

From Scarcity to Excess.

An Inquiry into the notion of value in a post-fordist economic system.

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In the previous chapter I have discussed the problems that cultural producers are facing in order to properly value their activities as work and define the value of its outputs. Before we continue I would like to redefine and try to understand further what does value constitute in itself, because as I will argue, the use of certain notions of value have mutated, and the concept has broadened its meanings in this shift from a fordist to a post-fordist era¹. Along this article I intend to introduce a series of definitions of value and see how suitable these are to understand the valuation needs of certain contemporary cultural practices. This will help me to describe a change in paradigm and the shift that has taken us from using notions of value based on facts as scarcity, singularity or difference to the search for a notion of value which could incorporate exuberance and excess² in its definition.

There is a common view that defines culture as a non-economic set of actions, this is possibly due to the lack of resources and funding for a great part of the activities which take place in this sphere (as discussed in the previous chapter). Along this article I will claim that culture is not only a non-economic space but, astonishingly, two different economic systems are currently taking place in the culture production sphere (Bourdieu: 1993:83). I will also argue that this double valuation system which once could be coherently orchestrated and work along together, is now proving to be an obstacle for a proper valuation of cultural work, and not only that but with Bourdieu we could claim that, there is a clash and opposition between these two systems (1993: 104). I will conclude questioning where these two valuation models arise from and if it is true, as some claim, that the division between material and immaterial activities that takes place in the field is the reason that triggers such a division. After this, I will finish arguing that we need to find a valuation model that can function on a production system characterised by abundance, multiplicities, collective action and in which life and its excesses can constitute a source of value.

Some authors believe that in post-fordist economies anything can become a source of value, and that is one of the reasons why cultural production constitutes now an unlimited source of value, but we first need to understand how to quantify this raw material. If traditional economics were a useful resource to determine the value of tangible objects, we need to find a way in which to determine the value of intangible or immaterial objects and assets and the collective processes which have produced them.

¹ Or as some claim, has shifted from "formal subsumption to real subsumption", see Caffentzis, 2005.

² Note that I am not referring to excess in a Bataillan manner but will introduce a notion of excess related to the abundance and exuberance of life used by certain post-Marxist thinkers such as Emmanuel Rodríguez o Christian Marazzi.

In conclusion, I hope that this text can work as a description of a change of paradigm; I will attempt to draw a narrative in which a displacement seems to have occurred which has consequentially changed the ways value is being produced. I think that we need to understand this shift of paradigm to understand the production of value in contemporary cultural production, a space where the productions of goods has become increasingly a social fact, if this was not always the case.

The money economy in cultural practice.

As I have mentioned in the introduction to this text, I start writing with the premise that the culture production sphere is a complex space crossed by several economic systems, each one with its own valuation processes, or at least this has been a fact up to recent developments. I will now try to briefly describe the way in which the “money” economy of culture has functioned, and will try to draw a picture in which classic and neo-classic economic assumptions (and valuation processes) have dominated the way in which the economy of culture has worked. To do so, I will first introduce the ideas of the German sociologist Georg Simmel on how value is accomplished, which he clearly exposes in the first chapters of his work *“The Philosophy of Money”* (Simmel, 1990).

Simmel starts his model demonstrating how value has nothing to do with a natural order of elements (1990: 59) that is, arguing that value is a social abstraction. This leads him to suggest that there is a psychological dimension of value (1990: 60). So we must not lose sight of the fact that value, is and has always been an abstract element physically detached from the objects it values. This is why he continues arguing that value’s conceptual being is its only reality, Simmel states that “value exists in our consciousness as a fact that can no more be altered than can reality itself” (1990: 63). I believe this is an extremely interesting sentence because it opens the gates to a new dimension of value, a completely psychological way of understanding it. Here is where Simmel makes a real shift from other descriptions of the process of value and introduces some crucial facts that will help us understand the reasons why these ideas about the production of value have been so heavily endorsed by the culture sphere, especially in the art world. The subjective dimension of value will introduce its motivations in a purely psychological dimension in which the object of desire will be perceived as such only when it is opposed to as inapprehensive or as he will argue “value is only reinstated as a contrast, as an object separated from the subject...we appreciate possessions only when we have lost them, the mere withholding of a desired object often endows it with a value quite disproportionate to any possible enjoyment that it could yield” (1990: 66). What I find surprising is that after putting forward such a claim, introducing value in the field of desire, lack, frustration etc. he links his notion of value to traditional classic economics by stating that “value is the correlate to demand” (1990: 69). By stating such a point, he introduces the notion of value in a narrative of scarcity, of supply and demand, concepts which have been so basic to an

understanding of the processes of the creation of value for classic economists such as Adam Smith or David Ricardo³. This is what makes Simmel's views so interesting, because we can clearly see how he merges two different disciplines to create his notion of value, on the one hand he is introducing psychoanalytical concepts and ways of working through the concept from a subjective dimension but on the other hand he is applying them to classical economy assumptions, creating a way of perceiving value which will fit extremely well in the avant-garde artistic movements⁴.

The fusion of these two disciplines becomes quite clear when he relates scarcity to desire, he claims that "the distance between subject and object is what determines value, at least in an economic sense, and it has a lower and an upper limit" (1990:72), this limit should be read as scarcity, and as he will continue explaining "a certain proportion between scarcity and non-scarcity, and not scarcity itself is the condition of value" (1990:72). So here we find one of the key elements of the construction of value, but if value has to be perceived, it needs to enter the social world, only then scarcity will be noted and function as an indicator. Simmel will argue that in an economic sphere one man can desire someone's else objects, value is created through dispute over an object, and it is when an object enters a social space where it will follow the laws of exchange, and the value of objects will be determined by "a reciprocal objective relation" amongst them (1990: 78). For Simmel the space of exchange is where the process of valuation will become detached and independent from the "subjective processes that have originally formed it" (1990: 78).

Simmel continues working on the concept willing to integrate the two different disciplines already described and sees in the concept of exchange a space where these two will collide, he states that "exchange presupposes an objective measurement of subjective valuations" (1990: 81), that is, the subjective and affective dimension of value will crystallize and turn into law (of value) only once it has entered into the market and competed or been put against another object (and its subjective dimension). If this is put into a context of scarcity and demand, it makes sense to state that "every value has to be acquired by the sacrifice of some other value" (1990: 84). This will dictate a whole way of perceiving the way in which markets work, where sacrifices need to be made, where what really matters is the singularity (aura) of objects, in which scarcity dictates laws of value, and in which this original value has been dictated by intricate subjective assumptions such as desire or lack. The last element that Simmel introduces, and which will also be a key element in the production of value is the concept of utility⁵ (1990:91). The utility of an object will increase its value to us, although utility will be a

³ For an accurate version of the history of the concept through these authors read Galbraith's "History of Economy" (Galbraith, 1989).

⁴ We will have to wait until the nineteen seventies to find again a number of authors willing to dig into the economic dimension of emotion and desire, this will be done analyzing the sphere of reproduction, care labour, attention economy and a set of issues discussed by feminist scholars such as Dalla Corsa, 1972, Fortunatti 1995; Precarias a la Deriva 2004.

⁵ This seems to be an introduction to the Marxist notion of use-value.

personal or subjective element⁶. With this we can start to understand Simmel's concept of value, an element which ultimately aspires to be converted into money, being money the representation of value in an economic sphere, and as he argues "if the economic value of objects is constituted by their mutual relation of exchangeability, then money is the autonomous expression of this relationship" (1990: 120).

One of the first remarks I would like to make after determining this way of understanding the process of production of value is that in Simmel's views and descriptions, objects always constitute the primary source of value, only these objects enter the market and get compared with each other, and only the desire of an object triggers a subjective valuation process. As I will argue later on, this is one of the reasons why this valuation system is insufficient and fails to understand the processes of productions of value needed in contemporary cultural processes, which can not be merely reduced to being objects (Rodriguez, 2003 :60). The other question I would like to put forward is, how can this system be applied to a world in which life as such is the main source of value? (Rodriguez, 2003:72). On the other hand I think that the contribution that we need to keep on mind is that value has been produced by this double process of material and symbolic dynamics⁷ once these have been put into the social realm, but somehow only the material reality of these objects seems to be a source of value here, but I do not want to anticipate this point just yet; first we should return and discuss more the economic dimension of the culture sphere.

In the previous chapter I have argued that the economy of culture could be defined as a semi-formal economy, that is, a mixed economy in which although a great part of its activities can be placed in the formal sphere of economy, we can also note that a great deal of practices that constitute cultural production have the shape of informal economies. This can be one of the reasons that have triggered the separation of the two economic systems that constitute its reality: the "money economy" and the "symbolic economy". The anthropologist David Graeber argues that this division is established in a great number of societies, and that the symbolic dimension of value (understood as the creation of a number of values) tends to establish itself in spaces where a market system has not been properly established or in those pockets where the forces of market do not arrive (churches, museums, domestic spaces...) (Graeber, 2005: 48). On the other hand we must not forget one of Pierre Bourdieu's claims when he argues that "symbolic goods are a two-faced reality, a commodity and a symbolic object" (1993: 113), that is, two different systems can be intrinsically interconnected. This ambiguous situation, being caught between their reality as commodities (which follow the laws of the market) and their symbolic dimension (which will follow a set of symbolic laws or values) makes it complicated to

⁶ A critique of the notion of utility as a motivator of value has come from authors such Adam Smith in his well know book "The Wealth of the Nations", in his "water-diamond paradox", a concept that later triggered and was contested by the "marginal utility" theory. (See Galbraith , 1989:90)

⁷ This coexistence of different value dimensions fits in perfectly into the notion of "spheres of exchange" articulated by Bloch and Parry (1989) using a term first deployed by Kopytoff, in which they explain how in a number of societies an amount of systems can coexist because of the different symbolic realities to which these dimensions belongs to.

value cultural production, because the co-existence of these two⁸ value systems seem to impose the need to choose upon one of them, **this choice will always be in detriment of one of the two systems.**

Physically we see how these cultural objects follow valuation laws extremely similar to those previously described by Simmel, following the classic economic laws of scarcity, individuality, supply and demand. If we choose to value these objects following their appearance as commodities, the system described by Simmel appears to be quite adequate, but these laws will have consequences and will impose a set of conditions on the objects themselves. In this sense Boudieu states that “the structural gap between supply and demand contributes to the artists’ determination to steep themselves in the search for originality” (1993: 120), originality should be understood then as a way in which to impose a certain degree of scarcity on cultural objects, it is a way in which to create a desire for these objects on the basis of their uniqueness. Only in this way we can understand the avant-garde need to “build a name” and the importance this name can have in a cultural market (1993: 29). This name, the proof of authorship and originality, has the power of a trademark (1993: 81), and we should not forget that “the quasi-magical potency of the signature is nothing other than the power (...) to mobilize the symbolic energy produced by the functioning of the whole field” (1993: 81). I do not think that this is the place to discuss how important the notion of originality and uniqueness has been, especially in the contemporary art world (but also in the literary field, design world, etc.), during the last century, but with no doubt, this has been a crucial concept that has structured the field and its relations (Krauss, 1985) This is not strange, especially if we think that this is one of the basic principles of valuation of the works of art. If singularity leads to scarcity, the more strange or unique a work of art is, the easier it is to increase its value, but we shouldn’t forget that scarcity, specially in the culture world, is a fiction and needs to be promoted artificially, and this has been one of the great breakthroughs of post-fordist capitalism, creativity is a natural and unlimited natural resource.

As we have seen, the commodity reality of cultural objects is proving to be insufficient if we are to determine the processes of valuation given in the culture world, this is one of the reasons why the understanding of symbolic capital is so interesting and determines how the valuation laws of culture will work, so let’s see how this other system functions.

⁸ Or possibly more...

The Symbolic Reality.

“the field of production can only be fully understood if one
treats it as a field of competition for the monopoly of the
legitimate exercise of symbolic power”
Pierre Bourdieu

If it is true that the culture production field works on a semi-formal economy basis as I have argued previously, it does not come as a surprise that symbolic laws can have such a relevant role in the economic processes that define the field. This symbolic reality could be understood as the remains of a pre-capitalist economy that still survive embedded in the structures of the field. Bourdieu has argued this point in a similar fashion stating that “the art business (...) belongs to the class of practices in which the logic of the pre-capitalist economy lives on” (1993: 74). There is no doubt that Bourdieu develops the concept of symbolic capital from the studies that authors such as Mauss, Malinowski or Levi-Strauss have carried out in non-capitalist societies (Bourdieu, 1997: 161), so here appears a quite interesting point to be discussed, how has the field of cultural production introduced and maintained a set of pre-capitalist economic practices without these being erased, abolished or even questioned? We need to consider if these practices are still valid, and what kind of economy do these structures speak for. This fact is extremely helpful to understand the clash between the two valuation systems that configure the cultural field, because as Bourdieu argues, one of the taboos in any symbolic economies is to make public or even mention the price of the gift or symbolic object (1997:164), the author also explains how an implicit pact not to mention the prices of symbolic goods needs to be achieved in order to these function as such (1997:165). This probably is one of the reasons why it is almost impossible to maintain the coexistence of these two economic systems, in which their valuation processes come from such different realities. But the problem that cultural producers face when practising this symbolic form of economy is that it does not seem to produce economic returns, a basic element to ensure production and continuity. In a way, Bourdieu seems to be claiming that pre-modern economics are impeding the functioning of modern economics, but we still need to see how true his claims are. Bourdieu explains how those who practice a symbolic economy are later on compensated with symbolic capital (1997: 172), hence, the most important form of capital in the cultural sphere. We see how this symbolic capital has become extremely important in the field of cultural production, and I do believe that this importance and predominance is one of the causes that have favoured the lack of economic resources (money) in the field⁹. The whole field has been structured in order to gain this symbolic capital, which as Bourdieu argues functions as a credit, its accumulation can be in time compensated by money, but until then it just remains stored as such, or as he puts it, the

⁹ Some authors will argue that the exploitation and maintenance of pre-capitalist or informal economies has historically been the way in which capital has always worked, in that sense the anthropologist Claude Meillassoux (1975) argues that the “free labour” provided by women in the households or the capture and exploitation of slave work are just two examples of this dynamics. This opens up a question which I believe extremely interesting, does the culture sphere (and its semi-formal economic dimension) simply respond to this way of functioning? Is its economic autonomy preserved in order to follow this logic? Are we just facing another case of appropriation of free labour provided by cultural producers? I believe that we must keep this perspective in mind because in a way it can help to explain and challenge some of Bourdieu’s assumptions. A similar point of view has been sustained by Marina Vishmidt (2005) in her article “Precarious Straits” where she links the figure of the invisible labour produced by women to the work developed by a new generation of precarious cultural producers.

“accumulation of symbolic capital is to be understood as economic or political capital that is disavowed, misrecognized and thereby recognized, hence legitimate, a ‘credit’ which, under certain conditions, and always in the long run, guarantees ‘economic’ profits” (1993: 75). A great number of cultural producers spend their life waiting for this to happen, but economic returns are only guaranteed in a few number of occasions.

As I have described previously, one of the ways to valorise one’s work in the field of cultural production is to reach a stage in which one’s name becomes a synonymous of originality, waiting for it to acquire a semi-divine status and acting as a trademark, that is, a virtual container of symbolic capital. Bourdieu continues on this line of thought arguing that cultural producers spend a great part of their time creating a name for themselves, hoping it will be charged with symbolic capital “and therefore to give value, and to appropriate the profits from this operation” (1993:75). This seems a costly activity and as we see, there are little guarantees that this final process of valuation is going to take place, so we face the possibility of being the possessors of just that, a name. Bourdieu also argues that cultural entrepreneurs do not expect to have short turn economic returns but seek to gain symbolic capital, a time consuming and lengthy activity (1993:83), Graeber sustains a similar point of view when he argues that “what we are really talking about are jobs that open the way to the pursuit of any forms of value other than the economic, whether it’s the art world (...) we are speaking of ways that one can dedicate oneself to something other than the pursuit of money” (Graeber, 2005:14). So, in a way, we could argue that what cultural producers aim for is recognition¹⁰ or for a set of non-economic values, which will provide them with a symbolic status from where to start gathering economic returns. From this we could extract that the art or culture markets are just structures which seek to establish a number of spaces in which to transform this diffused symbolic capital into fixed categories which can be socially perceived as such thus valorised. These structures and institutions are who will ultimately valorise the works of art and provide the standards that will help to value the works to come. I do not believe this is the pertinent space to deeply analyse and discuss these structures¹¹, but I agree with Bourdieu that “given that works of art exist as symbolic objects, only if they are known and recognized, that is, socially instituted as works of art and received by spectators capable of knowing and recognizing them as works of art as such, the sociology of art has to take as its object not only the material production but also the symbolic production of the work, i.e. the production of the value of the work or (...) belief in the value of the work” (1993: 37).

One of the problems derived of the predominance of symbolic capital as a way to compensate the cultural producer for her work, is that this can lead to ensure the structures of self-exploitation that I have already discussed in the previous chapter. Artists are keen to work for

¹⁰ For a further discussion on recognition, distinction and other forms of symbolic social difference do read Pierre Bourdieu’s work “Distinction: A Social Critique of the Notion of Taste”, where these concepts are thoroughly discussed.

¹¹ For a deeper development of this point see Bourdieu’s “The Rules of Art: Genesis and Structure of the Literary Field” on the other hand we must have in mind a number of self-organized institutions recently developed in the culture sphere which have tried to re-establish systems of value defined by the cultural producers themselves, such as the Copenhagen Free University, Flaxman Lodge or SAFU.

free, and in many cases, they do not expect to be economically compensated for their work, the promise of symbolic capital has seemed to eclipse other economic perspectives. At the same time, given institutions have noticed the readiness culture producers display to work for free, and that they are willing to gain visibility at any cost, in many cases and as a result of these circumstances, institutions are not paying (economically) for the works they display or “promote”. I believe that we are living a moment in which symbolic capital has completely taken over, and the cases in which cultural work is being economically compensated are now few. It is now a common practice to justify the lack of economic resources with the promise of visibility, prestige, or a line on one’s c.v. This symbolic dominance is threatening to finish the idea of cultural production understood as work, because it operates with a set of principles completely detached from the labour sphere, thus complicating a deep understanding and a much more complex process of valuation of cultural production as such.

If I have argued that the economic valuation model that we find in the cultural world results problematic because it is only concerned in the valuation of commodities or cultural objects, the symbolic valuation system does not help either to accomplish our mission to define a process which can help to value cultural work as such. This symbolic system also fails to define the value of a cultural work not for itself, but for the rest of the society where it will be inserted. We need to understand the peculiarities of cultural work, and one of them is that now, most of its practices take place in a collective or collaborative manner (see previous chapter), and most of them are not understood nominally but collectively, the producer is no longer a single person seeking recognition but collectives or multitudes of people trying to achieve social goals through their work, so a symbolic system of gratification can hardly be the solution for their needs. Bourdieu acknowledges this fact but does not seem to provide a solution to it, he states that we need to understand “production as a collective action, breaking with the naïve vision of the individual creator (...) co-operation is necessary in order that the work should occur as it does” (1993:35). Saying this, I think that we should start looking for a valuation system that can understand labour understood as a process and this process as a source of value, but at the same time, acknowledging that cultural practice is (and always was) a collective practice¹². We also need to introduce a critique to Bourdieu’s model, and I will do this with the help of the North American anthropologist and anarchist David Graeber, he argues that by reducing everything to different forms of capital, Bourdieu is tacitly presupposing that all the different fields are organized as in the economic field, in which actors are just willing to maximize benefits playing in a set of structures that have been previously imposed (Graeber, 2005: 14). By doing this Bourdieu’s ideas are (too) close to some neo-classical assumptions in which human life is “reduced to a series of strategies by which a rational set of actors try to accumulate different forms of value” (2005: 15). Graeber also suggests that we need to create

¹² This opens up a whole new discussion on the subjective nature of the post-fordist capitalist worker. Some authors have argued that the irruption of collective labour has modified notions of worker and has challenged some autonomist assumptions of what the worker’s subjectivity is. Here we could discuss notions such as the “multitudes” coined by Hardt and Negri for an instance, but I do believe we should destine a whole new chapter to do so.

new ways of understanding value which are based not so much on things, but on actions (2005: 18), introducing some anthropologists who have worked in extended ways of understanding value such as Nancy D. Munn or Terence Turner. Along this paper I will share this interest and will argue why we should try to define a notion of value that can valorise culture processes as such but in which its producers are not just actors willing to accumulate returns, but a set of people with a set of completely different interests in which generosity is such a valid assumption as any other.

But first I believe we need to concentrate on a completely different approach to the idea of the production of value, because if we have argued that we need to understand cultural work as such, we first should try to learn more about a notion that believes that value can only be produced by labour, and without doubt, the first author to introduce labour as a source of value has been Karl Marx, let's see how some of his theories have survived and been updated to face the current contingency, this has been done with the help of one of Marx's most charismatic successors, Antonio Negri.

Negri beyond Marx, a revision of some Marxist basic theories of value.

"Free Toni Negri"
Message printed in a T-shirt
by the artistic collective Gato por Liebre,
Barcelona 2003.

If someone has contributed to perpetuate and actualize Karl Marx's thinking in the twenty-first century, this must be, without doubt, the Italian autonomist philosopher Antonio Negri. Along his extended body of work, Negri has always worked seeking to actualize critique and eventually overcome the ideas of one of the most important social thinkers in the recent history, Karl Marx. I am especially interested in seeing how Negri, at a certain point has engaged with Marx's notion of value, acknowledging its importance but also, its limitations. My aim along this chapter is not to expose and work through Marx's notion of value itself (which could perfectly provide the source and inspiration for a whole new book and which, as we will see later, some authors claim to be nonexistent), but to see how Negri has actualized and overcome the limitations that this theory currently presents¹³. I am interested in introducing Negri's re-thinking of Marx's theory of value because I do believe that this critique holds some key elements that can help to develop a deeper understanding of how the laws of value operate in a contemporary economic system. Although Negri has worked along this critique during a number of years and in a quantity of different works, I will specifically focus on two volumes where I think, his thesis come across

¹³ As we will see along this article this is not a view shared by all the Marxists.

clearly¹⁴ and effectively, his book *Marx Beyond Marx* (Negri, 2001) and *General Intellect, Poder Constituyente, Comunismo*¹⁵ (Negri, 1999).

Negri starts acknowledging that Karl Marx's theory of value is an inherited theory which he develops from the British economist David Ricardo. Negri argues that part of the problem with this theory is that it has been forged during the first industrial revolution, when so many industrial achievements were still to be accomplished (1999:92). The historical and industrial frame in which this law is theorised still lacks some of the key developments that Marx will brilliantly perceive along his works. Knowing this, Negri works thoroughly through one of Marx's most progressive works, the book *Grundrisse : foundations of the critique of political economy* (Marx, 1973) in which Negri perceives some insights on the future of the notion of value which are not present in other works such as the three volumes of the book *Capital*. This theory of value starts with a set of premises which Negri will in some cases contest, one of them is that "labour can only be understood as waged labour" (2001:23), so value can only be produced through the exploitation of waged labour. Another problem Negri encounters in Marx's laws is that value is always in direct relation (and can only be accomplished) within the law of "surplus value" (2001:53), so we find an intricate relationship of quantities of labour which have been extracted from the workers, which come to be valorised once they are crystallised as surplus value. Although, what remains the central point of Marx's laws of value is that "the laws of value are always the laws of labour power" (1999: 119), and this will remain essential to the theory. From a Marxist point of view, what is extracted from the workers is their "use value" which needs to be transformed into "exchange value" in order to gain surplus value from the workers labour (2001: 84). This is why work (waged labour) and only work, becomes the raw source of value (2001: 86) from a Marxist perspective. So the role of the capitalist is to extract more value than what he has invested in order to gain profits, this constitutes the nature of exploitation (2001: 96).

From this point of view, it makes sense that "work can only be productive if it has been integrated into capital (2001: 93), because only capital can close the circle which will provide economic benefits in return for the "exchange value" extracted from the workers as work power. Money is then a universal objectification of labour time (2001: 47) and is "the natural medium in which we can find exchange value, once it has been transformed into its universal determination" (2001: 47). So money just constitutes the final step and accomplishment of the natural course set by the law of value from a Marxist perspective, and is the entity in charge of socializing capital (2001: 36), because ultimately money will "organize social relations" (2001: 38). Marx also notes that the sign of value, money, will finally be perceived and take over as value in itself, so the sign will eventually be as important as the element it signifies, this is the

¹⁴ If clear ever was an adjective that could relate to Negri's work...

¹⁵ This book I have found in Italian and Spanish but not English, so note that all the quotes from this book will be my translation.

reason why money and value have come to be perceived as the same thing, and one can not think of value without thinking of its price in money (2001: 45).

This theory which appears consistent suffers some flaws which increase and become more apparent as long as time goes by and capitalism becomes increasingly sophisticated¹⁶. Negri seems to be interested in amending these errors, because in his works he does not reject Marx's theory of value as such but engages in a critique with some of its main arguments, trying to actualize some of its elements and stretching its meaning far from where it was intending to reach. Some authors have concluded that Negri's contributions to Marx's laws of value go far beyond what Marx intended to write, but still, I think these can be particularly relevant in this context. One of Negri's main arguments is that although we still need to take on account that "the incommensurability of value does not eliminate work as its main source" (1999:86), at present it is increasingly impossible to distinguish between productive and non-productive labour, between material and immaterial labour, or between production and circulation (1999:92), so a broader definition of labour should be put forward if we intend to actualize Marx's law of value. I have already talked about the problems cultural production currently faces to perceive itself as work in the previous chapter and elsewhere (Rowan & Ruido, 2006), so this will imply a degree of difficulty to apply Marx's laws of value to the field of cultural production, but I will come back to this point further on.

Another point Negri takes on is that while Marx considers that value is extracted from the workers through the work time, we live in a moment in which "the time of life has become productive time" (1999: 122), that is, the limits of work and the limits of life have become increasingly blurred, and as I have put it elsewhere with Maria Ruido "cultural producers' activities are so subjugated by the system of flexibilization that it becomes increasingly difficult to discern if one is chatting with friends or networking, if one is reading or researching, if one is fucking or relaxing oneself to get back to work" (Rowan & Ruido, 2006). Another limitation that Negri finds in Marx's law of value has to do with the distinction between production and reproduction. Marx makes it clear that there are a great number of activities which can not be considered as work, but help to reproduce the conditions of its existence. Some of these activities were traditionally practiced by women and these could range from cooking, cleaning, taking care etc. Negri believes that there is a great amount of value extracting from this kind of (re-)productive labour, which now constitutes one of the principle sources of value for capitalism (1999: 142, 149). This has been further developed by authors such as Leopoldina Fortunati (1995), Michael Hardt (2004) or the Madrid based collective "Precarias a la Deriva" (2005), which have proven the relevance and importance that the care sector has, and impact it causes, in contemporary capitalism. This discussion opens up a further one which I am keen to address because I believe that it has direct implications on the area we are interested in

¹⁶ Note here Negri's evolutionary conception of capitalism, which is almost teleological.

researching, how to value activities that do not only generate benefits on themselves but that have social repercussions or benefits¹⁷?

There are a set of activities which can cause an affect beyond their immediate context, these are usually related to intellectual development and their nature is usually intangible, I am referring to disciplines such as science, music, social cooperation or, last but not least, culture. Negri argues that some of these disciplines go much beyond the law of value and emerge as in the centre of productivity (1999: 128). We all know that the production of knowledge does not follow the laws or principles of material production, Negri argues that one can not split its production time into simple work units (1999: 121), or the social impact of these activities can not be reduced to the work individually done by its producers. Its power resides in the collaboration of minds from different parts of the world who contribute to develop these activities. All these activities exceed the notions of value posed by Marx, and I agree with Negri that they are key elements in the production of value for contemporary capitalism. These are some of the reasons which lead Negri to talk about the extinction of the law of value (1999: 121) and he starts referring to the “social body as a generator of value” (1999: 124).

Obviously not all the Marxist scholars agree with Negri’s critique or believe in the extinction of Marx’s law of value, some as the social thinker and member of de The Midnight Notes Collective, George Caffentzis puts it clear that this extinction can not be possible, as he argues that Marx never even formulated such a law. According to Caffentzis Marx never ever worked specifically on defining a general law of value but he developed several approaches to the theme, but never defined them as a general law (Caffentzis, 2005: 89), he argues that “there are many explicitly stated laws (e.g., the law of the tendency of the falling rate of profit, the general law of capitalist accumulation) and many explicitly identified values (e.g., use-value, exchange-value, surplus value) in Marx’s texts, but there is little evidence of a Law of Value” (Caffentzis, 2005: 90). In this sense the author seems to suggest that Negri is actually engaging not so much in a discussion with Marx but with a Marxist debate, he states “certainly, even if it does not have a central role in Marx’s writings, “the Law of Value” is a widely used technical phrase in the Marxist tradition” (Caffentzis, 2005: 90). Shifting beyond this starting point of the discussion Caffentzis seems to share similar points of view with Negri, and he agrees that with the “real subsumption” the notions of value “explode” (Caffentzis, 2005: 105), although this is not a reason in Caffentzis views to reject Karl Marx’s theories, the author seems to believe that with the intensification of capitalism, new forms of value need to emerge, and the fact that our current value instruments seem to be outdated, does not necessarily imply that things can not longer be valued, the problem is to redefine a system to measure such abstract indicators. Caffentzis goes on asking “But how does one prove that something is immeasurable? One thing that the history of mathematics teaches is that such proof claims have often proven false” (Caffentzis, 2005: 101). So in a way he believes that the only reason why Negri discharges Marx’s notion of value is a consequence of a lack of tools to measure such a value, but he goes

¹⁷ Note that I am introducing the notion of externalities, which I will not further develop until the next chapter.

on to develop a much more interesting point, which I think is extremely interesting and of great help to properly understand the problems posed along this chapter. I have been arguing along this paper that in the culture sphere a combination of symbolic and economic values are taking place, and I have related this fact to a series of factors described in the previous chapter, such as the combination of formal and informal ways of functioning. I have also portrayed the economy of culture as a semi-formal economy, because in many cases a given economic activity shares both these realities. Lets see how Caffentzis describes a similar process continuing his discussion and critique on Negri's notion of value. Although as we have already noted he shares many views with Negri they seem to differ in one crucial point, Negri argues that there has been a historical evolution of capitalism which has pushed it from a stage of formal subsumption to our current situation in which a real subsumption of society by capital has been accomplished, so in a way Negri claims that historically work has stopped being a physical activity which takes place in factories to define a new era of work in which information is shifted from side to side. Caffentzis does not completely agree with Negri and argues that "the moment of real subsumption had already occurred in modern industry along with the allied value phenomena: increasing relative surplus value creation, increasing organic composition differentials, and increasing deviation of prices of production from values. These tendencies were common phenomena in the mid-19th century as well as in the beginning of the 21st century" (Caffentzis, 2005: 106). So where these two Marxist authors disagree is whilst Negri sees here a sign of the teleology of capitalism, Caffentzis introduces a dialectical view in which he envisages an active relation between the two moments. He believes that the tension between formal and real subsumption is an active and ongoing process, not a transition between evolutionary stages. He goes on arguing that "General Intellect" and "immaterial labor" are not invitations to go beyond capital, as Negri and Hardt claim, but rather have always been part of the work capital has exploited whether it was waged or not" (Caffentzis, 2005: 106), that is, we can find the main indicators of post-fordist capitalism in its early stages, so they have always been a condition of capital which now have been intensified. He goes on further stating that even Marx was aware of this tension, "though Marx clearly believed that (...) "real subsumption" (...) becomes more dominant than the first (formal subsumption), it never becomes a totality as long as capitalism continues to exist because of the crises associated with the Falling Rate of Profit" (Caffentzis, 2005: 107). And this duality, the co-existence of two very different ways of functioning do not become contradictory in Caffentzis views, but are and always have been one of the characteristics of capitalism. So this will imply and returning to the context of this article, that we need to think about the co-existence of different valuation systems as the only way in which to properly understand the complex reality we are facing.

Acknowledging this, and before drawing some conclusions, I am interested in developing a bit further a description of the current functioning of capitalism and talk about what kind of needs should a contemporary theory of value encompass in order to it become functional in a post-fordist framework, having in mind that these are just a few aspects that have been intensified by

the current stage of capitalism, but never constitute its reality. To do this I will need the help of the Madrid based social theorist Emmanuel Rodriguez who in his book *El Gobierno Imposible* (Rodriguez, 2003) explores the numerous sites from which contemporary capitalism extracts and produces value. Rodriguez argues that currently we are facing a problem when trying to valorize a great deal of work, he argues that capital “only pays for a small part¹⁸” (2003:13) of the productive process, that which has been legitimized as work. He states that we “pay for the output provided by IT programmers, but not for them having their brain hooked on to a network of thousands of brains which compose the ocean of social knowledge” (2003:19), with this he puts it quite clear that great resources such as social knowledge are being constantly exploited but not economically compensated, again the problem of valorizing work which has a social dimension. This guides him to think that capital has established ways in which to create value from what he calls “live work”, that is “the social excess” (2003: 20) which is constantly looking for ways to escape the constraints of capital (through labor migration, factory exodus, autonomous productions spaces etc.). So the problem is that capital is managing to capture this excess of production, (excess of life) but it is still complicated to find a system to help us valorize it, all these activities escape the margins defined by the laws of value known to us.

Rodriguez is not the only author who has argued that one of the greatest accomplishments of contemporary capitalism is the capture of flows of creativity (Boltanski and Chiapello, 2005) which now constitute one of the main sources of benefits for post-fordist enterprises. Many have explained how this process has occurred (Lash & Urry, 1994, Marazzi, 2003) defining a complex set of relations between language, signs and labour. But what we have seen along this text is that there has not been a simultaneous process which has pushed producers to value (or define a system to value) this creative output. Now the power of capital to capture and generate benefits has gone beyond all of those activities traditionally understood as productive, and as Rodriguez argues, capitalism can now extract value from “social constellations and cooperation networks” (2003: 65), that is, now capitalism generates benefits from bare facts of life¹⁹. Rodriguez argues that now, wages have become abstract entities because “everything constitutes a source of value” (2003:72) and his core question is, how can we find a system to value and pay for social work? What we know for sure is that in this case it will never follow the artificial laws of scarcity, because life, creativity and knowledge can abundantly be produced anywhere²⁰.

Conclusion: Heraclitus and the cultural sphere.

¹⁸ Note that his book has not been translated into English so all the translations are mine and provisional.

¹⁹ Introducing a humorous note to the point, it would be interesting to see how day time talk shows manage to create benefits from just seeing people talking about the bare facts of their life.

²⁰ And reproduced at a very low cost...

Before I draw some conclusions let's briefly summarize some of the main aspects I have developed along this article. I have first analysed Simmel's valuation model, although it helps to clearly understand some of the ways in which value functions, from our current perspective I believe it is insufficient to understand a much more complex paradigm. Previously I have demonstrated that this model puts too much weight on a set of laws that do not apply to the field of cultural production, scarcity, supply and demand. As we know there is currently an abundance of artists and creativity (a form of social cooperation) which does not seem to have any predictable limits. We also need to acknowledge that this system puts a great deal of importance on the fact of valuing individual commodities or objects, but it shows no clues on how to value a cultural process as such. Although this valuation model can be helpful to understand the laws of specific markets (see the avant-garde art market), it does not seem to fit the complexity of practices and needs that are taking place in the culture production field, so in a way we could claim that this model is still valid used in a discrete and limited set of occasions, but lacks resources to deal with the complexity described above.

The second system of value analyzed along this chapter has been the functioning and production of symbolic value. Although we must acknowledge its wide use and versatility, along these pages we have also witnessed how this symbolic economy has been captured and inverted by a great number of institutions, corporations etc. which only pay through this intangible medium. This needs to be compensated in order to become a functional model, but as we have seen, at this moment, economic value and symbolic value seem to be two completely opposed entities, leaving cultural workers caught between the two systems having to choose among one of them. The fact that the symbolic value of cultural objects has now become so distant to its economic price is one of the indicators of how obsolete this valuation system has become. On the other hand the fact that the symbolic value usually falls on to individual producers constitutes again an obstacle, because as we have seen, cultural production has a cooperative basis, so we need a system that can take on board this new reality. If my thesis is true, and the economy of culture is constituted by a mixed economy defined by its semi-formal condition, it makes sense that a big number of economic relations and activities that take place informally should become valued through this system of non-economic values, but the problem is that symbolic capital has come to be predominant and now seems the only possible compensation. I have argued before that not all of the actors immersed in this reality are willing to act as the "homo economicus", so I think that one of the main problems we need to solve has to introduce new systems of value that can challenge symbolical capital but still provide certain degree of flexibility to the field, knowing that its complete economization and bureaucratization would imply its destruction almost surely.

To finish, we have also seen the limitations of Marx's laws of value and we have posed two main questions to his views, the first aspect that needs to be critiqued has to do with the fact that the system he developed does not consider cultural practice as a productive activity, thus it does not enter the laws of value. In the previous chapter I have argued about how difficult it is to

consider a set of ever-changing activities whose nature is constantly mutating as work, still, I believe that cultural production is a form of labour that should be considered as such, and this implies creating a valuating process that can understand its peculiarities. The problem we are facing is to challenge a tradition accustomed to value the output (physical objects) supplied by cultural work, not realizing that a great deal of this work now is framed in a new paradigm characterised by its immateriality and process based practices. This change faces two immediate contingencies, on the one hand a juridical framework not ready to adopt these new practices on one hand, and on the other, the problem derived from not having a systematic valuation system with which to valorise a production that never was so abundant and prolific. In this sense I believe that we need to reconsider a Heraclitan notion of value, in which processes and transitions are as valid entities as Parmenidian objects are. For this to happen we need to finish with the material-immaterial dichotomy and start understanding the materiality of processes as such, whilst allowing transitions and mutations enter the notion of materiality. The British anthropologist Keith Hart has argued that “formal and informal organizations appear to be separate entities because of the use of the term ‘sector’” (Hart, 2006:2), and I do believe that we need to stop perceiving these categories as fixed structures in order to understand the peculiarities of the field. Only then we can find a combination of laws of value that can properly function in this new paradigm.

Caffentzis rightly argues that immaterial labour was a reality in the eighteenth century as materiality is still a trait of contemporary work, I believe that one of the difficulties of finding a valuation system that can fully understand the characteristics of the culture field is that this sphere is defined by a complex set of interactions in which material and immaterial labour are constantly colliding, coexisting, and struggling to become predominant over each other. We need to understand that in this field we need to protect a form of equilibrium of these different systems of value, knowing that the predominance of one over the other will drive the system to degrees of inequality that will negatively affect its actors²¹. If in the previous chapter I have argued that we need to strive for a professional culture sphere, we must be aware that this does not imply that all its relations must become economic relations, in which money is the only value to be considered, I believe inspired by the work of Simon Ford’s work “The third Sector”(Ford, 2003), that we also need to allow the existence of informal and relational forms of economy, the extinction of this reality would determine the end of culture as we know it. Besides this, it is well documented that it is only in these informal economies that “entrepreneurship” can emerge (Pahl (1984), Mingione (1985), Benton 1990), a notion I will engage with in the following chapter along with the creation of social values and their implication in the culture sphere. And now to conclude, we need to find a system of value based on abundance, not on scarcity, which will value processes and not objects, which will accept life as labour and will focus on the social benefits that culture provides instead of getting caught in the individual names of the producers. These I believe are the bases for a new system of value.

²¹ And impose a different regime of exploitation altogether.

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