

PART II

**Communication in
Capitalist Society**

CHAPTER 5

Capitalism and Communication

The task of this chapter is to provide an introduction to the relationship of capitalism and communication. To do so, we need to understand what capitalism is all about and to relate it to communication. First, the process of capital accumulation and the question of what capitalism is will be discussed (section 5.1). Second, the role of labour in capitalism will be analysed (5.2). Third, it will be outlined that time plays a key role in capitalism (5.3). Fourth, the relation of the capitalist economy and communication will be discussed (5.4). And fifth, this chapter discusses the roles of communication in the capitalist economy as totality (5.5).

5.1. Capital Accumulation and Capitalism

Class

Class is a social and power relation in which the exploited class is forced to produce, with means that it does not own, goods that it does not own. The dominant class owns the means of production and the produced outputs. Class is defined by production and ownership. Chapter 3 (see table 3.1) gave an overview of various class relations that define different modes of production. In capitalism, the bodies of workers do not, like those of slaves, belong to an external owner. But given that they cannot survive without working, workers have to sell their labour power on the labour market in order to earn wages with which they can purchase commodities as means of life that sustain them. The capitalist class in contrast owns capital, means of production, companies, and the goods and profits created in them.

But class is not abstract. The definition of class position by one's position in the relations of production is lived in class relations in everyday economic life. Day in and day out, humans enter and leave factories, offices, their home offices, mobile offices, public spaces, etc. as workplaces where they produce commodities that are sold in order to yield profit from which capital and capitalists survive, and wages from which workers try to survive. Class as a class structure and relation always

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has an objective character. But at the same time, these objective relations are lived by concrete humans through concrete practices so that the societal class relation between capital and labour is lived and communicated in everyday life. As a result, there is a dialectic of objective class structures (the general class relation between capital and labour) and class subjectivity (the living of class in everyday life). Class objectivity becomes subjectified in labour practices and class subjectivity becomes objectified in the production of commodities. Class relations and practices are established in and through communicative processes that mediate between society's structural class relation and class subjectivity (consciousness and practices). Politically, the important question is whether the working class is or is not politically conscious of its situation as working class, and whether or not it organises itself politically in class struggles against the disadvantages it inevitably has to face in capitalism.

Capitalists and workers are rational, conscious, purposeful, passionate beings, who are active subjects in the processes of the production and reproduction of capitalism. Labour contracts require the members of the working class to enter class relations, where their labour is exploited and produces a surplus that they do not own. Workers cannot simply refuse to work because the labour market is an institutionalised and structural form of repression that compels them to either sell their labour power or die. Marx speaks in this context of the labour market as the 'silent compulsion of economic relations'.¹ The capitalist 'proceeds to consume the commodity, the labour power he has just bought, i.e. he causes the worker, the bearer of that labour power, to consume the means of production by his labour. [...] First, the worker works under the control of the capitalist to whom his labour belongs; [...] Secondly, the product is the property of the capitalist and not that of the worker, its immediate producer.'²

Pierre Bourdieu³ argues that class is not just an economic, but also a political and cultural relation that is defined by the amounts of economic capital (money, means of production), political capital (influence in social relations), and cultural capital (reputation) that an individual controls. Bourdieu rightly stresses that the principle of accumulation extends beyond the realm of the economy into politics and culture. But the danger of generalising the notions of class and capital to the two non-economic realms is that the special role of the economy in modern society and society in general is underestimated. The approach advanced in this book therefore prefers to limit the notions of capital and class to the economic realm, whereas power is the more general structure that is accumulated in all three realms of capitalist society. Erik Olin Wright takes the issue of the relationship

¹ Karl Marx. 1867/1976. *Capital. A Critique of Political Economy. Volume One*. London: Penguin. p. 899.

² *Ibid.*, p. 291–292.

³ Pierre Bourdieu. 1986. The (Three) Forms of Capital. In *Handbook of Theory and Research in the Sociology of Education*, ed. John G. Richardson, 241–258. New York: Greenwood Press.

of the economic to politics and culture seriously, and has shown that political authority and culture in the form of skills and education play a role in the formation of class relations.⁴ He argues that in addition to the question of whether or not one owns the means of production, the levels of authority and skills in the production process also play a role in defining class.

We can learn from Bourdieu that accumulation extends from the economy into politics and culture, whereas we can take from Wright the idea that politics operates in the form of authority in the production process and culture in the form of differentiated skills in the economy. As a consequence, those with higher authority and skills tend to have advantages in terms of the control of power in the economy over those with low authority and skills. Wright therefore speaks of organisational exploitation and skills exploitation.⁵ What he means are surplus wages achieved due to advantages in skills and authority.

In the 20th century, the emergence of managers, and of a significant share of white-collar workers in the employment structure, has posed new questions for class theory. Managers are often not the main owners of the means of production, although many of them own stock in stock-trading corporations. In many cases, they are formally only employees receiving (high) salaries. But in so far as management's role is the organisation of exploitation of workers in the production of surplus value, managers certainly are part of the dominant class. White-collar workers produce services and knowledge. But that the product they produce is intangible and their labour therefore qualitatively different from that of manual workers does not imply that they form a different class. White collar workers who are forced to sell their labour power in order to survive certainly are also part of the working class. Freelancers are formally self-employed workers, who depend on short-term contracts to achieve income. The rise of the media, cultural and digital industries in conjunction with neoliberalism has made precarious freelancing quite a widespread phenomenon, which has led some to speak of the emergence of the 'precariat'.⁶ In so far as freelancers do not employ others, their class position is not so different from wage-workers, because they are also compelled to sell their labour power in order to survive, although based on short-term contracts. They are part of the working class, although they could be considered a special faction.

Freelancers who own so much capital that they start employing others and are no longer single-person ventures, but companies with a workforce, a division of

⁴ Erik Olin Wright. 1997. *Class Counts*. Cambridge: Cambridge University Press.

⁵ Erik Olin Wright. 1989. A General Framework for the Analysis of Class Structure. In *The Debate on Classes*, ed. Erik Olin Wright, 3–43. London: Verso. Erik Olin Wright. Exploitation, Identity, and Class Structure: A Reply to My Critics. In *The Debate on Classes*, ed. Erik Olin Wright, 191–211. London: Verso. Erik Olin Wright. 1989. Rethinking, Once Again, the Concept of Class Structure. In *The Debate on Classes*, ed. Erik Olin Wright, 269–348. London: Verso.

⁶ Guy Standing. 2016. *The Precariat: The New Dangerous Class*. London: Bloomsbury Academic.

labour and ownership, turn from freelance workers into capitalists. Successive waves of automation have created structural unemployment. Are the unemployed a separate class? They are a reserve army of wageless workers-in-waiting, who do not possess capital and therefore form a faction of the working class.

There are also groups of unremunerated workers that play important roles in capitalism. The largest of them are the houseworkers who perform reproductive labour that reproduces the labour power of the working class so that labour power can be sold as a commodity to capital. Other examples of unremunerated labour are modern slaves, audiences of advertising-funded media, and Facebook-users.⁷ There are diverse groups of the unpaid labour force that differ in respect to the type of work, aspects of organisation, and the modes of coercion they face. In so far as unremunerated labour produces a commodity that is sold in a capitalist context, unremunerated workers are certainly part of the working class.

Taken together, we can observe that the class relation between capital and labour is constituted by two classes that consist of various class factions. The capitalist class consists of factions such as industrial capital, finance capital, small/medium/large capital, transnational capital, etc. So, capital and labour are on the one hand each objectively united and yet at the same time differentiated. In respect to the working class, Toni Negri speaks of the 'social worker' in order to indicate that exploitation and the working class are 'now extended throughout the entire span of production and reproduction',⁸ so that there is a multitude of class factions that together form the working class as the multitude of 'all those who labour and produce under the rule of capital'⁹ and 'all those whose labour is directly or indirectly exploited by and subjected to capitalist norms of production and reproduction'.¹⁰ Social workers include both wage-workers and non-wage workers who produce commodities and produce and reproduce capital. Mario Tronti describes the tendency and interest of capital to extend the capitalist factory 'over the whole society'.¹¹ 'It is capitalist development itself which tends to subordinate every political relation to the social relation, every social relation to the production relation, and every production relation to the relation of the factory – for only this allows it to begin, from

⁷ For a detailed discussion, see: Christian Fuchs. 2017. Capitalism, Patriarchy, Slavery, and Racism in the Age of Digital Capitalism and Digital Labour. *Critical Sociology* 44 (4–5): 677–702.

⁸ Antonio Negri 1982. Archaeology and Project: The Mass Worker and the Social Worker. In *Revolution Retrieved: Selected Writings on Marx, Keynes, Capitalist Crisis & New Social Subjects 1967–83*, 199–228. London: Red Notes. p. 209.

⁹ Michael Hardt and Antonio Negri. 2004. *Multitude*. New York: Penguin. p. 106.

¹⁰ Michael Hardt and Antonio Negri. 2000. *Empire*. Cambridge, MA: Harvard University Press. p. 52.

¹¹ Mario Tronti. 2019. *Workers and Capital*. London: Verso. p. 26.

within the factory, the inverse path: that is, the capitalist's struggle to dismantle and recompose in his own image the antagonistic figure of the collective worker.¹² In capitalism, not only the factory and the office but also spaces such as the household, the family, the university, the city, the body, the brain, or commercial, ad-driven media such as Facebook are spheres of the production of commodities. They are the social factories of capitalism.

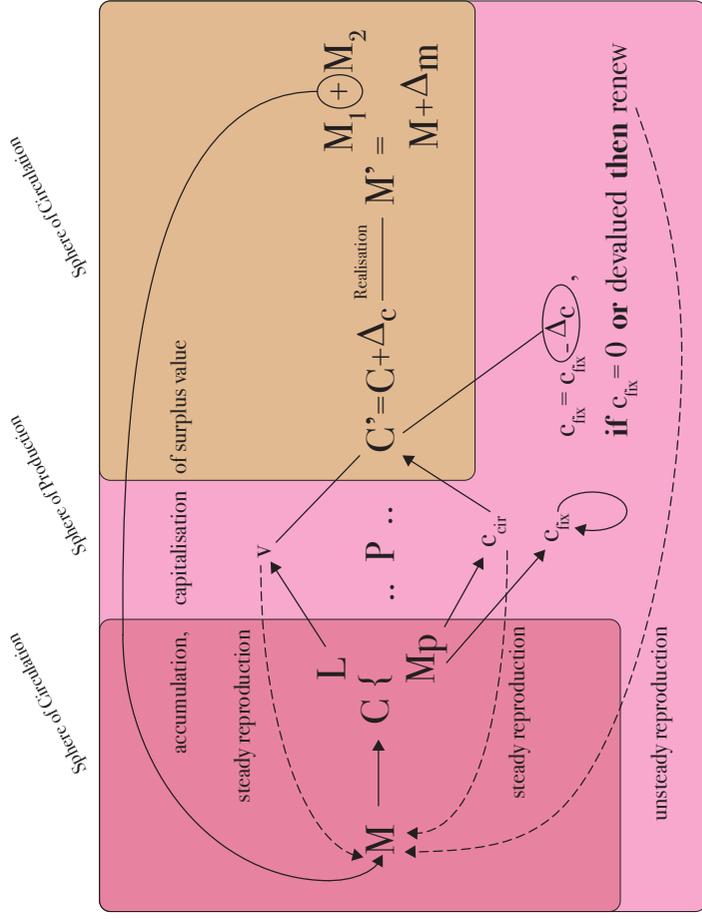
Capital Accumulation

Figure 5.1 visualises the process of capital accumulation that forms the heart and engine of the capitalist economy.

The capitalist economy is a system of general commodity production. The commodity is the cell form of how property is organised in the capitalist economy. Humans are forced to produce commodities that are sold on markets so that corporations accumulate capital. Capital is money that turns into more money. In the capitalist economy, many moments interact: money, the commodity, the exploitation of labour power, the means of production, commodity production and capital. Emergent qualities emerge from this interaction. They are more than the sum of the moments and more than any of the single moments. This new quality is the process of capital accumulation. It is new and emergent in comparison to other modes of production. If the commodity is the capitalist economy's cell form, then the accumulation of capital constitutes the entire economic body. Capital is a kind of body whose aim it is to increase its size by forcing workers into exploitation so that they produce commodities that are sold in order to yield profit.

For Marx, the capitalist economy is the system of capital accumulation. It takes the form: $M - C \dots P \dots C' - M'$: Capitalists buy with money M the commodities C (labour power L , means of production M_p). In the production process P , labour creates with the means of production a new commodity C' . C' contains surplus value. If the commodity or an amount of commodities per financial year can be sold successfully at a price higher than the investment costs, then the surplus value is turned into a profit (p , Δm). The initially invested amount of money-capital M is increased by the profit so that the accumulated amount of money $M' = M + \Delta m$. Parts of M' (M_1) are used for paying interest to banks, rent to rentiers who rent out property (such as land) to capitalists, bonuses to managers, and dividends to stock owners. The other part of M' (M_2) is reinvested so that a new cycle of capital accumulation starts. The end point M' of a capital accumulation cycle becomes the starting point of the next cycle. Capital accumulation constitutes the dynamic character of the capitalist economy. It takes on the form $M_1 - C_1 \dots P_1 \dots C_1' - M_1' = M_2 - C_2 \dots P_2 \dots C_2' - M_2' = M_3 - C_3 \dots P_3 \dots C_3' - M_3' = M_4 \dots$

¹² Ibid., p. 29.



C_{cir} : raw- and auxiliary-materials, operating supply items, semi-finished products,
 C_{fix} : machines, buildings, equipment; circulating capital: c_{cir} ; v; fixed capital: c_{fix}

Figure 5.1: The process of capital accumulation.¹³

¹³ The figure is my visualisation of the capital accumulation process, as described in: Karl Marx. 1867. *Capital Volume One*. London: Penguin. Karl Marx. 1885. *Capital Volume Two*. London: Penguin.

Chapter 4 (see especially section 4.1 and figure 4.2) described the work process as a dialectic of subject and object, in which human subjects use their work capacity in order to employ means of production (objects of work, instruments of work) to create new products. In capitalism, the subject of production is the working class that is compelled to sell its labour power to capital in order to survive. In capitalism, the means of production are commodities. Marx speaks of the value of labour power and the objects of labour as ‘circulating capital’ because they are used up immediately in capitalist production and need to be renewed. Labour power’s value is called ‘variable capital’ (v) because it creates new value: surplus value. The value of the objects of labour are termed ‘circulating constant capital’ (c_{cir}) because this value fully enters the commodity value in the commodity’s production so that the objects need to be renewed in the next accumulation cycle. Instruments of labour (such as technologies) have a more durable character in the production process. Only part of their value is objectified in a commodity. The value of the instruments of labour is therefore termed fixed constant capital (c_{fix}). The instruments stay fixed in the capital accumulation process until they are superseded by better technologies or need to be replaced because of wear and tear or failures. Circulating constant capital and fixed constant capital together form the means of production, whose value is called constant capital (c).

Capitalism turns labour power and the means of production into instruments for the production and accumulation of capital. Capital is ‘money breeding money, value breeding value.’¹⁴ In the capitalist economy, production is the process of commodity production and capital accumulation. Work is organised as exploited labour in the class relation between labour and capital, where the work process’ dialectic of subject and object is a class contradiction between capital and labour. In the capitalist system, workers are ‘merely a machine for the production of surplus value’ and capitalists ‘merely a machine for the transformation of this surplus value into surplus capital.’¹⁵ The capitalist is an ‘extractor of surplus labour and an exploiter of surplus-labour.’¹⁶

The process depicted in figure 5.1 not only takes place in a single company, but also in an entire industry, a national economy, and the global economy. So, the model on the one hand describes single capital, but on the other hand also collective capital as class. And workers are an exploited class in this process at all of these levels, starting at the level of the company and going up to the levels of society and the global economy. Marx therefore speaks of the ‘collective labourer,’¹⁷ which is the ‘combined working personnel,’¹⁸ ‘labour power socially

¹⁴ Karl Marx. 1885/1978. *Capital. A Critique of Political Economy. Volume Two*. Translated by Ben Fowkes. London: Penguin. p. 160.

¹⁵ Marx, *Capital Volume One*, p. 742.

¹⁶ *Ibid.*, p. 425.

¹⁷ *Ibid.*, p. 590.

¹⁸ *Ibid.*, p. 590.

combined,¹⁹ the ‘aggregate worker’, whose ‘combined activity results materially in an *aggregate* product which is at the same time a *quantity of goods*.²⁰ The ‘activity of this aggregate labour power is its *immediate productive consumption by capital*, i.e. it is the self-valorisation process of capital, and hence, as we shall demonstrate, the immediate production of surplus value, the *immediate conversion of this latter into capital*.²¹ The development of the productive forces and of co-operation advances the collective character of workers as a co-operating workforce. ‘The product is transformed from the direct product of the individual producer into a social product, the joint product of a collective labourer, i.e. a combination of workers, each of whom stands at a different distance from the actual manipulation of the object of labour.’²²

Is Capitalism an Economic System or a Type of Society?

What is capitalism? Is it a mode of economic production? Or is it a particular type of society? For Marx, capital is self-expanding value that is accumulated in the form of monetary profit. Capital needs to grow permanently in order to survive, otherwise capital accumulation and the capitalist economy enter crisis. Capitalism’s expansive character implies not only the exploitation of labour, but also the destruction of nature; the centralisation and concentration of capital; uneven geographical development of capitalism; imperialism; wars for capitalist expansion; the production of milieus of highly exploited, unremunerated labour; the depletion of non-renewable natural resources, etc. The capitalist economy’s principle of accumulation shapes all of capitalist society. Capitalism is a type of society that is based on and operates within the principle of the accumulation of capital and power.

Chapter 4 argued that production and work are the models of culture and the political system in society. In capitalist society, the principle of the accumulation of money-capital is the general model for production in society. Capitalist society forms a generalised sphere of accumulation. The drive to accumulate is not limited to money capital. In politics, we find the accumulation imperative in the form of the accumulation of political decision power. In the cultural system, we find the principle of accumulation in the form of the accumulation of cultural distinction, reputation, and definition power. In capitalist society, classes and social groups aim at accumulating economic power (money-capital), political power (decision-making power: influence on collective decision), and cultural power (definition power: reputation, influence on

¹⁹ Ibid., p. 1040.

²⁰ Ibid., p. 1040.

²¹ Ibid., p. 1040.

²² Ibid., p. 643.

the definition of worldviews, collective meanings and identities). Capitalism is not simply an economic mode of production. It is a societal mode of production, a societal formation. Capitalist society is grounded in and organised on the principle of accumulation.

The logic of accumulation creates power asymmetries and distributive injustices. In heteronomous societies, there is alienation: Dominant groups are in control of the products of work, whereas the immediate producers lack control and property. The dominant groups have the power to force others to work for them, appropriate ownership of the dominated class' labour products, impose their political ideology on collective decision-making, impose hierarchies of recognition and reputation, and achieve combinations thereof. Different groups and classes can control different degrees of economic power, cultural power, and political power. In capitalist society, money is a privileged form of power. It can more easily be transformed into political and cultural power than vice versa.

Accumulation logic structures the modern economy, politics, culture, private and everyday life, and the relationship of society to nature. Modern society's subsystems organise particular forms of the accumulation logic. They have their specific economics of production, circulation and distribution of power. In capitalist society, power takes on economic, political and cultural types of accumulation. Capitalism creates fundamental asymmetries of power and inequalities. It is Marx's achievement that he has unveiled the logic of accumulation that is *immanent* in capitalism. He has pointed out the immanent antagonisms and inequalities that capitalism's logic of accumulation produces.

We will next discuss an important aspect of capitalism: labour.

5.2. Labour and Capitalism

Working Conditions

To analyse the conditions of labour – i.e. the reality and experiences of exploitation that workers face in capitalism – one needs to discern among various dimensions of working life. Such dimensions of working conditions include what technologies are used and how they impact workers; the implications of the work organisation for workers' mental and physical capacities and health; aspects of the relations of production such as wages, contracts and labour-time; the quality of the working environment (labour spaces); aspects of labour control and surveillance; aspects of political organisation (unionisation, class struggles); and how state legislation shapes working conditions. Figure 5.2 visualises and table 5.1 summarises these dimensions. Table 5.1 also shows how the various dimensions are related to the work process' dialectic of subject and object (see figures 5.1 and 4.2)

Table 5.2 shows for each of the identified dimensions of working conditions what questions one should ask when conducting an analysis of concrete working conditions.

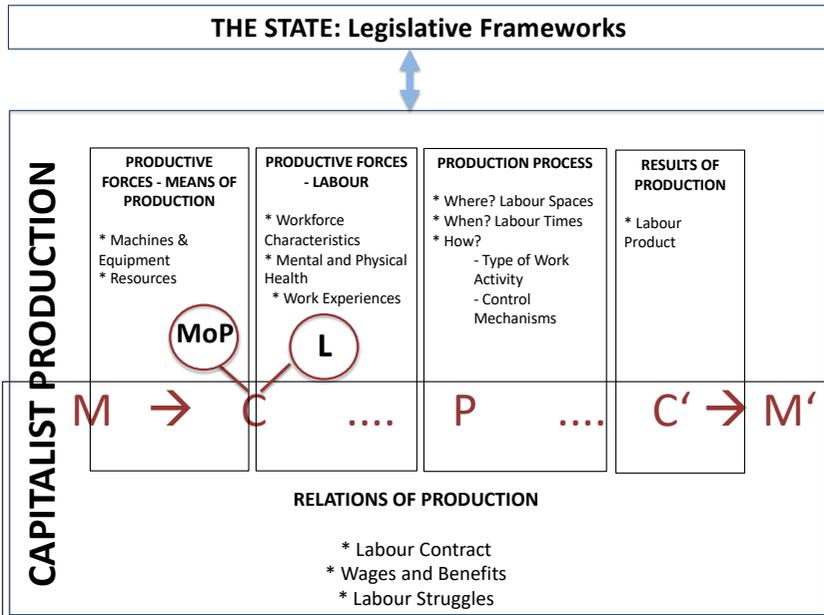


Figure 5.2: Dimensions of working conditions.²³

Table 5.1: Dimensions of working conditions.²⁴

Dimension		Location of this dimension in work's subject-object-dialectic (see figures 5.1 and 4.2)
Productive forces – Means of production	Machines and equipment	Object: Instruments of labour
	Resources	Object: Object of labour
Productive forces – Labour	Workforce characteristics	Subject
	Mental and physical health	Subject
	Work experiences	Subject

²³ This model was first introduced in: Marisol Sandoval. 2013. Foxconned Labour as the Dark Side of the Information Age: Working Conditions at Apple's Contract Manufacturers in China. *tripleC: Communication, Capitalism & Critique* 11 (2): 318–347. Reproduced with permission.

²⁴ First introduced in: Christian Fuchs and Marisol Sandoval. 2014. Digital Workers of the World Unite! A Framework for Critically Theorising and Analysing Digital Labour. *tripleC: Communication, Capitalism & Critique* 12 (2): 486–563.

Dimension		Location of this dimension in work's subject-object-dialectic (see figures 5.1 and 4.2)
Relations of production	Labour contracts	Subject-subject relationships: Relations of production
	Wages and benefits	Subject-subject relationships: Relations of production
	Labour struggles	Subject-subject relationships: Relations of production
Production process	Labour spaces	Object: Instruments of labour
	Labour times	Subject-subject relationships: Relations of production
	Work activity	Subject
	Control mechanism	Subject-subject relationships: Relations of production
Results of production	Labour product	Subject-object: Products of labour
The state	Labour law	Subject-subject relationships: Relations of production

Table 5.2: Dimensions of working conditions.²⁵

Productive forces – Means of production	Machines and equipment	Which technology is being used during the production process?
	Resources	What resources are used during the production process?
Productive forces – Labour	Workforce characteristics	What are important characteristics of the workforce for example in terms of age, gender, ethnic background etc?
	Mental and physical health	How do the employed means of production and the labour process impact mental and physical health of workers?
	Work experiences	How do workers experience their working conditions?

(Contd.)

²⁵ This model was first introduced in: Marisol Sandoval. 2013. Foxconned Labour as the Dark Side of the Information Age: Working Conditions at Apple's Contract Manufacturers in China. *tripleC: Communication, Capitalism & Critique* 11 (2): 318–347. Reproduced with permission.

Table 5.2: (Continued)

Relations of production	Labour contracts	Which type of contracts do workers receive, what do they regulate?
	Wages and benefits	How high/low are wage levels and what are other material benefits for workers?
	Labour struggles	How do workers organise and engage in negotiations with capital and what is the role of worker protests?
Production process	Labour spaces	Where does the production process take place?
	Labour times	How many working hours are common within a certain sector, how are they enforced, and how is the relationship between work and free time?
	Work activity	What types of mental and/or physical activity are workers performing?
	Control mechanisms	What types of mechanisms are in place that control and monitor the behaviour of workers?
Results of production	Labour product	What kinds of products or services are being produced?
The state	Labour law	What regulations regarding minimum wages, maximum working hours, safety, social security etc are in place and how are they enforced?

Economic Alienation

For Marx, economic alienation means that capitalism's structures of the exploitation of labour in class relations turn the human being into something that is different from what it could be, from the capacities that are defined by the human being's essence as species-being. The human being as species-being is a social and societal being. Capitalism's exploitation of labour and private ownership of economic property cripples and destroys human beings' social character. Society is therefore, as capitalist society and as class society in general, incompletely social and not a fully developed society. The 'proposition that man's species-nature is estranged from him means that one man is estranged from the other, as each of them is from man's essential nature.'²⁶ 'Species-being' is the translation

²⁶ Karl Marx. 1844. Economic and Philosophic Manuscripts of 1844. In *MECW Volume 3*, 229–346. London: Lawrence & Wishart. p. 277.

of the German term *Gattungswesen*.²⁷ The word *Gattungswesen* combines the species (*Gattung*) and essence (*Wesen*). So, the species-being means the essence of humans, i.e. that which all humans have in common. Species-being is the essence of the species, species-essence. Capitalism and class constitute the alienation of the human from its social essence. They dehumanise humans and make them less than human. By turning humans into a cog of the wheel of exploitation and domination, capitalism is an organised form of inhumanity and dehumanisation.

Capitalism's alienation of labour is a fourfold process:²⁸

- (1) the alienation of humans from nature;
- (2) the alienation of humans from their activities and species-being;
- (3) the alienation of humans from their bodies and minds that are part of the human essence;
- (4) the alienation of the human being from the 'product of his labour, from his life activity'²⁹ and as a consequence from other humans and society.

Economic alienation in capitalism turns workers into double-free labour: 'Free workers, in the double sense that they neither form part of the means of production themselves, as would be the case with slaves, serfs, etc., nor do they own the means of production, as would be the case with self-employed peasant proprietors. The free workers are therefore free from, unencumbered by, any means of production of their own.'³⁰ Capitalism's double-free workers are not, like slaves, owned by the dominant class, but they face the 'freedom' of the market that means unfreedom for them: They can only survive by selling their labour power and are thereby compelled to enter class relations, in which their labour is exploited. So, capitalist 'freedom' is a freedom from slavery so that humans own their own bodies, but at the same time means the unfreedom of capitalist structures that makes humans sell their labour power in order to be able to obtain wages so that they can purchase commodities that allow them to live. In capitalism, the means of subsistence and the means of production are organised as commodities. Alienation is enshrined and objectified in capitalism's structures, so that the mass of humans cannot exist without being exploited in class relations.

Figure 5.3 visualises that economic alienation in capitalism means that the working class is alienated from itself as subject because it is forced to sell its

²⁷ Karl Marx. 1844. *Ökonomisch-philosophische Manuskripte aus dem Jahre 1844*. In *Marx Engels Werke (MEW) Band 40 (Ergänzungsband 1)*, 465–588. Berlin: Dietz. p. 518.

²⁸ Marx, *Economic and Philosophic Manuscripts of 1844*, pp. 276–277.

²⁹ *Ibid.*, pp. 276–277.

³⁰ Marx, *Capital Volume One*, p. 874.

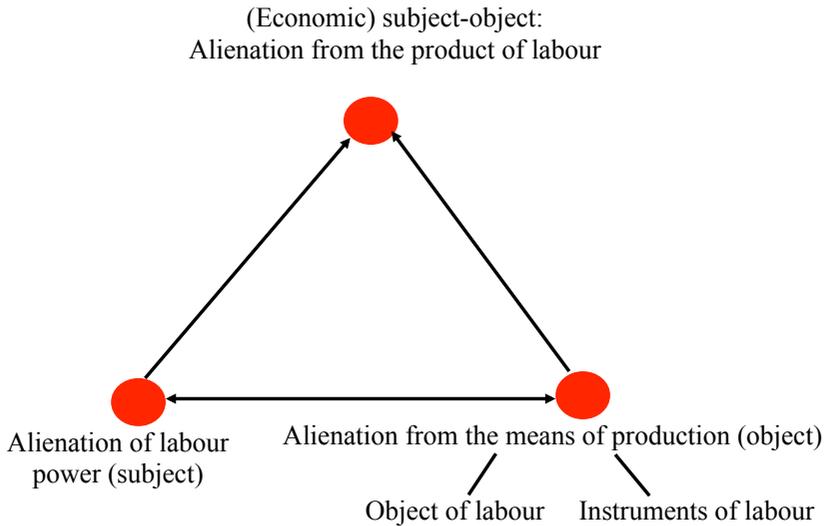


Figure 5.3: Economic alienation in capitalism.

labour power, from the means of production (the objects and instruments of labour) that it does not own, and from the products it creates but which are owned by the capitalist class.

Marxian value critique is a critical theory of time in capitalism. The next section discusses the relationship of capitalism and time.

5.3. Capitalism and Time

The Role of Time in Capitalist Society

In capitalist society, elites control economic, political, and cultural power and try to accumulate power. Accumulation is a process organised in time: The goal of accumulation is that at moment $t+1$, a dominant actor increases their accumulated power in comparison to moment t . Social struggles can result in crises so that dominant groups cannot increase their power at moment $t+1$.

Time is an inherent feature of accumulation in the capitalist economy. The need to accumulate ever more capital can be achieved by absolute surplus value production, i.e. lengthening the working day. Relative surplus value production is another strategy. It increases productivity by creating and using scientific-technological innovations so that more commodities are produced in a specific time span than before. The average production time of commodities thereby decreases. Other strategies are designed to shorten the time it takes commodities to circulate on markets and to be distributed, or to shorten the life-span of commodities by inbuilt obsolescence or creating desires for new commodities

by marketing, advertising, and consumerism as ideological forms that manipulate human desires.

Credit, loans, the stock market, financial derivatives, and debt constitute finance capital that operates with the entitlement to payments made in the future: the entitlement to a part of future profits in the case of stocks, company credits, and derivatives; the entitlement to a share of wages paid in the future in the case of consumer credits and loans; the entitlement to a share of future wages or profits in the case of debt in general. Such finance mechanisms are based on the logic of buying time.³¹

Taken together, the capitalist economy needs the economic logic of acceleration that aims at producing, circulating, and consuming ever more commodities in less and less time.

The capitalist state is related to the capitalist economy. Governments face the danger of losing employment and taxes in their countries if companies relocate and outsource production. Therefore, governments are prone to implement company-friendly policies that support the exploitation of the working class. In capitalism, politics is also shaped by the logic of entertainment, sensationalism, personalisation, individualism, and advertising. As a result, there is often a lack of time in politics for debate and deliberation. Political decisions are made based on short-term logic with only the maximisation of power and voting shares in the next election in mind. As a consequence, politics in capitalist society undergoes acceleration based on a political acceleration logic that drives towards making and managing ever more decisions in ever-shorter time.

Capitalist culture is also shaped by the logic of cultural acceleration. This logic manifests itself in a pressure to be permanently active, to start new activities that one cannot finish because there is a lack of time. Furthermore, cultural speed manifests itself in high-performance sports and hobbies, fast food, fast lifestyles, consumer goods and electronics that have a short life-span and need to be updated frequently either because obsolescence is built in or consumers need to get the latest version in order to remain 'cool' and 'trendy'. Cultural acceleration means that ever more experiences are compressed into the available time. Hartmut Rosa writes that cultural acceleration has to do with the human fear of death that brings about 'panicked flight response'³² in the form of an 'increase of the number of action episodes per unit of time'.³³ Although there are certainly anthropological dimensions of acceleration, one should not overlook that there is a specific capitalist logic of cultural acceleration: Advertising and consumerism manipulate human desires so that consumption is

³¹ Wolfgang Streeck. 2014. *Buying Time: The Delayed Crisis of Democratic Capitalism*. London: Verso.

³² Hartmut Rosa. 2013. *Social Acceleration. A New Theory of Modernity*. New York: Columbia University Press. p. 180.

³³ *Ibid.*, p. 306.

accelerated by the creation of artificial needs that can only be fulfilled by purchasing ever more and ever newer commodities.

The logic of acceleration is a manifestation of capitalist society's logic of accumulation. The accumulation of economic, political, and cultural power is accompanied by specific forms of economic, political, and cultural acceleration. Figure 5.4 visualises capitalist society's logic of speed: In the capitalist economy, acceleration is expressed in the principle 'time is money'. In the capitalist political system, acceleration manifests itself in the principle 'time is strength and power'. In capitalist culture, acceleration takes on the logic of the principle 'life/time is short'. The three spheres of the economy, culture, and politics are not independent, but overlapping. In order to make figure 5.4 more easily understandable, the three realms of society are shown separately, although in reality they overlap and reach into each other. The connection of acceleration to capitalism is that the combined effect of the synergies between accumulation and the logic of acceleration is the existence of the structural pressure of having to accumulate ever more economic, political, and cultural power in ever less time. The capitalist implants the structural logic that the speed of the accumulation has to be increased for actors to survive competition. They either have to produce more in less time and thereby destroy their competitors, or be destroyed themselves. Capitalism is therefore based on a destructive logic of competition that is expressed in accumulation and acceleration.

Economic, political, and cultural acceleration are not based on three independent logics. Assuming they are independent is a dualist explanation that fails to identify their common ground. Just as production is the model of society in general, but is connected to emergent logics in society's subsystems, so

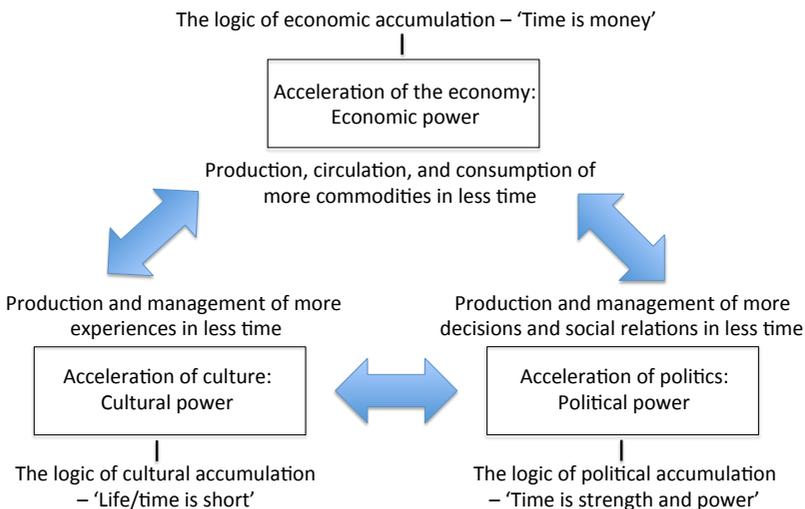


Figure 5.4: The logic of acceleration in capitalist society.

acceleration as a modern phenomenon is based in the capitalist logic of accumulation that has its roots in the capitalist economy's logic of capital accumulation. At the same time, each form of acceleration takes on an emergent form that has relative autonomy. The common logic of acceleration in capitalist society is that the logic of accumulation and the economic principle of 'more in less time' underpin acceleration. Marx writes in this context: 'Economy of time, to this all economy reduces itself'.³⁴

There are three interrelations of the three logics of capitalist acceleration:

- Economy ⇔ politics: The accumulation of capital requires the state and politics to react to it in certain ways. An increase in the complexity and speed of the economy can accelerate the speed of decision-making in politics. The acceleration of politics can in turn shape the acceleration of economic processes.
- Politics ⇔ culture: The acceleration of cultural processes results in the production and consumption of more experiences per unit of time. As a consequence, the complexity of everyday life increases, which requires additional collective decisions to be made more quickly. Acceleration of politics means that more decisions are being taken per unit of time, which results in more bureaucracy and greater complexity of laws and regulations that people are confronted with in their everyday life. As a consequence, they are expected to deal with the rules of regulated everyday life in a more efficient manner.
- Economy ⇔ culture: The acceleration of the capitalist economy results in an increased number of produced and consumed commodities per unit of time. Along with the commodification of society comes the extension and intensification of consumer culture. Individuals are offered ever more commodities, and ever more realms of their everyday life are shaped by commodities. Consuming ever more commodities as part of everyday life is one of the consequences of the acceleration of the economy. And the acceleration of culture, the intensification of experiences, advances economic acceleration because the capitalist culture industry is interested in producing ever more cultural commodities that are consumed in accelerated everyday life.

The acceleration caused by capitalism can result in attempts to install and advance deceleration, historicity, preservation, and a sense of duration and permanence. Examples are slow food, online disconnection, digital detox camps, yoga and meditation retreats, slow life, etc. However, such reactions to acceleration mostly have an ideological character because they assume that there are individualist solutions to structural problems of society (such as in this case the lack of time). In the end, these endeavours not necessarily, but often create new spheres of capital accumulation, where humans pay for slowing down, in order to remain fit

³⁴ Karl Marx. 1857/58/1973. *Grundrisse*. London: Penguin. p. 173.

reproduces labour power. Labour time tends to be gendered in capitalism: Women tend to have less leisure time than men, and have to engage more in reproductive labour such as household labour, and taking care of the children and the family.

Capitalist history is a history of struggles over labour time, including the struggle over the length of the working day. Capital is interested in maximising the 'labour power that can be set in motion in a working day'.³⁸ Absolute surplus value production is a politics of time by the capitalist class that lengthens the absolute hours worked for a particular wage. Relative surplus value production is a capitalist politics of time that changes the quality of the means of production (for example by the use of new technologies) in order to increase productivity, i.e. the amount of value and commodities produced per unit of time.

In capitalism, there is a dialectic of labour and time.³⁹ Two hours of abstract labour are always 120 minutes of the expenditure of human energy in the labour process. If productivity increases, then the amount of commodities produced in these 120 minutes increases. Therefore, the amount of average labour time crystallised in the single commodity decreases with increasing productivity. The dialectic of labour and time has resulted in the historical tendency that one hour of abstract (i.e. value-producing) labour tends to result in an increasing amount of use-values produced by concrete labour during this unit of time.

Capitalism's antagonism between productive forces and relations of production is also an antagonism between labour and time: The capitalist development of the productive forces increases the potential to end toil, reduce and minimise the normal working time, and increase the free time during which humans are active free from necessity. But at the same time, the development of the productive forces under capitalist conditions turns into the opposite of its potentials: labour is alienated, and some work long hours with lots of overtime whereas others are unemployed, precariously or temporarily employed. Under capitalist conditions, labour time is alienated labour time. Capitalism produces potentials of socialism, but simultaneously advances exploitation and the precarity of labour.

Finance is the economic realm of the production and circulation of money. The circulation of finance capital has historically accelerated through means such as bank accounts, bank transfers, credit and debit cards, electronic payments, algorithmic and networked trading on financial markets, cryptocurrencies, etc. Marx argues that finance capital follows the formula M (money) – M' (more money).⁴⁰ In finance capital such as consumer credits, mortgages,

³⁸ Marx, *Capital Volume One*, p. 376.

³⁹ Moishe Postone. 1993. *Time, Labor, and Social Domination. A Reinterpretation of Marx's Critical Theory*. Cambridge: Cambridge University Press. pp. 289–290.

⁴⁰ Karl Marx. 1894/1981. *Capital. A Critique of Political Economy. Volume Three*. Translated by Ben Fowkes. London: Penguin. pp. 471, 515.

stock, bonds and derivatives, money results in more money via debt and the deferral of payments into the future. Finance capital is an entitlement to payments that are made in the future. These future payments are paid out of profits or wages. Because financial capital is a promise and option on money that does not yet exist and that one expects to create in the future, Marx speaks of finance capital as *fictitious capital*.⁴¹ 'All these securities actually represent nothing but accumulated claims, legal titles, to future production.'⁴²

But if the underlying securities intended to back the financial option on the future collapse (for example because a company goes bankrupt or someone becomes unemployed and so cannot pay back debt), then financial capital faces the threat of not yielding returns. On the stock market, the value of stock options is speculative and not connected to the actual profits a company makes, but to expectations about future profits. Financial derivatives turn specific resources (such as subprime-credits in the case of the financialisation of the US housing market that in 2008 triggered a world economic crisis) into highly speculative instruments traded on financial markets. Financial capital is highly prone to failure. Fictitious capital is the attempt of capital to overcome its problems of accumulation and to defer crisis into the future by a temporal fix.⁴³ Digital technologies and algorithmic trading of finance capital have helped to increase the speed of financial transactions, but have at the same time increased the risk of financial derivatives and the instability of the capitalist economy.

Based on the analysis established thus far in this chapter, we can in the next section examine the role of communication in the capitalist economy.

5.4. The Capitalist Economy and Communication

We will in this section discuss two interrelated dimensions of the relationship of communication and capitalism: (1) money as the language of commodities, (2) language and communication as commodities.

Money and Value as the Language of Commodities

Money is a particular structure that mediates the exchange of commodities in society. It is a generalised medium of commodity exchange. Such mediation is also a form of communication that has a peculiar character: Money advances exchange as a form of communication that is instrumental, non-verbal, mediated, anonymous, impersonal, abstract, fetishised (abstracted from direct social relations), reified, and void of meaning. Money's role in capitalism is

⁴¹ Ibid., p. 596.

⁴² Ibid., p. 599.

⁴³ See: Harvey, *The Condition of Postmodernity*.

to communicate the prices of commodities on commodity markets, which enables the values and prices of commodities to be abstractly equalised in the exchange process. Marx therefore speaks of value and money as the ‘language of commodities’:⁴⁴

We see, then, that everything our analysis of the value of commodities previously told us is repeated by the linen itself, as soon as it enters into association with another commodity, the coat. Only it reveals its thoughts in a language with which it alone is familiar, the language of commodities. In order to tell us that labour creates its own value in its abstract quality of being human labour, it says that the coat, in so far as it counts as its equal, i.e. is value, consists of the same labour as it does itself. In order to inform us that its sublime objectivity as a value differs from its stiff and starchy existence as a body, it says that value has the appearance of a coat, and therefore that in so far as the linen itself is an object of value [*Wertding*], it and the coat are as like as two peas. Let us note, incidentally, that the language of commodities also has, apart from Hebrew, plenty of other more or less correct dialects. The German word ‘*Wertsein*’ (to be worth), for instance, brings out less strikingly than the Romance verb ‘*valere*’, ‘*valer*’, ‘*valoir*’ that the equating of commodity B with commodity A is the expression of value proper to commodity A. *Paris vaut bien une messe!*⁴⁵

In Marx’s equation 20 yards of linen = 1 coat = 2 ounces of gold,⁴⁶ money has the role of making commodities commensurable and comparable in the exchange process by communicating prices.

The Reified Form of Language and Communication in Capitalism

Not only are money and value the language of commodities, but the logic of the commodity form, value and money – the logic of reification – also to a specific degree shapes language use in capitalism. Language in capitalism is twisted, ideological, and one-dimensional. Instrumental reason not only destroys the dialectic of co-operation as the essential encounter of humans in society, but also the mental and linguistic capacity of humans to think and communicate antagonisms. Where there is communication, but the actual antagonisms of society are not named by and in communication, truth is silenced.

Max Horkheimer and Theodor W. Adorno say in this context: “The monologue of power replaces the dialectic so that talk is a mere appearance, but in

⁴⁴ Marx, *Capital Volume One*, p. 143–144.

⁴⁵ *Ibid.*, 143–144.

⁴⁶ *Ibid.*, chapter 1, section 3.

reality everything is silent'.⁴⁷ 'Communication [in capitalism] makes people conform by isolating them'.⁴⁸ 'Propaganda turns language into an instrument, a lever, a machine'.⁴⁹ 'If public life has reached a state in which thought is being turned inescapably into a commodity and language into celebration of the commodity, the attempt to trace the sources of this degradation must refuse obedience to the current linguistic and intellectual demands before it is rendered entirely futile by the consequence of those demands for world history'.⁵⁰

Herbert Marcuse argues that advertising, propaganda, ideology, commercial media, and the culture industry advance 'the systematic promotion of positive thinking and doing' and the 'concerted attack on transcendent, critical notions'.⁵¹ The creation and spreading of one-dimensional language aim at making consumers buy commodities, workers accept and not challenge capitalism, and citizens approve of domination and ideology.

Two examples: Speaking of the 'entrepreneurial society' creates the impression that everyone is or can be a rich and successful inventor, but this neglects the fact that in capitalism only some are rich and successful, whereas others face precarity and the consequences of inequalities and exploitation. The term 'public relations' creates the impression that corporations and demagogues aim at neutrally informing the public about new developments. It is not communicated that economic propaganda aims at advancing the sale of commodities in order to yield profit, while ideological and political propaganda aim at the accumulation and centralisation of power.

The alternative is a dialectic, 'non-reified language, of communicating the negative',⁵² 'two-dimensional, dialectical' thought and speech that names and criticises society's antagonisms. Marx's language is a form of dialectical critique: For example, when Marx speaks of classes and class society, then the implication is the political need for a classless society.⁵³ Naming capitalism's riddle as the exploitation of labour and the production of surplus value implies the demands to abolish exploitation and the private property of the

⁴⁷ Translation from German: Max Horkheimer. 1953–1955. *Aristotelische Betrachtung über Zivilisation*. In *Max Horkheimer Gesammelte Schriften Band 14: Nachgelassene Schriften 1949–1972*, 64. Frankfurt am Main: Fischer. p. 64.

⁴⁸ Max Horkheimer and Theodor W. Adorno. 1947/2002. *Dialectic of Enlightenment: Philosophical Fragments*. Stanford, CA: Stanford University Press. p. 184.

⁴⁹ *Ibid.*, p. 212.

⁵⁰ *Ibid.*, pp. xiv–xv.

⁵¹ Herbert Marcuse. 1964/1991. *One-Dimensional Man: Studies in the Ideology of Advanced Industrial Society*. London: Routledge. Second edition. p. 88.

⁵² *Ibid.*, p. 71.

⁵³ *Ibid.*, p. 88.

means of production, and to replace class society by a commons-based society where humans own, produce, and decide together. “The “bourgeoisie” is the subject of technical progress, liberation, conquest of nature, creation of social wealth, and of the perversion and destruction of these achievements. Similarly, the “proletariat” carries the attributes of total oppression and of the total defeat of oppression.”⁵⁴

The categories of critical, dialectical language denominate negativity, i.e. the existing antagonisms. These categories at the same time denounce inequalities and demand alternatives. ‘If, for instance, it is said that concepts such as wages, the value of labor, and entrepreneurial profit are only categories of manifestations behind which are hidden the “essential relations” of the second set of concepts, it is also true that these essential relations represent the truth of the manifestations only insofar as the concepts which comprehend them already contain their own negation and transcendence – the image of a social organization without surplus value. All materialist conceptions contain an accusation and an imperative. When the imperative has been fulfilled, when practice has created men’s new social organization, the new essence of man appears in reality.’⁵⁵

Table 5.3 shows examples of certain categories that Marx uses for describing the reproduction and affirmation of capitalism, domination, and class society. These categories are negative, i.e. antagonistic, because they always stand in a relationship to an alternative that in a transcendental manner points beyond exploitation and domination. Marx’s affirmative categories point towards their own transcendence and their self-sublation, which is preceded by capitalism’s sublation. Many of these categories are not automatically critical and can in non-Marxian forms of usage be turned into ideology that affirms capitalism. The point of Marxian categories is that they are always negative: as forms of critique they aim at informing praxis and class struggle that aim at establishing a classless society so that the very phenomena that the negative categories describe are sublated. In contrast, positivist categories affirm class and domination by lacking the perspective of class struggle and socialism.

Communication as Commodity

Information and the communication of information are peculiar commodities: Information is not used up in consumption, so there is no rivalry in consumption. If I buy an apple and eat it, someone else cannot eat the same apple. If I buy a song on Apple’s iTunes Store, I can listen to it again and again and so can others at the same time. There is no physical wear and tear of information. Given

⁵⁴ Ibid., p. 103.

⁵⁵ Herbert Marcuse. 1936/1988. *The Concept of Essence*. In Herbert Marcuse: *Negations: Essays in Critical Theory*, 43–87. London: Free Association. p. 86.

Table 5.3: The dialectic of affirmative and transcendental categories in Marxian theory.

Affirmation	Transcendence
capitalism	socialism
class society	classless society
bourgeoisie	proletariat
exploitation	class struggle
private property	common property
commodity	gift: to each according to his needs
value-creation/valorisation process	production process
exchange-value	use-value
labour	work: from each according to his ability
abstract labour	concrete work
surplus labour time	free time
realm of necessity	realm of freedom
accumulation/circulation/reproduction of capital	crisis
ideology	critique
nationalism	internationalism
alienation	real appropriation

that information can be easily and cheaply copied, published, disseminated, and downloaded, it is difficult to exclude others from access. The peculiar character of information makes it harder to sell it as a commodity than other goods. So-called ‘piracy’ of information has accompanied the history of the culture industry and the digital industry in capitalism. Corporations have continually tried to find new ways of monitoring and controlling the spread of information commodities with the help of copyright protection technologies, the use of surveillance technologies, and the repression of the law that enforces copyright and punishes copyright infringements. There is a diversity of commodities and therefore capital accumulation models in the capitalist communication industry. Table 5.4 provides an overview.

The models shown in table 5.4 are not mutually exclusive. There are communication corporations that accumulate capital by combining several models. Think for example of Amazon: Amazon combines the sale of tangible and intangible goods via its online shop, hardware (Kindle), streaming services (Prime), content/advertising/subscriptions (*Washington Post*), ads (Amazon Advertising), and web- and cloud-hosting (Amazon Web Services).

Capitalist communication corporations differ by the type of labour they employ and the kind of commodity they produce and sell. Communication

Table 5.4: Models of capital accumulation in the capitalist communication industry.

Name of the Model	Examples	Commodity	Commodity-Producing Labour
Media content model	Microsoft, SAP, Adobe, Walt Disney, Universal Music, Sony Music, Warner Music, Springer, Elsevier, Pearson	Content (such as software, music, videos, films, texts, and other information)	Artists, content producers, software engineers
Media services model	Call centre and business services companies such as Atento, DialAmerica, Qualfon; advertising and PR service agencies such as WPP, Omnicom, Publicis Groupe, Interpublic, etc.	Media and digital services	Service workers
Advertising model	Facebook, Google, WPP, Omnicom, Tencent, Baidu	Advertising, attention, personal data	Audience, users (unremunerated audience labour and digital labour)
Hardware model	Apple, HP, Dell, Hon Hai Precision, Hitachi, Nokia, Sony	Technologies for the production, distribution, and consumption/use of information	Engineers, assemblers
Network model	AT&T, Comcast, Verizon, China Mobile, Deutsche Telekom, Telefónica	Access to communications networks (broadcasting, Internet services, telecommunications)	Technicians, service workers
Online retail model	Amazon, Alibaba, iTunes	Sale of all sorts of (physical and non-physical) commodities via online stores	Warehouse workers, Engineers, service workers
Subscription and streaming models	Netflix, Spotify, Amazon Prime	Access to libraries of digital content (music, films, books, etc.)	Technicians, service workers
Cloud storage model	Web hosting: GoDaddy, 1&1, Amazon Web Services; Cloud storage: Dropbox, Apple iCloud, Mega, Sync, Amazon Drive	Online storage space, web space	Technicians, service workers

(Contd.)

Table 5.4: (Continued)

Name of the Model	Examples	Commodity	Commodity-Producing Labour
Sharing economy platform model	Upwork, Uber, Airbnb, Deliveroo, Amazon Mechanical Turk	Rent for the conduct of a service whose sale is mediated via an online platform	Freelancers, crowdworkers, online service workers
Mixed models	Traditional newspapers that sell copies, subscriptions and ad space: e.g. Yomiuri Group (publishes <i>Yomiuri Shimbun</i> that with a circulation of almost 10 million is the world's largest newspaper), Gannett (<i>USA Today</i>), Dow Jones & Company (<i>Wall Street Journal</i>), Springer (<i>Bild-Zeitung</i> , <i>Die Welt</i>), etc.; Spotify (combines advertising and subscription to a music streaming service); Amazon (online retail, hardware [Kindle, Fire, Echo], content/advertising/subscriptions [<i>Washington Post</i>], web and cloud hosting [Amazon Web Services], streaming services [Prime, Music Unlimited] advertising [Amazon Advertising]); etc.	Sale of different communication commodities	Diverse communication workers

labour exploited by communication companies includes physical labour (e.g. the Chinese Foxconn workers who assemble iPhones or the Amazon warehouse workers) and mental/information/knowledge labour (e.g. the software engineer or designer programming and designing software for Adobe, the call centre agent answering inbound customer calls or trying to sell something in outbound calls). The commodities sold in the communication industry include physical commodities, especially hardware/media technologies, as well as intangible commodities: media services, advertisements, access to communications networks, the sale of (tangible and intangible) commodities in online

shops, access to content libraries, digital storage space, the collection of rent for services delivered via platforms, etc. The boundaries between the models of capital accumulation in the capitalist communication industry are fluid because many transnational media corporations are conglomerates that sell different types of communication commodities. Newspapers and magazines have traditionally used mixed models that sell copies, subscriptions, and advertisements. But some online companies such as Spotify also use a mixed model that sells ads as well as subscriptions.

Rupert Murdoch's media empire is a classic example of a conglomerate that produces and provides different communication products: content (News Corp owns newspapers such as *The Wall Street Journal*, *The Times*, *The Sun*, *New York Post*, *The Australian*, etc.; networks (Fox TV television networks, National Geographic television networks, Star TV, significant ownership share of Sky, etc.), advertisements (are presented in a range of owned media); some channels are subscription or pay-per-view etc. A media segment where Murdoch's empire has not been particularly economically successful is Internet platforms. So, for example, the purchase of the social networking site MySpace failed because of the rise of Facebook. News Corporation bought MySpace in 2005 for US\$ 580 million and sold it in 2011 for around US\$ 35 million.

The different types of labour that help produce information and communication products are organised in an international class relation – the international division of communication labour (see figure 5.6). Communication corporations exploit the labour of workers who produce different communication commodities (see tables 5.4 & 5.5), and locate production in regions and countries that allow them to maximise profits by exploiting labour as much as possible. The result is the international division of communication labour,⁵⁶ in which the product of a certain form of communication labour is the input of other communication labour. So objectively speaking, the communication workers of the world are united by the fact that they all produce for and are exploited by global communications corporations.

The following is an example of how the international division of communication labour works: In war-ridden regions such as the Congo, highly coerced workers extract minerals such as coltan, cassiterite, wolframite, gold, tungsten, tantalum, and tin that are the physical foundation of communication technologies. Often, this is done under slave-like conditions. Such minerals are turned

⁵⁶ For the introduction of the concept of the new international division of cultural labour, see: Toby Miller, Nitin Govil, John McMurria, Richard Maxwell and Ting Wang. 2004. *Global Hollywood 2*. London: British Film Institute. For the introduction of the concept of the international division of digital labour, see: Christian Fuchs. 2014. *Digital Labour and Karl Marx*. New York: Routledge. Christian Fuchs. 2015. *Culture and Economy in the Age of Social Media*. New York: Routledge.

INTERNATIONAL DIVISION OF COMMUNICATION LABOUR

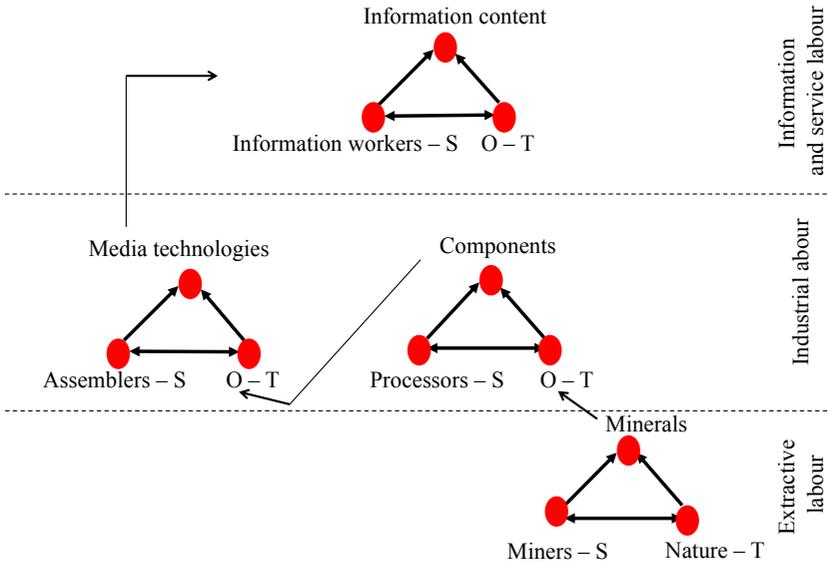


Figure 5.6: The international division of communication labour.

into components that assemblers in organisations such as Foxconn's factories in China turn into iPhones, laptops, consoles, desktop computers, tablets, printers, etc. Cultural workers such as the freelancers seeking short-term jobs on platforms such as Upwork use iPhones, Dell, or Apple computers, etc. as means of production in order to create cultural and digital content. Such computers use applications that are developed by software engineers working for companies such as Microsoft, Adobe, SAP, etc. When communication workers stop using their means of production, these communication technologies often end up as e-waste in developing countries, where they poison e-waste workers who disassemble them and the environment these workers live in. So, the products created by workers who are exploited by global communication corporations (such as Foxconn, Apple, Upwork, Microsoft, and Dell in the example), and the underlying forms of labour, are interrelated by the international division of communication labour.

This division of labour is a global class relation between diverse communication workers on the one side and global communication corporations on the other side. The latter exploit the former in order to yield massive profits. So, for example, in 2018 there were seven communication corporations among the world's twenty-five largest corporations: Apple (#8, profits of US\$53.3 billion in 2017), Samsung Electronics (#14, US\$41 bn), AT&T (#15, US\$30.6 bn), Verizon Communications (#18, US\$31.2 bn), Microsoft (#20, US\$14.2 bn), Alphabet/Google (#23, US\$16.6 bn), China Mobile (#25,

US\$16.9 bn).⁵⁷ These companies operate in the realms of software, advertising, communication hardware, telecommunications, online services, and cloud storage. Five of these seven global communication corporations have their headquarters in the USA, one is based in South Korea (Samsung), and one in China (China Mobile).

Table 5.5 shows the revenues of various sectors of the global communication industry in 2018. The data are estimations provided by various studies and statistical sources. According to this data, the largest communications sectors are software, telecommunications, tech services, advertising, television, and communications hardware.

Manfred Knoche has shown that the tendency towards a universal media system that has been advanced by digital media and the Internet is a con-

Table 5.5: Revenues of sectors of the global communication industry in 2018.⁵⁸

Industry	2018	Data source
Software	US\$ 688 bn	Statista/Forrester
Telecommunications services	US\$ 643 bn	Statista/Forrester
Tech consulting and systems integration	US\$ 637 bn	Statista/Forrester
Broadband	US\$ 577.324 bn	McKinsey
Advertising	US\$ 539.664 bn	McKinsey
Tech outsourcing and hardware maintenance	US\$ 537 bn	Statista/Forrester
Television	US\$ 458.461 bn	McKinsey
Computer equipment	US\$ 367 bn	Statista/Forrester
Communications equipment	US\$ 341 bn	Statista/Forrester
Semiconductors	US\$ 267.500 bn	CSIMarket
Internet services and social media	US\$ 211.172 bn	CSIMarket
Book publishing	US\$ 118.08 bn	Statista/PwC
Video games	US\$ 114.214 bn	McKinsey
Newspapers	US\$ 111.246 bn	McKinsey
Music (including radio, recorded music, digital music)	US\$ 96.014 bn	McKinsey
Magazines	US\$ 47.566 bn	McKinsey
Cinema	US\$ 46.252 bn	McKinsey

⁵⁷ Data source: Forbes 2000 List of the World's Largest Public Companies, year 2018, <http://forbes.com/global2000/list>, accessed on 28 August 2018.

⁵⁸ Data sources: McKinsey & Company. 2016. *Global Media Report 2016*. London:McKinsey&Company.CSIMarket(<https://csimarket.com/Industry>)

sequence of capital's accumulation drive.⁵⁹ The convergence of media technologies is the consequence of capital concentration and monopoly tendencies. But this tendency of the universal commodification of communication is also contradicted by the development of new non-commercial, non-profit, commons-based media. A universal media system, where the production, distribution, and consumption of information converges and is organised in one medium, has been realised with the rise of networked digital media such as the Internet. So-called 'social media' advance another form of convergence, namely the convergence of the production and consumption of information (prosumers, prosumption), labour time/leisure time, and of the private sphere and the public sphere.

The Advertising Industry

Most capitalist communication industries follow the classical pattern of capital accumulation $M - C \dots P \dots C' - M'$: Workers produce a communication commodity, such as access to content, communication technologies, software, or communication services, that is sold to consumers in order to accumulate capital. Advertising is somewhat different. In economic terms, advertising is not just one of the major communication industries, but it also has a peculiar communication commodity. A commodity is a good that is sold for money, but advertising's content is not sold to consumers. Consumers do not pay for access to advertisements.

According to one study, global advertising revenue rose from £360 billion in 2010 to £540 billion in 2018 and will reach £602 billion in 2020.⁶⁰ In 2009, however, global advertising expenditure decreased by 10 percent.⁶¹ The world economic crisis that started in 2008 resulted in a wave of bankruptcies and falling profit rates. As a result, there was less capital available for investments in advertising, and less appetite for expanding the level of commodity consumption among consumers. By 2011, global advertising revenue had again reached the same absolute level as in 2008.⁶² The share of global advertising revenue in the global gross domestic product was 0.5 percent in 2010 and 0.6 percent in

/Industry_Data.php), Statista (<http://www.statista.com>), accessed on 29 August 2018.

⁵⁹ Manfred Knoche. 2016. The Media Industry's Structural Transformation in Capitalism and the Role of the State: Media Economics in the Age of Digital Communications. *tripleC: Communication, Capitalism & Critique* 14 (1): 18–47.

⁶⁰ McKinsey & Company. 2016. *Global Media Report 2016*. London: McKinsey & Company. p. 13.

⁶¹ Ofcom. 2012. *International Communications Market Report 2012*. London: Ofcom. p. 21.

⁶² Ibid.

2018, which is also the predicted figure for 2020.⁶³ So overall, the relative size of advertising expenditure has remained fairly constant in the last decade.

Advertising-funded communication corporations are a peculiar type of capitalist corporation. Advertising is a commodity ideology that tries to manipulate human needs and desires in order to advance the sale of commodities. Figure 5.7 shows the advertising industry's process of capital accumulation. Advertising-funded media include online media such as Google and Facebook, commercial TV channels such as CBS, NBC, ABC and Fox TV, and gratis newspapers such as *Metro* or *The Evening Standard*. Advertising-funded media offer a certain product gratis as a communicative 'free lunch'.⁶⁴ As they are not sold, these communication products are not commodities. Advertising-funded companies employ paid workers (variable capital v_1) such as journalists, writers, news anchors, moderators, public relations experts, technicians, etc. They also require a technological infrastructure (constant capital c_1) and resources to produce and disseminate their media products (production process P_1). The 'free lunch' is used to attract an audience (who are also users in the case of online media).

Dallas Smythe stresses that audience attention is the commodity (C') that advertising-financed media companies sell to advertisers in order to yield profit.⁶⁵ So the exchange going on in advertising-funded media is one between access to audience attention provided by media companies and money paid

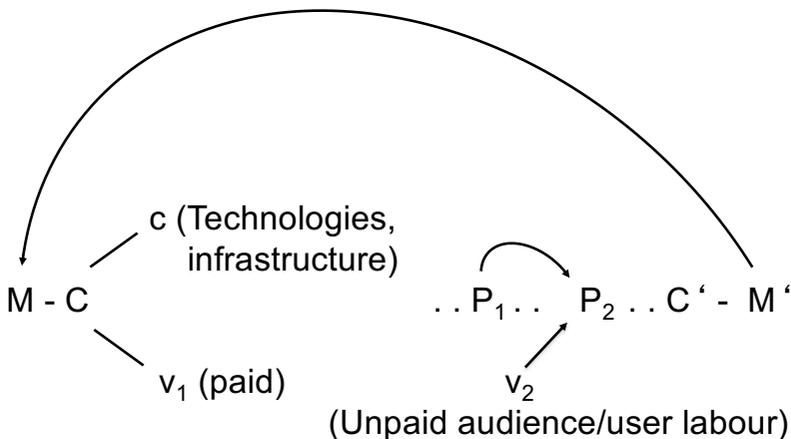


Figure 5.7: The advertising industry's cycle of capital accumulation.

⁶³ Data source: Global GDP data in current prices, US\$: IMF Data Mapper, <http://www.imf.org>, accessed on 29 August 2018. Advertising revenue data according to McKinsey & Company, *Global Media Report 2016*.

⁶⁴ Dallas W. Smythe 1977. Communications: Blindspot of Western Marxism. *Canadian Journal of Political and Social Theory* 1 (3): 1–27. p. 5.

⁶⁵ *Ibid.*

for this access by advertisers ($C' - M'$). In principle, the greater a commercial medium's audience, the more it can charge for a single ad. Audiences produce attention to advertising and advertising-funded programmes (production process P_2). They are therefore audience workers, whose audience labour produces the value and profits of advertising-funded communication corporations. Advertising is exploitation of audience labour that produces attention and of users' digital labour that produces attention and personal data.

Advertising aims to foster consumerism ideologically so that crises of realisation, where commodities cannot be sold, can be prevented. Advertising is an ideological and class phenomenon. Digital advertising in online and mobile media differs from traditional broadcast and newspaper ads, in that it targets users individually. It constantly monitors users' online behaviours. It uses the big data generated from this economic surveillance for personalising ads. It uses algorithmic ad sales and audience selection mechanisms. It operates in the online environment, where audiences not only make meaning out of content (as do broadcast audiences) but act as prosumers (producing consumers of information) who produce social relations and user-generated content. The medium, content, or platform that is produced in process P_1 is not a commodity. In the production process P_2 , the platform acts as fixed capital that enters the production of the audience's attention commodity as the means of production.

Figure 5.8 shows how ad-financed media are related to other companies. Regular companies make profit by the investment of money M so that commodities C' are produced and sold. Such sales yield capital M' that contains a profit. Part of the invested capital M is used for buying a) ad space from ad-financed media companies, b) ad campaigns from advertising agencies, and c) audience ratings from marketing and advertising research companies. There are separate cycles of capital accumulation in a) the advertising-financed media industry, b) the ad agency industry, and c) the ratings industry. These industries produce the following commodities: a) audience attention, b) ad campaigns and brands, and c) audience ratings. These industries are fuelled by ad investments made by regular companies throughout the capitalist economy. They have a diverse character and stem from all types of industries. Ad agencies also make investments. Crucial investments for them include the purchase of ad space from media companies in order to run ads for the ad campaigns they sell to other companies. Advertising-financed media sell their audiences' attention as a commodity to advertising clients. They also buy audience ratings from audience measurement companies.

The advertising industry has changed since the rise of the Internet. Advertising has become digital, targeted, personalised, algorithmic. Digital advertising operates based on big data and the real-time surveillance of online behaviour. Users of ad-based platforms generate content, data, meta-data, and social relations that enter ad targeting. As a result, audience labour has become the digital labour of prosumers (producing consumers).

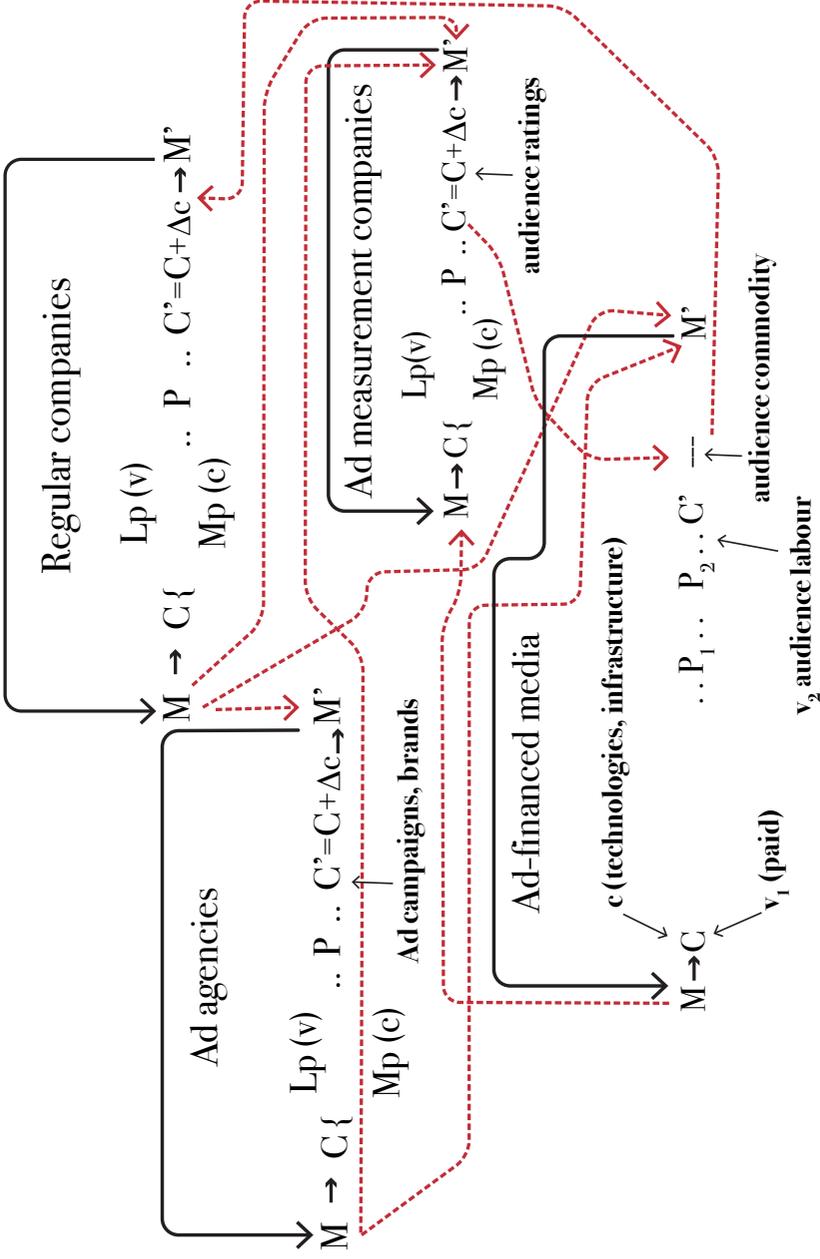


Figure 5.8: The relation of ad-financed media companies to other companies.

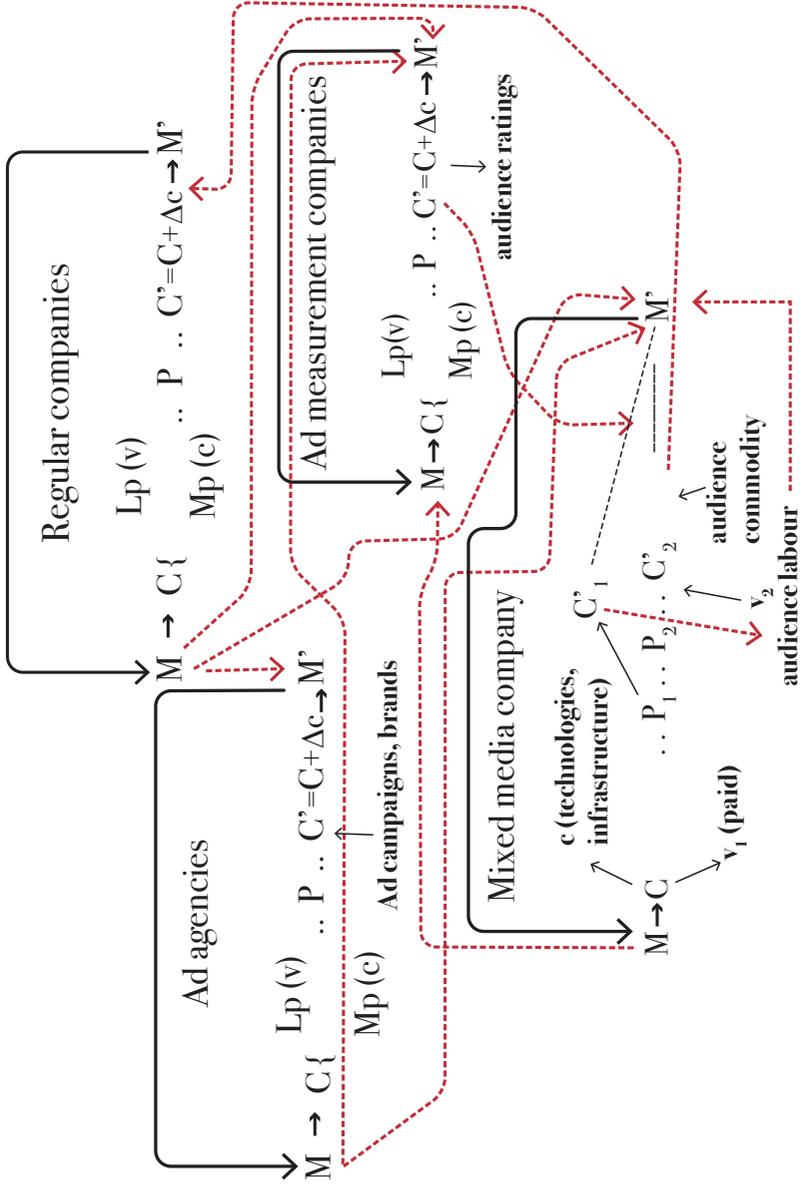


Figure 5.9: Capital accumulation in the mixed media industry that uses advertising as well as other accumulation strategies.

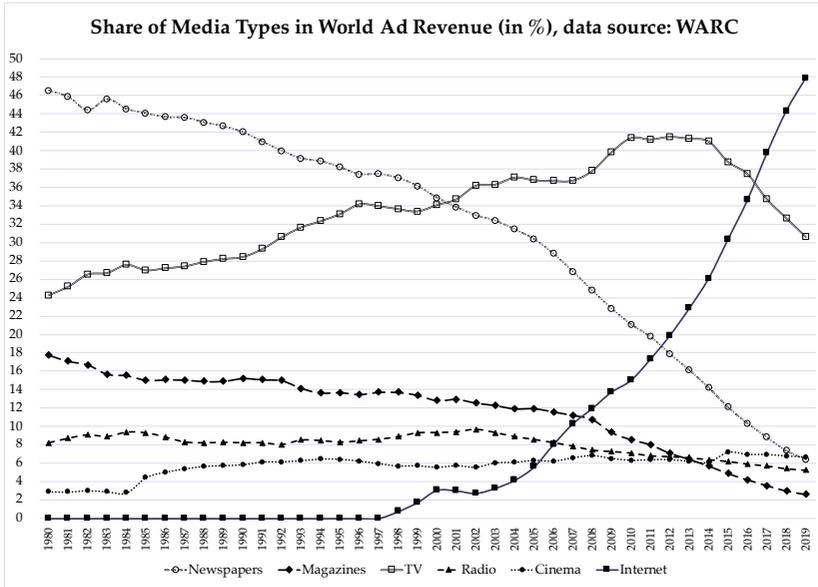


Figure 5.10: The development of different types of advertising in global ad revenue.

Figure 5.10 illustrates the rapid growth of Internet and digital advertising. Its share increased from 0.1 percent in 1996 to around percent in 2020, while in the same period the share of newspaper advertising decreased from 37.0 percent to around 5 percent. Commercialisation, tabloidisation, monopolisation, and digitisation have resulted in a crisis of journalism and newspapers.

Mixed-media companies combine different business models. For example, most newspapers and magazines sell advertising space, copies, and subscriptions. Figure 5.9 shows how mixed-media companies that use advertising as one of their capital accumulation strategies interact with other companies. Mixed media companies have at least a dual form of the commodity: Audience attention (C_2) is sold to ad clients. At least one other commodity (C_1) is sold to customers. C_1 is often content, but can also be some other communication commodity such as communication technologies.

Brands are high-reputation commodities. They are consumed as part of a lifestyle and stand as symbols for a particular lifestyle that certain groups value morally. Many factors influence brand reputation: particular communities' structures, dominant trends in fashion and culture, structures of feeling, lifestyles, the reputation of celebrities and other public figures who consume certain brands in public, what kind of media reports there are about brands and companies selling brands, whether or not companies and their brands have been the subject of protest, and other power relations. Consumers' assessments of brands depend on the complexity of their life realities and experiences, the

structure of feeling of particular individuals, groups and classes, and the interaction of these and other factors.

We have discussed some aspects of communication in capitalism. As a next step, a systematic analysis of communication in the totality of the capitalist economy will be presented.

5.5. Communication's Roles in the Totality of the Capitalist Economy

The capitalist communication industry forms a differentiated, open, interconnected whole, a totality that has dialectically interacting moments and interacts with other totalities in the capitalist economy. In capitalism, various industries and corporations interact with each other. For example, cultural conglomerates combine several capital accumulation models (see table 5.4), finance corporations provide loans and venture capital to communication corporations, etc. Together, communication corporations form a whole that changes dynamically and interacts with other parts of the economy and various institutions in society (such as the state, that regulates industry). The capitalist economy as totality is the context in which the capitalist communication industry operates. Table 5.6 identifies roles of communication in the totality of the capitalist economy. It identifies these roles in relation to the production, circulation, and consumption of commodities.

Figure 5.11 visualises the role of means of communication in the capitalist economy. The focus here is on the relation between the means of communication in the economy, not their relation to the political system and cultural institutions. The model identifies two major spheres of the media industry: the media content industry and the media infrastructure sphere. In the first, media content is produced, in the second media technologies. Together, the two spheres in capitalism make up the totality of media capital: the capitalist communication and media industry. For the sake of clarity, the advertising industry and mixed media industry that was visualised in figures 5.7 and 5.8 has not been visualised separately in figure 5.11. In this figure, the ad industry has instead been subsumed into the media content industry. Advertisements are a peculiar kind of media content.

The dotted line in figure 5.11 shows a connection between audiences and the media content industry. It indicates that the advertising industry is a special type of the content industry, in which audience members are audience workers creating attention as a commodity, while users of ad-financed Internet platforms are digital workers creating attention, data, meta-data, and social relations as a commodity. These commodities are sold to advertisers who can then present ads to the audience/users. In the Internet's communication environment, audiences are not just consumers of information, but producers and active audiences, who produce content, data, and social relations. They are producers (producers and users) and prosumers (producers and consumers).

In processes of vertical media integration, there are mergers and acquisitions, or fusions so that at least two companies – at least one company operating in each of

Table 5.6: The role of the means of communication in the capitalist economy.

<i>Circulation</i>	<i>Production</i>	<i>Circulation</i>	<i>Consumption</i>
M – C (Mp, L)	.. P ..	C' – M'	
	Means of Communication as Means of Rationalisation: s/v↑		
	The process of capital concentra- tion and capital centralisation in the realm of the communication industry		
	Knowledge workers as wage labourers in communication corporations		
	Media as means of inter-organisational corporate communication and co-ordination: v↓, c↓		
Means of communication used for the spatial extension of capitalism			
		Means of communication as carriers of advertisements	
		Transmission media as forms of capital	
		Means of communication and the globalisation of trade	
		Means of communication and the spatial centralisation of capital	
		Media as carriers and diffusion channels of ideologies	
Alternative media as negating forces in media production, circulation, and consumption			

the two media realms (the media content industry and the media infrastructure industry) – converge into one. Vertical integration blurs the boundaries between the two spheres of the media industry. Media concentration and horizontal integration means that there are mergers, acquisitions, and fusions within one industry. Such processes are inherent to capitalism and therefore also take place in the

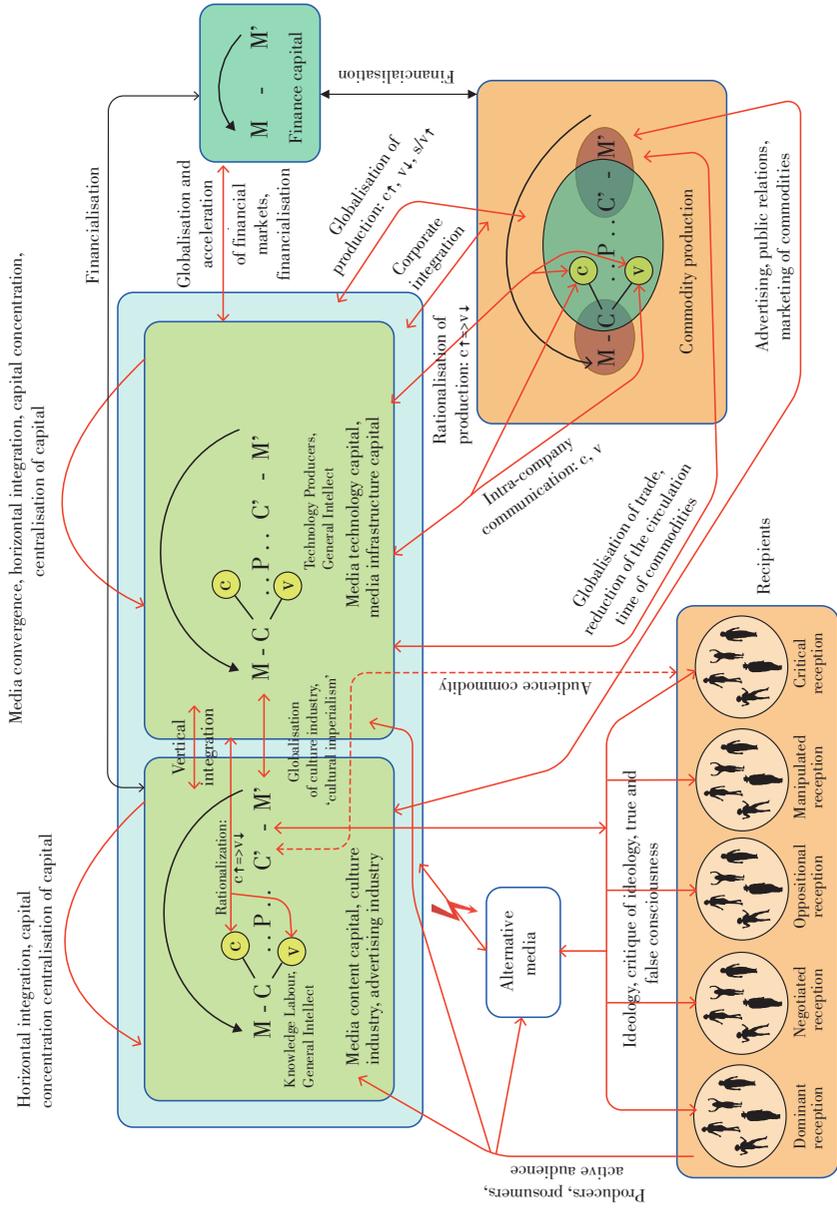


Figure 5.11: The capitalist communication industry and its relations to the capitalist economy.

two spheres of the capitalist media industry. The convergence of media technologies (e.g. the convergence of communication technologies for the production, circulation, and consumption of information in the universal information and communication technology of the Internet) takes place in the sphere of media infrastructure capital. The two spheres of media content capital and media infrastructure capital together advance the globalisation of the culture industry. In this context, questions of ‘cultural imperialism’ also play a role.⁶⁶ Imperialism is discussed in more detail in chapter 11 of this book.

Finance capital is capital in the form $M - M'$, where more money is created out of money. It includes for example bank credits, credit cards, derivatives, loans, shares, stocks, and venture capital. Finance capital shapes all realms of contemporary capitalism. Financialisation means that finance capital diversifies its forms and that ever more spheres of life and of the economy come under the influence of finance capital and its derivatives. ‘The strong wave of financialization that set in after 1973 [the 1973 economic crisis] has been [...] spectacular for its speculative and predatory style.’⁶⁷ ‘There have been several bouts of financialisation throughout capital’s history (the latter half of the 19th century, for example). What makes the current phase special is the phenomenal acceleration in the speed of circulation of money capital and the reduction in financial transaction costs. The mobility of money capital relative to that of other forms of capital (commodities and production in particular) has dramatically increased. Capital’s penchant for the annihilation of space through time has a large role to play.’⁶⁸ Financialisation has increased the susceptibility of capitalism to crises. For example, many capitalists need loans in order to make investments. In the capitalist communication industry, venture capital plays an important role. It injects capital into start-up companies that do not make profits. Often, these start-ups are then able to make an initial public offering on the stock market. The venture capital firms obtain special rights and status in the corporation. They play with an option on the future and expect to make large returns when the companies into which they invest venture capital manage to make profits. Venture capital plays an important role in the Silicon

⁶⁶ See: Peter Golding and Phil Harris, ed. 1997. *Beyond Cultural Imperialism: Globalization, Communication and the New International Order*. London: Sage. Christian Fuchs. 2010. New Imperialism: Information and Media Imperialism? *Global Media and Communication* 6 (1): 33–60. Oliver Boyd-Barrett. 2014. *Media Imperialism*. London: Sage. Tanner Mirrlees. 2013. *Global Entertainment Media: Between Cultural Imperialism and Cultural Globalization*. New York: Routledge.

⁶⁷ David Harvey. 2003. *The New Imperialism*. Oxford: Oxford University Press. p. 147.

⁶⁸ David Harvey. 2014. *Seventeen Contradictions and the End of Capitalism*. Oxford: Oxford University Press. p. 178.

Valley model of digital capitalism. Information and communication technologies have advanced the scope and speed of financial transactions. There is a mutual relationship of the capitalist media industry and finance capital.

In the bottom right corner of figure 5.10, we find accumulation processes in the conventional capitalist economy outside of the media sector and the finance sector. This realm is connected to the media industry through conglomeration, a form of mergers, acquisitions and fusions in which companies producing diverse commodity types are integrated. Communication technologies foster the rationalisation of production in the economy at large. The goal of rationalisation is to increase productivity, which expresses itself in an increase of the rate of surplus value (s/v , p/v), i.e. the relationship of monetary surplus value (= profit) to variable capital. Such an increase results in the production of more profit per unit of time through a qualitative change of the means of production. Communication technologies also influence the globalisation of the production, circulation, and consumption of commodities. The globalisation of capitalism in turn also advances the need for and development of new technologies. There is a dialectic of globalisation and the development of communication technologies. Communication technologies also support intra- and inter-company communication. Rationalisation, globalisation, and changes of corporate communication aim at increasing profits by reducing investment costs (both variable and constant capital) and fostering relative surplus value production (the production of more value, commodities, and profit per unit of time). The advertising and marketing industry forms a part of the media content industry. It influences the circulation of capital in the non-media industries. Advertising, PR, and marketing aim to increase the number of commodities sold and the speed of commodity sales and consumption by fostering corporate ideology and consumerism. Their task is to increase the probability that the value of produced commodities is realised into profit by sales processes.

Alternative media form a sphere of the media industry whose communication processes challenge the capitalist media sector. Alternative media are not oriented on profit. They help to create and disseminate critical content, and enable critical reflection on society. Alternative media challenge capitalism and domination.

Content disseminated through means of communication reaches audiences who then interpret it. The reception of information is visualised in the lower left section of figure 5.11. The model discerns five types of reception: In dominant reception, audience members by and large reproduce the meanings encoded into media content by the producers. In oppositional reception, they oppose the dominant encoded meanings and produce different meanings. In negotiated reception, there is a mixture of dominant and oppositional meanings. In his encoding/decoding model of the media, Stuart Hall distinguishes among these three types of decoding.⁶⁹ The problem, however, is that power structures

⁶⁹ Stuart Hall. 1973. *Encoding and Decoding in the Television Discourse*. Birmingham Centre for Contemporary Cultural Studies Stencilled Occasional Papers #5. Birmingham: University of Birmingham.

influence reception, so that not all forms of reception are equally likely. Factors such as the (un)democratic quality of the public sphere, available time, educational and skills structures, dominant political worldviews, class structures, personal experiences, etc. influence reception and what forms of reception are dominant. In capitalist society, we often find an asymmetrical distribution of the different forms of decoding of a particular content.

Discerning just these three forms of reception lacks the capacity to classify the interpretation of information in terms of true and false consciousness, which results in a relativist, uncritical theorisation of reception. Any reception that justifies domination or class relations is an expression of false consciousness. The falseness of consciousness refers to worldviews and interpretations that justify or evaluate conditions of class or domination positively and that limit the development potentials of humans and society. False consciousness is ideological consciousness. It often reifies reality by naturalising domination and exploitation, thereby overlooking that these phenomena are societal relations and have a historical character. If one limits reception possibilities to dominant, oppositional, and negotiated decoding, then in a situation where anti-fascism is the dominant worldview, fascist consciousness is oppositional reception and oppositional consciousness. In order to avoid such misapplications, we need to add two more forms of reception to the model: Critical reception is a form of interpretation of content where audience members critically reflect on society, and a type of consciousness that challenges exploitation and domination. Manipulated reception is an expression of false consciousness. It buys into ideologies, believes in and advances domination and class society.

Alternative media and media reception form a realm where ideologies are potentially challenged by critical consciousness, worldviews, and praxis, and where the capitalist mode of organising the communication system is potentially challenged. The capitalist media and communication system has a conflicted and contradictory character. There is, however, no guarantee of the success or even the existence of resistance or alternatives. The struggle against capitalism is hard toil. Alternatives often remain precarious, lack resources, develop internal contradictions, are short-lived, etc. The history of alternative media is a history of a lack of resources and precarious, self-exploitative labour.

5.6. Summary and Conclusions

We can summarise this chapter's main conclusions:

- Capitalism is a class society in which the capitalist class exploits workers in order to accumulate capital and where the accumulation principle has the role of a general principle for the organisation of power structures. Capitalism is not just in the form of the capitalist economy an economic system, but is a type of society, a societal formation, whose structural principle is the logic of accumulation.

- Class society means economic alienation, where workers do not control and own the means of production and the products they create. They are alienated from themselves and their social and societal species-being. Capitalist society's logic of accumulation interacts and grounds the logic of acceleration. Dominant actors try to accumulate capital, political power, and cultural power by increasing the speed of the production, circulation and use of commodities, collective political decisions, and experiences.
- Information and communication are peculiar goods: It is hard to exclude others from access to information. Information is non-rivalrous in consumption. As a consequence, information can easily be copied and distributed as a gratis resource. Media capital reacts to this peculiar character of information by a range of capital accumulation models. Such models include the media content model, the media services model, the advertising model, the hardware model, the online retail model, the subscription and streaming model, the cloud storage model, the sharing economy platform model, and mixed models. These capital accumulation models have in common that they exploit labour in class relations in the context of information and communication. In each of them, a particular commodity is sold that has to do with communication. Strategies in the capitalist communication sector include for example the control and sale of access to pieces of information (such as a movie or a song), the sale of online subscriptions to content, the sale of access to libraries of content, the sale of licensed versions and copies of content; the sale of communication technologies needed for producing, circulating, and consuming content; the sale of advertising spaces, the sale of access to communication networks, the sale of content storage spaces (cloud computing, web hosting, etc.), charging rent for the use of certain platforms in order to deliver services, etc.
- The capitalist communication industry is a differentiated, open, interconnected totality: Different forms of communication labour exploited by communication corporations are related to each other in the form of the international division of communication labour. The communication sector interacts with other parts of the capitalist economy, such as regular companies and finance capital. Audience members act as recipients who interpret media content in various ways. In the case of advertising, audiences are workers who produce attention and the audience commodity. In the case of targeted online advertising, users are workers who produce online attention and the data commodity. Ad-funded media companies sell these peculiar commodities to ad clients, who in return for payments are enabled to present ads to audiences and users. The capitalist communication industry has a contradictory character. Alternative media and critical reception challenge capitalist communication.

A critical theory of communication needs to discern various types of the means of communication. The next chapter therefore deals with the question of how to discern among different social forms of communication.