traded in are specialized. The audience commodities bear specifications known in the business as “the demographics”. The specifications for the audience commodities include age, sex, income level, family composition, urban or rural location, ethnic character, ownership of home, automobile, credit card status, social class and, in the case of hobby and fan magazines, a dedication to photography, model electric trains, sports cars, philately, do-it-yourself crafts, foreign travel, kinky sex, etc.

(b) How are advertisers assured that they are getting what they pay for when they buy audiences? A sub-industry sector of the consciousness industry checks to determine. The socio-economic characteristics of the delivered

BLINDSPOT

audience/readership *and* its size are the business of A.C. Nielsen and a host of competitors who specialize in rapid assessment of the delivered audience commodity. The behaviour of the members of the audience product under the impact of advertising and the "editorial" content is the object of market research by a large number of independent market research agencies as well as by similar staffs located in advertising agencies, the advertising corporation and in media enterprises.¹⁶

(c) What institutions produce the commodity which advertisers buy with their advertising expenditures? The owners of TV and radio stations and networks, newspapers, magazines and enterprises which specialize in providing billboard and third class advertising are the principal producers. This array of producers is interlocked in many ways with advertising agencies, talent agencies, package programme producers, film producers, news "services" (e.g., AP, UPI, Reuters), "syndicators" of news "columns", writers' agents, book publishers, motion picture producers and distributors. Last but by no means least in the array of institutions which produce the audience commodity is the family. The most important *resource* employed in producing the audience commodity are the individuals and families in the nations which permit advertising.

(d) What is the nature of the content of the mass media in economic terms under monopoly capitalism? The information, entertainment and "educational" material transmitted to the audience is an inducement (gift, bribe or "free lunch") to recruit potential members of the audience and to maintain their loyal attention. The appropriateness of the analogy to the free lunch in the old-time saloon or cocktail bar is manifest: the free lunch consists of materials which whet the prospective audience members' appetites and thus (1) attract and keep them attending to the programme, newspaper or magazine, and (2) cultivate a mood conducive to favourable reaction to the explicit and implicit advertisers' messages.¹⁷ To say this is not to obscure the agenda-setting function of the "editorial" content and advertising for the populations which depend on the mass media to find out what is happening in the world, nor is it to denigrate the technical virtuosity with which the free lunch is prepared and served. Great skill, talent and much expense goes into such production, though less per unit of content than in the production of overt advertisements. Only a monstrous misdirection of attention obscures the real nature of the commodities involved. Thus with no reference to the "Sales Effort", Baran and Sweezy can say:

There is not only serious question as to the value of artistic offerings carried by the mass communications media and serving directly or indirectly as vehicles of advertising; it is

beyond dispute that all of them could be provided at a cost to consumers incomparably lower than they are forced to pay through commercial advertising.¹⁸

Under monopoly capitalism TV-radio programs are provided "free" and the newspapers and magazines are provided at prices which cover delivery (but not production) costs to the media enterprise. In the case of newspapers and some magazines, some readers characteristically buy the media product *because* they want the advertisements. This is especially the practice with classified advertisements and display advertising of products and prices by local merchants in newspapers and with product information in advertisements in certain magazines (e.g. hobby magazines). Regardless of these variations, the central purpose of the information, entertainment and "educational" material (including that in the advertisements themselves) transmitted to the audience is to ensure attention to the products and services being advertised. Competition among media enterprises produces intricate strategies governing the placement of programmes in terms of types of products advertised and types of "free lunch" provided in different time segments of the week (e.g. children's hours, daytime housewives' hours, etc.): all this in order to optimize the "flow" of particular types of audiences to one programme from its immediate predecessors and to its immediate successors with regard to the strategies of rival networks.¹⁹

(e) What is the nature of the service performed for the advertiser by the members of the purchased audiences? In economic terms, the audience commodity is a non-durable producers' good which is bought and used in the marketing of the advertiser's product. The work which audience members perform for the advertiser to whom they have been sold is to learn to buy particular "brands" of consumer goods, and to spend their income accordingly. In short, they work to create the demand for advertised goods which is the purpose of the monopoly capitalist advertisers. While doing this, audience members are simultaneously reproducing their own labour power. In this regard, it is appropriate to avoid the trap of a manipulation-explanation by noting that if such labour power is, in fact, loyally attached to the monopoly capitalist system, this would be welcome to the advertisers whose existence depends on the maintenance of that system. But in reproducing their labour power workers respond to other realistic conditions which may on occasion surprise and disappoint the advertisers. It seems, however, that when workers under monopoly capitalist conditions serve advertisers to complete the production process of consumer goods by performing the ultimate marketing service for them, these workers are making decisive material decisions which will affect how they will produce and reproduce their labour power. As the Chinese

BLINDSPOT

emphasized during the Cultural Revolution, if people are spending their time catering to their individual interests and sensitivities, they cannot be using the *same* time also to overthrow capitalist influence and to build socialism.

(f) How does demand-management by monopoly capitalism, by means of advertising, relate to the labour theory of value, to "leisure" and to "free time"? As William Livant puts it, the power of the concept of surplus value "... rests wholly on the way Marx solved the great value problem of classical political economy, by *splitting the notion of labour in two*, into labour in productive use and labour power (the capacity to labour)".²⁰ Labour in productive use in the production of commodities-in-general was Marx's concern in the three volumes of *Capital*, except for Vol. 1, chapter 6 and scattered passages in the *Grundrisse*. It is clear from these passages that Marx assumed that labour power is produced by the labourer and by his or her immediate family, i.e., under the conditions of handicraft production. In a word, labour power was "home-made" in the absence of dominant brand-name commodities, mass advertising, and the mass media (which had not yet been invented by monopoly capitalism). In Marx's period and in his analysis, the principal aspect of capitalist production was the alienation of workers from the means of producing commodities-in-general. Now the principal aspect of capitalist production has become the alienation of workers from the means of producing and reproducing themselves. The prevailing western Marxist view today still holds the incorrect assumption that the labourer is an independent commodity producer of labour power which is his to sell. Livant says it well:

What often escapes attention is that just because the labourer sells it (his or her labour power) does not mean that he or she produces it. We are misled by fixating on the true fact that a human must eat and sleep into thinking that therefore the seller of labour power must also be the producer. Again the error of two combines into one.²¹

We need a dialectical materialist description of the production of labour power, of the capacity and incapacity to labour and of the relationship of the production of labour power to our ability to live as human beings.²²

Am I correct in assuming that all non-sleeping time under capitalism is work time?²³ William Livant in commenting on a draft of this article, points out that the assumption should be plainly stated. As he puts it, a Marxist view

DALLAS W. SMYTHE

. . . sees leisure time correctly as time of production, reproduction and repair of labour power. This production, reproduction and repair are activities. They are things people must do. As such, they also require labour power. To be sure, this latter labour power you do not have to sell directly to capital. But you do have to use it to produce labour power in the form you do have to sell.

Why was this hard to see? I think we can find the answer if we look at 'non-work' time. Marx points out many times (e.g. *Capital*, Vol. I, Ch. 6) that wage labour only becomes possible if your labour power becomes a *personal possession*, which it is possible for you to sell. You can do what you 'want' with it . . . Non-work time is labour power which is *yours not-to-sell*. Hence it seems to be doubly your personal possession . . .

When we see this, we can fit it within what Marx called the 'false appearance' of wage labour (citing *Wages, Prices and Profit*, Peking, 1973, pp. 50-1) . . . I think this false appearance has its other side. Just as it appears, at work, that you *are* paid for all the labour time you *do* sell, so it appears, off-work, that the labour time you *are not paid for is not sold* . . .

Work and non-work time bear interesting relations that need examination, to see beneath the false appearances. They in fact *divide* the whole world of commodities in *two*. For at work it is principally commodities-in-general that are made and distributed. Those who make and distribute these commodities do not sell them. But off-work, we find something else. What is being produced there is primarily the peculiar commodity, labour power. And off-work, those who make this commodity, also do not sell it. But it is sold, as surely as commodities-in-general made at the workplace.²⁴

It should be clear that for at least several generations labour power in advanced monopoly capitalist countries has been produced primarily by institutions other than the individual and his/her family. The mass media of communications and advertising play a large and probably dominant role

BLINDSPOT

through the process of consumption (by guiding the making of the shopping list) as well as through the ideological teaching which permeates both the advertising and ostensibly non-advertising material with which they produce the audience commodity.²⁵ When cosmetic counters in department stores display "Boxed Ego" (Vancouver, December, 1975), the dialectical relation of the material and consciousness aspects of the production of labour power should be evident.

What has happened to the time available to workers and the way it is used in the past century? In 1850 under conditions of cottage industry, i.e. unbranded consumer goods, the average work week was about 70 hours per week (and the work force was predominantly male).²⁶ At about the time when Marx was writing the *Grundrisse*, workers' savings, under the most favourable conditions of exploitation, could make possible

. . . the worker's participation in the higher, even cultural satisfactions, the agitation of his own interests, newspaper subscriptions, attending lectures, educating his children, developing his taste, etc., his only share of civilization which distinguishes him from the slave . . .²⁷

In that simple stage of capitalist development, Marx could see that the relentless accumulative process would proliferate commodities:

Capital's ceaseless striving towards the general form of wealth drives labour beyond the limits of its natural paltriness (*Naturbedurftigkeit*), and thus creates the material elements for the development of the rich individuality which is as all-sided in its production as in its consumption . . .²⁸

Many other references may be cited from the *Grundrisse* to similar effect. But all this assumed that consumer goods were not monopolized by brand names and that workers could dispose of their non-work time subject only to class and customary (i.e. traditional) considerations. In 1850, the average American worker could devote about 42 hours per week (168 hours minus 70 hours on the job and 56 hours of sleep) to such "cottage industry" type of production of labour power.

DALLAS W. SMYTHE

By 1960, the average time spent on the job was about 39.5 hours per week — an apparent reduction in work time of almost 30 hours per week (to which should be added 2.5 hours as a generous estimate of the weekly equivalent of annual vacations). Capitalist apologists equated this ostensible reduction in work time with a corresponding increase in “free” or “leisure” time. The reality was quite different. Two transformations were being effected by monopoly capitalism in the nature of work, leisure and consumer behaviour. On the one hand, huge chunks of workers’ time were being removed from their discretion by the phenomenon of metropolitan sprawl and by the nature of unpaid work which workers were obligated to perform. For example, in the contemporary period travel time to and from the job can be estimated at 8.5 hours per week; “moonlighting” employment at a minimum of one hour per week; repair work around the home, at another five hours per week; and men’s work on household chores and shopping at another 2.3 hours per week. A total of 16.8 hours per week of the roughly 32 hours of time supposedly “freed” as a result of capitalist industrialization is thus anything but “free”. A further seven hours of the 32 hours of “freed” time disappears when the correction for part-time female employment is made in the reported hours-per-week.²⁹ Three-fourths of the so-called “freed” time has thus vanished.

The second transformation involves the pressure placed by the system on the remaining hours of the week. If sleeping is estimated at eight hours a day, the remainder of the 168 hours in the week after subtracting sleeping and the unfree work time thus far identified was 42 hours in 1850 and 49 hours in 1960. We lack systematic information about the use of this “free time” for both dates. We do know that certain types of activities were common to both dates: personal care, making love, visiting with relatives and friends, preparing and eating meals, attending union, church and other associative institutions, including saloons. We also know that in 1960 (but not in 1850) there was a vast array of *branded* consumer goods and services pressed on the workers through advertising, point-of-sale displays, and peer group influence. Attendance at spectator sports and participation in such activities as bowling, camping, and “pleasure driving” of the automobile or snowmobile — all promoted for the sake of equipment sales by the consciousness industry — now take time that was devoted to non-commercial activities in 1850. In-house time must now be devoted to deciding whether or not to buy and then to use (by whom, where, under what conditions, and why) an endless proliferation of goods for personal care, household furnishing, clothing, music reproduction equipment, etc. Guiding the worker today in all income and time expenditures are the mass media — through the blend of advertisements and programme content.

How do Baran and Sweezy deal with the use made of this illusory increase in free time? Deploying Veblen’s concept of conspicuous consumption and

BLINDSPOT

thereby emphasizing the status-seeking character of workers' consumption decisions, they treat leisure time (without quotation marks) in psychoanalytic terms as time spent willfully in passivity and idleness:

This propensity to do nothing has had a decisive part in determining the kinds of entertainment which are supplied to fill the leisure hours — in the evening, on weekends and holidays, during vacations. The basic principle is that whatever is presented — reading matter, movies, radio and TV programs — must not make undue demands on the intellectual and emotional resources of the recipients: the purpose is to provide 'fun', 'relaxation', a 'good time' — in short, passively absorbable amusement.³⁰

What is wrong with this partial truth is: (1) it ignores the relationship of monopoly capitalism's Sales Effort, particularly advertising, to the problem; and (2) it substitutes casual bourgeois observations³¹ for an historical materialist attack on the problem.

As against the seven hours per week of apparent "non-work" time gained by the average worker between 1850 and 1960, how much time does he now spend as part of the audience product of the mass media — time sold to the advertisers? Here the audience-measurement sub-industry gives us some information. David Blank, economist for the Columbia Broadcasting System, in 1970 found that the average person watched TV for 3.3 hours per day (23 hours *per week*) on an annual basis, listened to radio for 2.5 hours per day (18 hours *per week*), and read newspapers and magazines one hour per day (7 hours *per week*).³² If we look at the audience product in terms of families rather than individuals, we find that in 1973, advertisers in the U.S. purchased TV audiences for an average of a little more than 43 hours per home per week.³³ By industry usage, this lumps together specialized audience commodities sold independently as "housewives", "children" and "families". In the "prime time" evening hours (7:00 to 11:00 p.m.), the TV audience commodity consisted of a daily average of 83.8 million people, with an average of two persons viewing per home. Women were a significantly larger proportion of this prime time audience than men (42 percent as against 32 percent, while children were 16 percent and teenagers, 10 percent).

We do not know even approximately how the worker's exposure to the mass media articulates with the other components in his/her use of "free time". It is relatively easy to determine how much radio listening and newspaper and

magazine reading takes place while travelling to and from work. But much TV and radio programming is attended to incidentally while engaged in other activities such as performing household chores, visiting with friends, reading, and now even while attending spectator sports.³⁴

This is the context in which we may pursue the question, how demand management by means of advertising in monopoly capitalism relates to the labour theory of value, to "leisure" and to "free time". It should now be possible to obtain some clues to the nature of work which workers perform in relation to advertising. If freedom is the act of resisting necessity, what is the nature of the process by which workers react to advertising, and why is it profitable for advertisers to advertise? An advertising theorist, Professor T.N. Levitt, says, "Customers don't buy things. They buy tools to solve problems."³⁵ It appears that the purpose of advertising, from the perspective of the advertising corporation, is to establish in the worker's consciousness (1) the existence of a "problem" facing the worker (acne, security from burglars, sleeplessness), (2) the existence of a class of commodities which will solve that problem, and (3) the motivation to give top priority to purchasing brand X of that class of commodities in order to "solve" that "problem". Given this situation, the realistic process of audience-members' work can be best understood in terms of the ever-increasing number of decisions forced on him/her by "new" commodities and by their related advertising. Unfortunately, while workers are faced with millions of possible comparative choices among thousands of "new" commodities, they lack scientifically objective bases on which to evaluate either the "problem" to be solved by buying the proffered "tool" or the efficacy of the "tool" as a solution to the "problem". In this situation, they constantly struggle to develop a rational shopping list out of an irrational situation.³⁶ As Linder puts it, the most important way by which consumers can cope with commodities and advertising is to limit the time spent in thinking about what to buy.

Reduced time for reflection previous to a decision would apparently entail a growing irrationality. However, since it is extremely rational to consider less and less per decision there exists a rationale of irrationality.³⁷

Monopoly capitalist marketing practice has a sort of seismic, systemic drift towards "impulse purchasing". Increasingly, the work done by audience members is cued towards impulse purchasing. Again, Linder is insightful:

BLINDSPOT

To begin with advertising is a means of making factual knowledge more accessible than otherwise. Second, it serves to provide quasi-information for people who lack time to acquire the genuine insights. They get the surrogate information they want to have, in order to feel that they are making the right decisions . . . The advertiser helps to close the information gap, at the same time exploiting the information gap that is bound to remain.³⁸

As the scarcity of time increases, the emphasis in advertising will be displaced in the direction of ersatz information. The object will be to provide a motive for an action for which no solid grounds exist . . . Brand loyalty must be built up among people who have no possibility of deciding how to act on objective grounds. As routine purchasing procedures gain in importance as a means of reducing decision-making time, it will become increasingly important to capture those who have not yet developed their routines.³⁹

In this connection, the new and sophisticated interest of market researchers in the relationship of advertising to children is very significant. According to the publisher of one recent study:

As the authors see it, consumption is a perfectly legitimate and unavoidable activity for children. Consequently they reject a strategy directed at protecting kids from marketing stimuli. What is necessary, then, is to acknowledge that children are going to watch television commercials and to prepare them to be selective consumers.

How Children Learn to Buy provides evidence to confront existing theories in the emerging field of consumer socialization. The work is essential to everyone concerned with the effects of advertising: sponsors, ad agencies, the television industry, educators, governmental regulators, consumer researchers, and parents.⁴⁰

Constrained by the ideology of monopoly capitalism, the bourgeois notion of free time and leisure is only available to those who have no disposable income

(and for whom it is, of course, a bitter mockery) and to those who are so rich that, as Linder says, for them, "the ultimate luxury is to be liberated from the hardships of having to do one's own buying."⁴¹ For everyone else, "free time" and "leisure" belong only in the monopoly capitalist lexicon alongside "free world", "free enterprise", "free elections", "free speech", and "free flow" of information.

What has happened to the time workers spend off-the-job while not sleeping is that enormous pressures on this time have been imposed by all consumer goods and service branches of monopoly capitalism. Individual, familial and other associative needs must be dealt with, but in a real context of products and advertising which, taken together, make the task of the individual and family basically one of *coping* while being constantly on the verge of being overwhelmed by these pressures. In this context, the work of the audience members which advertisers find productive for them is one of learning cues which are used when the audience member makes up his/her mental shopping list and spends his/her income.

(g) Does the audience commodity perform an essential economic function? Baran and Sweezy state that "advertising constitutes as much an integral part of the system as the giant corporation itself"⁴² and that "advertising has turned into an indispensable tool for a large sector of corporate business."⁴³ In this they go as far as Galbraith who said "... the marginal utility of present aggregate output, ex-advertising and salesmanship is zero."⁴⁴

But is the production and consumption of the audience commodity for advertisers a "productive" activity in Marxian terms? Baran and Sweezy are contradictory in answering this question. They tell us that advertising expenses "... since they are manifestly unrelated to necessary costs of production — however broadly defined — (they) can only be counted as part of aggregate surplus."⁴⁵ But after some agonizing over whether finance, insurance and real estate (which account for about twice the volume of national income as represented by advertising) are productive, they abandon their theoretical footing for rejecting expenses of circulation as unproductive of surplus:

Just as advertising, product differentiation, artificial obsolescence, model changing, and all the other devices of the sales effort do in fact promote and increase sales, and thus act as indispensable props to the level of income and employment, so the entire apparatus of 'finance, insurance, and real estate' is essential to the normal functioning of the corporate system and another no less indispensable prop to the level of income and employment.

BLINDSPOT

The prodigious volume of resources absorbed in all these activities does in fact constitute necessary costs of capitalist production. What should be crystal clear is that an economic system in which *such* costs are socially necessary has long ceased to be a socially necessary system.⁴⁶

I am aware that *Capital* can be and has been read frequently as denying the productivity of the expenses of middlemen in general. As I read the work, however, it seems to me that in *Capital* Marx was concerned to analyze the operation of capitalism under the then realistic conditions of competition and the organization of industry as being generally *unintegrated* from raw material processing through exchange to the consumption process.⁴⁷ Marx also clearly did not assume the predominance of branded commodities or the prevalence of advertising. If one turns to Marx's "Introduction to the Critique of Political Economy", however, it seems probable that his analysis of monopoly capitalism, had such been possible in his time, would have answered the question of the productivity of advertising differently. Indeed the following passage accommodates the phenomena of advertising, branded merchandise, and monopoly capitalism in managing demands.

Consumption produces production in a double way . . . because consumption creates the need for *new* production, that is it creates the ideal, internally impelling cause for production, which is its presupposition. Consumption creates the motive for production; it also creates the object which is active in production as its determinant aim . . . No production without a need. But consumption reproduces the need . . . Production not only supplies a material for the need, but it also supplies a need for the material. As soon as consumption emerges from its initial state of natural crudity and immediacy — and, if it remained at that stage, this would be because production itself had been arrested there — it becomes itself mediated as a drive by the object. The need which consumption feels for the object is created by the perception of it. The object of art — like every other product — creates a public which is sensitive to art and enjoys beauty. Production thus not only creates an object for the subject, but also a subject for the object. *Thus production produces consumption (1) by*

DALLAS W. SMYTHE

*creating the material for it; (2) by determining the manner of consumption; and (3) by creating the products initially posited by it as objects, in the form of a need felt by the consumer. It thus produces the object of consumption, the manner of consumption and the motive of consumption. Consumption likewise produces the producer's inclination by beckoning to him as an aim-determining need.*⁴⁸

It is clear, firstly, that the exchange of activities and abilities which takes place within production itself belongs directly to production and essentially constitutes it. The same holds, secondly, for the exchange of products, in so far as that exchange is the means of finishing the product and making it fit for direct consumption. To that extent, exchange is an act comprised within production itself. Thirdly, the so-called exchange between dealers and dealers is by its very organization entirely determined by production, as being itself a producing activity. Exchange appears as independent and indifferent to production only in the final phase where the product is exchanged directly for consumption.⁴⁹

On such a footing it is possible to develop a Marxist theory of advertising and of branded commodities under monopoly capitalist conditions. When the president of the Revlon corporation says: "We manufacture lipsticks. But we sell hope", he is referring to the creation of products initially posited by it as objects in the form of a need felt by the consumer — similarly with Contac-C, the proprietary cold remedy which so disturbed Baran and Sweezy.⁵⁰ 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*.

(h) Why have Marxist economists been indifferent to the historical process by which advertising, brand-name merchandise, and the mass media of communications have developed in monopoly capitalism over the past century? Why do they continue to regard the press, TV and radio media as having the prime function of producing news, entertainment and editorial opinion and not audiences for sale to advertisers? The evidence for the latter is all around us.

Baran and Sweezy do indeed indicate how much advertising has grown and when, i.e., by a factor of ten between 1890 and 1929.⁵¹ *But not why, how and with what connections.*

BLINDSPOT

In the first three quarters of the nineteenth century, newspapers and magazines in the countries going through the Industrial Revolution were characterized by: (a) diversity of support as between readers' payments, subsidies from political parties, and advertising (most of the latter being information about commodity availability and prices and not about branded merchandise); and (b) a cyclical process of technological improvement with consequent larger printing capacity, lower unit costs, lower unit prices of publications, larger profits, capital accumulation and reinvestment in new and more productive plants, etc.⁵² In that period, marketing of consumer goods was characterized by: (a) predominance of unbranded merchandise; (b) unintegrated distribution of commodities with the middleman being the most powerful link in the production-to-consumer chain; and (c) consequently, lack of massive advertising as a means of managing demand.

In the second half of the nineteenth century, capitalism faced a crisis. The first stage of the development of the factory system under conditions of competition between relatively small capitalists had succeeded in mobilizing labour supply and exploiting it crudely under conditions documented so ably by Marx in *Capital*. The very success of the system bred grave threats to it. Politically conscious labour unions posed revolutionary threats to capitalism.⁵³ Moreover, capitalist manufacturers were vulnerable to the power of the workers because the highly skilled workers possessed more knowledge about the production process than did their employers.⁵⁴ Manufacturers were thus blocked from ready control of their work force and from innovating the new and increasingly sophisticated machine processes of mass production which the rapid progress in physical sciences and engineering made possible. When they looked at their marketing methods, manufacturers were also beset by chronic insecurities. The periodic business cycles in their crisis and liquidation phases forced manufacturers into cut-throat pricing (of unbranded merchandise, typically) because of the pressure of overhead costs. The result was a short life expectancy for competitive industrialists.

In sum, a watershed in the development of capitalism had been reached. As M.M. Knight said, "Down to the last quarter of the nineteenth century, commerce dominated industry; after it industry dominated commerce."⁵⁵

Capitalism's systemic solution to the contradiction between its enormous potential for expanding production of consumer goods (and the profits to be thus realized) and the systemic insecurities posed by people as workers and people as consumers was to move to large scale rationalization of industrial organization (through vertical, horizontal and conglomerate integration).⁵⁶ This conferred control over supplies and prices in the factor markets, and in the marketing of end-products. But to make such giant integrated corporations viable, their operations had to address directly the problem of people (1) as workers at the job where they were paid, and (2) as buyers of the end prod-

DALLAS W. SMYTHE

ucts of industry. The systemic solution was a textbook example of the transformation of a contradiction on the principle "one goes into two". This was an ideological task and it was solved by capitalizing on the deeply held ideological reverence for scientific rationality in the pursuit of possessive individualistic material goals.

After militant unions had been crushed by force between 1890 and 1910, scientific management was applied to people as workers. Knowledge about the work process was expropriated from skilled workers to management. The work process was reduced to "ladders" of dead-end "tasks" to complement which ever more sophisticated generations of mass production machines were innovated. And through varieties of "incentive" wage plans, linked with promotion-from-within on the basis of seniority, supported by company welfare plans (and later social insurance through government), the workplace where people got paid was transformed ideologically.⁵⁷ People learned there that work under monopoly capitalism involves competition between individuals whose possessive needs necessarily set them in conflict with each other rather than with the owners of the means of their (concealed) cooperative production. The carrot which systemically motivated them was the pursuit of commodities, which joined this half of the ideological exercise with the next.

Simultaneously the system dealt with its problem of people as buyers of end products. As on the job front, science was invoked. The objective was personal satisfaction, and the rationale was efficiency. The term "consumer" was invented to describe the desired object. Advertising and the creation of mass produced communications (press, radio and TV principally) were developed as the specialized means to this systemic end. Even if a seeming "over-production" of consumer goods threatened the profitability of an industry the ability of a company to distinguish its products from unbranded similar products allowed its sales and profits to grow in security. If studies are done — I have been able to locate none — of the history of brand names, it will be found that this was how brand name loyalty became an essential weapon in industry when the trusts which produced the present oligopolistic empires of monopoly capitalist industry became dominant features of the industrial landscape. Certainly the Baran and Sweezy thesis that monopoly capitalism manages demand through market controls and advertising would seem to carry as its corollary the hypothesis that something like the *suction* of commodities from the material production line to the oligopolistic end-product markets has replaced the atomistic *circulation* of commodities typical of Marx's time as the model of monopoly capitalist marketing. While historical scholarship in marketing seems conspicuously undeveloped, fragmentary evidence from studies of marketing history tend to confirm the outline of the process here sketched.⁵⁸

BLINDSPOT

For example, Joseph Palamountain says, "Great increases in the size of manufacturers or retailers have changed much of the distribution from a flow through a series of largely autonomous markets to a single movement dominated by either manufacturer or retailer."⁵⁹ Simultaneously, the newspaper and magazine industries found themselves in a position to vastly increase the productivity of the printing trades in the last quarter of the nineteenth century. Technical advances in typesetting, printing (including colour), photographic reproduction, etc., could be financed if someone would foot the bill. The newspaper and magazine entrepreneurs (the William Randolph Hearsts and their rivals) invented the "yellow journalism" which took advantage of this situation. The cycle of capital expansion ensued in accelerated speed and scope. Production and circulation were multiplied, while prices paid by the readers were held constant or decreased. And the "mass media" characteristic of monopoly capitalism were created in the 1890's. It was these mass media, increasingly financed by advertising, that drew together the "melting pot" working class from diverse ethnic groups which were flooding in as migrants to the United States into saleable audiences for the advertisers.⁶⁰

The advent of radio-telephony in the first two decades of this century made possible the use of the same principle which had been proven in the print media. And so commercial radio broadcasting became a systemic innovation of, by, and for monopoly capitalism. When the pent-up civilian demand at the end of World War II, and the generous capital subventions of a government intent on winning that war had provided electronics manufacturers with shell-loading and other war plants easily convertible into TV set manufacturing, and when a complaisant FCC could be manipulated into favouring TV over FM broadcasting,⁶¹ TV was approved and largely financed out of capital accumulated from commercial radio broadcasting's profits.⁶²

Why was this media complex rather than some other mode of marketing developed by monopoly capitalism to create and control "consumers"? Because it offered a cheaper and more efficient mode of demand management than the alternatives which could be devised. What alternatives? The obvious alternative was "more of the same" methods previously used in marketing: heavier reliance on travelling salesmen to push goods to retailers, heavier use of door-to-door salesmen. To calculate the opportunity cost with a hypothetical elaboration of a marketing system designed to sell branded commodities without advertising was and is a horrendous prospect. Moreover, it would be pointless because mass production of (branded) consumer goods and services under capitalism would not have happened, absent advertising. An indication of the efficiency of the audience commodity as a producers' good used in the production of consumer goods (and a clue to a possible measure of surplus value created by people working in audiences) is provided when we compare

DALLAS W. SMYTHE

advertising expenditures with "value added" by retailing of consumer goods and services. In 1973 in the U.S. some \$25 billion was spent in advertising while personal consumption expenditures were about \$800 billion. Three percent of the sales price as the cost of creating and managing demand seems very cheap — and profitable. The system also accrued valuable side-benefits. Institutional advertising and the merchandising of political candidates and ideological points of view in the guise of the free lunch and advertising messages were only appreciated and exploited systematically after World War I when propaganda and its associated public opinion polling were developed for war promotion purposes.

To summarize: the mass media institutions in monopoly capitalism developed the equipment, workers and organization to produce audiences for the purposes of the system between about 1875 and 1950. The prime purpose of the mass media complex is to produce people in audiences who work at learning the theory and practice of consumership for civilian goods and who support (with taxes and votes) the military demand management system. The second principal purpose is to produce audiences whose theory and practice confirms the ideology of monopoly capitalism (possessive individualism in an authoritarian political system). The third principal purpose is to produce public opinion supportive of the strategic and tactical policies of the state (e.g. presidential candidates, support of Indochinese military adventures, space race, détente with the Soviet Union, rapprochement with China and ethnic and youth dissent). Necessarily in the monopoly capitalist system, the fourth purpose of the mass media complex is to operate itself so profitably as to ensure unrivalled respect for its economic importance in the system. It has been quite successful in achieving all four purposes.

If we recognize the reality of monopoly capitalism buying audiences to complete the mass marketing of mass produced consumer goods and services much further analysis is needed of the implications of this "principal and decisive" integration of superstructure and base which reality presents. First, the contradictions produced within the audience commodity should be understood more clearly. I refer to the contradiction as between audience members serving as producers' goods in the marketing of mass produced consumer goods and their work in producing and reproducing labour power. I think that the consciousness industry through advertising-supported mass media produces three kinds of alienation for the members of the audience commodity: (1) alienation from the result of their work "on the job"; (2) alienation from the commodities-in-general which they participate in marketing to themselves; and (3) alienation from the labour power they produce and reproduce in themselves and their children. It would seem that the theory of work needs reconsideration.

BLINDSPOT

Then connections to other areas need to be examined. Among such connections there come to mind those to Marxist theory about social consciousness (and false consciousness), to theory about the nature of the class struggle, the nature of the proletariat under monopoly capitalism and sex chauvinism, and to theories of the state. The last of these seems obvious if this analysis is considered in connection with the recent articles by Gold, Lo, and Wright.⁶³ The role of the mass media and the consciousness industry in producing the audience commodity both as commodity-in-general and peculiar commodity might provide the real sinews to the structural-Marxist model of the state of Poulantzas and to the theoretical initiatives of Claus Offe in seeking the processes within the state which "guarantee" its class character. The connection to the work of de Bord⁶⁴ regarding consciousness is proximate. The relation of industrially produced images to the "real" world of nutrition, clothing, housing, birth and death is dialectical. The mass media are the focus of production of images of popular culture under monopoly capitalism, both through the explicit advertising and the "free lunch" which hook and hold people in audiences. Because the consciousness industry produces consumable, saleable spectacles, its product treats both past and future like the present — as blended in the eternal present of a system which was never created and will never end. The society of the spectacle, however, cannot be abstractly contrasted with the "real" world of actual people and things. The two interact. The spectacle inverts the real and is itself produced and is real. Hence, as de Bord says, objective reality is present on both sides. But because the society of the spectacle is a system which stands the world really on its head, the truth in it is a moment of the false. Because the spectacle monopolizes the power to make mass appearance, it demands and gets passive acceptance by the "real" world. And because it is undeniably real (as well as false) it has the persuasive power of the most effective propaganda.⁶⁵

Finally, another example of necessary connections is that to the theory of imperialism and socialism in the present stage of monopoly capitalism. There are many ways by which a theory of commodity production through mass communications would strengthen the analysis, for example, of Samir Amin.⁶⁶ The cocolonisation of the dependent and peripheral countries cannot be grounded in Marxist theory without attention to the production of audience commodities in the interest of multi-national corporations. It would link Amin's theory to Herbert Schiller's work on the relation of the mass media to the American empire.⁶⁷ And, when linked with analysis of the ideological aspects of science and "technology", it could strengthen the development of a non-economistic, non-positive, non-Eurocentred Marxism. Analysis of such connections is inviting but beyond the scope of the present essay.

Communication Studies
Simon Fraser University

DALLAS W. SMYTHE

Notes

1. To demonstrate this in detail would require a lengthy analysis which would deflect the present article from its affirmative purpose. Gramsci, the Frankfurt School writers (Adorno, Horkheimer, Marcuse, Lowenthal), Raymond Williams, Poulantzas, Althusser, and Marxists concerned with the problems of developing nations (e.g. Samir Amin, Clive Y. Thomas) — none of them address the consciousness industry from the standpoint of its historical materialist role in making monopoly capitalist imperialism function through demand management (concretely through the economic processes of advertising and mass communications). This is precisely the blindspot of recent Western Marxism. In the developing debate it would be useful to have studies bearing on whether and why such writers have or have not dealt with this aspect of monopoly capitalism. Reality imposes a burden of proof on them as well as on me.
2. Lenin held a manipulative theory of the mass media and admitted naiveté in this respect. "What was the fate of the decree establishing a state monopoly of private advertising issued in the first weeks of the Soviet government? . . . It is amusing to think how naive we were . . . The enemy i.e., the capitalist class, retaliated to this decree of the state power by completely repudiating that state power." "Report on the New Economic Policy", Seventh Moscow Gubernia Conference of the Russian Communist Party, October 21, 1921, in *Lenin About the Press*, Prague, International Organization of Journalists, 1972, p. 203. Lenin's *Imperialism* is devoid of recognition of the relation of advertising to monopoly capitalism and imperialism.
3. *The Mind Managers*, Boston, Beacon Press, 1973.
4. "For a Political Economy of Mass Communications", *The Socialist Register*, 1973.
5. Sage Publications, Beverly Hills.
6. Cf. Finkelstein, Sidney, *Sense and Nonsense of McLuhan*, N.Y. International Publishers, 1968; Theall, Donald, *The Medium is the Rear View Mirror*, Montreal, McGill/Queen's University Press, 1971; and my review of the latter in *Queen's Quarterly*, Summer, 1971.
7. I am indebted to Professor William Livant, University of Regina, for much hard criticism which he formulated in a critique of a draft of this paper in December, 1975.
8. The objective reality is that the ostensible advertisements and the material which comes between them, whether in the print or electronic media, have a common purpose of producing the audience. It is an interesting consequence of the idealist perspective that in most liberal analysis the "advertising" is considered to be separate from the "news", "entertainment", "educational material" which is interlarded *between* the advertisements.
9. The annual cost to audience members of providing their own broadcast receivers (and paying for Cable TV), consisting of depreciation, interest on investment, maintenance and electric power, amounted to slightly more than \$1.8 billion, while the over-the-air broadcasters' (Canadian Broadcasting Corporation plus private broadcasters) and Cable TV operators' costs were about \$631 million.

BLINDSPOT

10. "On Contradictions", *Selected Works of Mao Tse-Tung*, Vol. 1, Peking, Foreign Languages Press, 1967, p. 336. Emphasis added.
11. New York, Monthly Review Press, 1966.
12. *The New Industrial State*, Boston, Houghton Mifflin, 1967.
13. Chamberlin, E.H., *The Theory of Monopolistic Competition*, Cambridge, Mass., 1931.
14. *Monopoly Capitalism*, p. 116.
15. It is argued by one of my critics that a better term for what advertisers buy would be "attention". At our present naive stage concerning the matter, it does *seem* as if attention is indeed what is bought. But where people are paid for working on the job, should Marxists say that what the employer buys is "labour power" or "the manual dexterity and attention necessary for tending machines"? Where I refer to audiences as being produced, purchased and used, let it be understood that I mean "audience-power"; however it may turn out upon further realistic analysis to be exercised.
16. The pages of *Variety* report on cases where the ostensibly non-advertising matter in the media, which I call the "free lunch", attracted an audience which had propensities incongruous with the particular product or service being advertised; in such cases the program is cancelled and the audience discarded.
17. The "free lunch" concept of the mass media was first stated by Liebling A.J., *The Press*, N.Y. Ballantine, 1961.
18. *Loc. cit.* 121. Or for elaborate obfuscation, see Machlup, Fritz, *The Production and Distribution of Knowledge in the United States*, Princeton, Princeton University Press, 1962.
19. See Brown, Les, *Television: The Business Behind the Box*, N.Y. Harcourt Brace Jovanovich, 1971.
20. Livant, William, "Notes on the Development of the Production of Labour Power", 22 March, 1975 (dittoed).
21. Livant, William, "More on the Production of Damaged Labour Power", 1 April, 1975 (dittoed), p. 2.
22. In arguing that all non-sleeping time under capitalism is work time, I go beyond Samir Amin who says "Social time is split into non-working time and working time. But here too the former exists only to serve the latter. It is not leisure time, as it is called in the false consciousness of alienated men, but recuperation time. It is functional recuperation that is

DALLAS W. SMYTHE

socially organized and not left up to the individual despite certain appearances", ("In Praise of Socialism", *Monthly Review*, September, 1974, p. 8). Amin also has the blind spot which does not recognize the audience commodity which mass media have produced.

23. I am perhaps wrong to exclude sleeping time from work. The dividing line between recreation of the ability to work while awake and sleeping may be illusory. It may be that the head coach of the Washington, D.C. "Redskin" professional football team, George Allen, is closer to the mark than most economists when he tells his players, "Nobody should work all the time. Leisure time is the five or six hours you sleep at night. You can combine two good things at once, sleep and leisure." Quoted in Terkel, Louis, *Working*, N.Y. Pantheon, 1974, p. 389.
24. Livant, William, "The Communications Commodity", (Xerox, University of Regina, 25 December, 1975), p. 7.
25. For present purposes I ignore the ancillary and interactive processes which contribute to the production of labour power involving also the educational institutions, the churches, labour unions, and a host of voluntary associations (e.g. YMCA, Girl Scouts).
26. The following analysis draws on the de Grazia, Sebastian, *Of Time, Work and Leisure*, N.Y., Anchor, 1964.
27. Marx, Karl, *Grundrisse*, London, Pelican, 1973, p. 287.
28. *Ibid.*, p. 325.
29. Part-time workers (probably more female than male) amounted in 1960 to nineteen percent of the employed labour force in the United States and worked an average of 19 hours weekly. If we exclude such workers in order to get a figure comparable to the 70 hours in 1850, we consider the weekly hours worked by the average American male who worked at least 35 hours per week and find that they averaged 46.4 (as against 39.5 for all workers). For the sake of brevity, I omit the counterpart calculation of "free time" for women. No sexist implications are intended.
30. *Loc. cit.*, p. 346.
31. "... the manufacturers of paper and ink and TV sets whose products are used to control and poison the minds of the people . . ." (*Ibid.*, p. 344).
32. Blank, David M., "Pleasurable Pursuits — The Changing Structure of Leisure-Time Spectator Activities", National Association of Business Economists, Annual Meeting, September, 1970 (ditto).
33. *Broadcasting Yearbook*, 1974, p. 69.

BLINDSPOT

34. For many years patrons at professional baseball and football games have been listening to portable radios broadcasting the same game. In 1975 I observed that patrons at professional football games are beginning to watch the same game on portable TV sets for the "instant replays".
35. Levitt, T.N., "The Industrialization of Service", *Harvard Business Review*, September, 1976, pp. 63-74, 73.
36. I use the term "rational" here in the common sense usage, that the result should be one which can be "lived with", is "the right decision", which "makes sense". I imply no Benthamist calculus of utilities or pleasure or pain.
37. Linder, Staffen B., *The Harried Leisure Class*, N.Y. Columbia University Press, 1970, p. 59.
38. *Ibid.*, pp. 70-71.
39. *Ibid.*, p. 71.
40. Publisher's blurb for Ward, Scott, Wackman, Daniel B., and Wartella, Ellen, *How Children Learn to Buy: The Development of Consumer Information-Processing Skills*, Beverly Hills, Sage Publications, 1977.
41. Linder, *op. cit.*, p. 123.
42. *Ibid.*, *Monopoly Capitalism*, p. 122.
43. *Ibid.*, p. 119.
44. Galbraith, J.K., *The Affluent Society*, Boston, Houghton Mifflin, 1958, p. 160.
45. *Ibid.*, *Monopoly Capitalism*, p. 125.
46. *Ibid.*, p. 141.
47. At the outset of Volume II, *Capital*, Marx says: "It is therefore taken for granted here not only that the commodities are sold at their values but also that this takes place under the same conditions throughout. Likewise disregarded therefore are any changes of value which might occur during the movement in circuits." (Marx, Karl, *Capital*, Vol. II, Book II, p. 26. Moscow, Progress Publishers, 1967.)
48. Marx, Karl, *Grundrisse*. London, Pelican Books, 1973, p. 91-2. Emphasis added.

DALLAS W. SMYTHE

49. *Ibid.*, p. 99.

50. Referring to a reported \$13 million advertising budget which produced \$16 million in drug store sales, expressed in wholesale prices, they say: "Allowing for a handsome profit margin, which of course is added to selling as well as production cost, it seems clear that the cost of production can hardly be more than a minute proportion of even the wholesale price." (*Op. cit.*, p. 119).

51. *Ibid.*, *Monopoly Capitalism*, p. 118.

52. Cf. Aspinall, A., *Politics and the Press*, 1949.

53. The young and conservative Richard T. Ely, writing in 1886 presented a sympathetic and respectful account of the radicalism of the existing union movement in the United States. Ely, Richard T., *The Labour Movement in America*, N.Y., T.Y. Crowell & Co. 1886.

54. Stone, Catherine, "The Origins of Job Structures in the Steel Industry", *Review of Radical Political Economy*, Summer, 1974, p. 113-173.

55. Knight, M.M., Barnes, H.E. and Flugel, F., *Economic History of Europe*, N.Y., Houghton Mifflin, 1928.

56. Brady, Robert A., *The Rationalization Movement in German Industry*. Berkeley, Univ. of Calif. Press, 1933, and his *Business as a System of Power*, N.Y., Columbia University Press, 1943. Also Veblen, T., *The Theory of Business Enterprise*, N.Y., Viking Press, 1964.

57. Jeremy Bentham and Charles Babbage had publicized the ideas; Taylor and his successors were the experts who applied them. See Braverman, Harry, *Labour and Monopoly Capital*. N.Y., Monthly Review Press, 1974; Stone, Catherine, "The Origins of Job Structures in the Steel Industry", *op. cit.*, and Palmer, Bryan, "Class, Conception and Conflict: The Thrust for Efficiency, Managerial Views of Labour and the Working Class Rebellion, 1903-1922.", *Review of Radical Political Economy*, Summer, 1974, p. 31 - 49.

58. Edwin H. Lewis argues that: "Prior to Civil War, in the United States, the wholesaler was typically the dominant factor in the channel. Small retailers and frequently small manufacturers as well, depended on the wholesaler to carry stocks and to give credit or financial support. Following the Civil War, large scale retailers became the dominant element in the distribution of convenience goods and certain shopping goods. As manufacturers have grown larger and as oligopolistic conditions have prevailed in many industries, the manufacturer has held a position of strength in the channel." Lewis, Edwin H., *Marketing Channels*, N.Y. McGraw Hill, 1968, p. 163.
According to Philip Kotler: "A change began in the 1890's with the growth of national firms and national advertising media. The growth of brand names has been so dramatic that today, in the United States, hardly anything is sold unbranded. Salt is packaged in distinctive manufacturers' containers, oranges are stamped, common nuts and bolts are packaged in cellophane with a distributor's label, and various parts of an automobile — spark plugs, tires, filters — bear visible brand names different from that of the automobile." Kotler, Philip. *Marketing Management*, 2nd ed., Englewood Cliffs, New Jersey, Prentice Hall, 1972, p. 446.

BLINDSPOT

59. Palamountain, Joseph C. Jr., "Vertical Conflict" in Stern, Louis W., *Distribution Channels: Behavioral Dimensions*, N.Y., Houghton Mifflin, 1969, p. 138.
60. Stuart Ewen, in *Captains of Consciousness* (N.Y., McGraw-Hill, 1976) provides abundant documentation of the purposiveness with which monopoly capitalism used advertising and the infant mass media for this purpose in the period around and following World War I.
61. Lessing, L.P. *Man of High Fidelity*: E.A. Armstrong.
62. Why did the cinema, generally conceded to be part of the mass media, not become producers of audience products as part of the systemic bulge of the consciousness industry after 1875? To this, there are several obvious answers. The cinema requires an audience assembled outside the home. It is in the ancient traditional mode of the theatre, arena, assembly, etc. As such it had its own momentum and defined its prime product as the sale of a seat at a particular location and time in relation to the exhibited film. What the advertisers needed — and what capitalism developed as a specialized part of the process of mass producing and mass marketing consumer goods — was a method of mobilizing people to work at being consumers *in their alienated separate homes*. This advertising supported media made possible. The motion picture industry is not so isolated from the marketing process as this explanation might suggest. "Tie-ins" for consumer goods are a normal part of the planning and receipts (often unreported for tax purposes) of the producers, directors, writers and star performers in theatrical films.
63. Gold, David A., Lo, Clarence Y.H., and Wright, Erik Olin, "Recent Developments in Marxist Theories of the Capitalist State". *Monthly Review*, October 1975, p. 29-43. November, 1975, p. 36-52.
64. de Bord, Guy, *The Society of the Spectacle*, Detroit, Black and Red, Box 9546, 1970.
65. *Ibid.*, p. 6-9.
66. Amin, Samir, *Accumulation on a World Scale*, N.Y., Monthly Review Press, 1974, and "Toward a Structural Crisis of World Capitalism", *Socialist Revolution*, April 1975, p. 9-44.
67. Schiller, Herbert I. *Mass Communications and American Empire*, N.Y. Augustus Kelley, 1971. *Communication and Cultural Domination*, White Plains, IASP, 1976.