



Knowledge Cultures

pp. , ISSN 2327-5731

CONSUMPTION IN COGNITIVE CAPITALISM: COMMODITY RIOTS AND THE DICTATORSHIP OF THE PROLETARIAT OF CONSUMPTION

GEORGE TSOGAS

gtsogas@ciim.ac.cy

Cyprus International Institute of Management

ABSTRACT. We challenge the prevalent opinion that consumption does not seem to matter as much as production and defy the fetishism of industrial work. We explore the implications of the premise that under conditions of cognitive capitalism consumption dictates what production does, when and how. We explain that in a post-industrial global society and economy fashion, branding, instant gratification of desires, and ephemeral consumer tastes govern production and consumption. The London (commodity) riots of August 2011 send us a warning that consumption and cognitive capitalism are asphyxiating in the structures and norms of industrial capitalism that are still in place.

Keywords: cognitive capitalism, consumption, autonomist Marxism, London riots, commodity-form.

1. Introduction

In the introduction to the book *Radical Thought in Italy* (Virno and Hardt, 1996), the editors – somewhat apologetically – explain that ‘the Italian mode of thinking revolutionary politics’ has ‘seldom develop[ed] the critique of the commodity ... as a major theme,’ since such analysis ‘run[s] the risk of falling into a kind of asceticism that would predicate revolutionary struggle on a denial of the pleasures offered by capitalist society’. In contrast, revolutionary thinking in Italy,

Involves no such denial, but rather the adoption and appropriation of the *pleasures* of capitalist society as our own, intensifying them as shared collective wealth... *Revolution is a desiring machine*... Communism rather will emerge out of the heart of capitalism as a social form that not only answers the basic human needs of all but also *heightens and intensifies our desires*. (Virno and Hardt, 1996: 7 – emphasis added).

We draw inspiration and courage from these lines to attempt to make that link; to bring together autonomist Marxism with analysis of consumption of commodities and to discuss commodities and their consumption in contemporary cognitive capitalism not in a rejectionist, austere, strict anti-capitalist manner, but rather in a way that shows the joy, desire, fun, sex-appeal, a new kind of ‘mystical character’ that commodities and consumption have in our capitalist society. Our ‘laboratory’ and ground for inspiration in searching for the significance of consumption was the department stores and fashion boutiques of London (not the factory, nor the library). It was there that we were transfixed by the joyfulness, youthfulness, and immense intimacy of commodities offered for consumption; but also felt the starkness, if not outright hostility, that (some) Marxists often regard consumption with.

In this paper, we aim to take a step further the discussion on the commodity-form and commodities in cognitive capitalism (Boutang, 2007; Paulré, 2008; Vercellone, 2005) that we started elsewhere (Tsogas, 2012; Tsogas, et al, 2013). We instigate an examination of consumption of commodities and scrutinize the influence of cognitive capitalism. We attempt to challenge the prevalent belief that consumption – on the

question of first and last things – does not seem to matter as much as production. We explore the conditions and circumstances in cognitive capitalism under which consumption not only *does* matter but, in fact, commands over production; it dictates what, where, and how much is produced, and when consumption suffocates in the confines of industrial capitalism, we suggest that it desperately tries to break out, either peacefully (through cyberspace) or even violently (in commodity riots).

2. Consumption in cognitive capitalism

On the deduction that immaterial and affective labor (Hardt and Negri, 1994; 2000; 2005; 2009; Lazzarato, 1996; Negri, 2008; Virno, 2004) add immaterial qualities to a commodity, which could have a disproportionate effect on its retail value (Tsogas, 2012; Tsogas, et al, 2013), we put forward a *negation of value creation in cognitive capitalism*. In classic Marxist analysis, value is created in production and destroyed in consumption. In cognitive capitalism, we stipulate, consumption not only does not destroy production, but, in fact, it guides and precedes it; as knowledge comes before creation, creation can exist in the space that knowledge has allocated for it. What, in other words, we declare here is that the Tayloristic/Fordist model of production followed by consumption is long dead.

Benetton and cognitive capitalism

The fashion label Benetton delivered the first fatal blow in the mid to late 1980s. Under the guidance of Prof. Bruno Zuccaro and by using the, then, newly emerged computer communications protocols as well as bar codes on products, they managed to connect – in a truly radical and revolutionary way – consumption with production (Mantle, 1999). When a customer was buying a Benetton product, the information about the event and conditions of sale (time, place, price) as well as the characteristics of the product itself (color, size, style, etc) were wired through a bar code scanning device located at the till, down a telephone line. These signals

reached not only company headquarters, but, most decisively – and this is the revolutionary innovation that Benetton initiated – the production units. There, robots and IT-led systems would be able to produce exactly and only what is being demanded, at the quantities, styles, features, etc that are being desired by consumers and – even better – at a fraction of the time needed otherwise. What is produced is only what is known to be selling. Thus, for the very first time in manufacturing, production was directed by consumption. Within 3 to 6 days, Benetton stores anywhere in the world could be supplied with what is actually selling, (Zuccaro, 1990). From that moment onwards, consumption took the upper hand and has consistently been dictating its will to production. Never again heaps of ‘stuff’ are to be made waiting and hoping for a buyer to find them; or as Prof. Bruno Zuccaro put it: *‘first we sell the clothes, then we make them’* (Mantle, 1999: 145 – emphasis added).

We must emphasize here that it was the (knowledge and affect-led) fashion industry and not, for example, car manufacturing – the favorite subject *par excellence* of many academic streams – that conceived and implemented these revolutionary changes, taking full advantage of the state-of-the-art technology. Unfortunately, in the years that followed, hardly any research into and appreciation of the Benetton model came to light. Haunted by the fetishism of the factory and driven by the specter of a Marxism that perceived the ‘industrial worker’ (and only him) as the agent of revolution, academic research in business and social sciences mostly shunned away fashion and retailing as unworthy of concentration. In recent years, Zara – again a fashion producer and retailer – adopted and expanded further Zuccaro’s IT-led production system and pioneered what is termed as ‘fast fashion’. Both companies have chosen to operate on a vertically integrated cluster, where almost everything they do (from design and administrative functions to production and distribution) is located in one place and from where (most) products are flown and distributed across shops worldwide. This model contrasts with the global supply chain that other fashion labels have adopted (with Nike being a typical and routinely cited example).

Consumption before production

What, thus, transpires is that in cognitive capitalism commodities may only come to life (often through the blood and tears of exploited workers) when – and because of – a particular outlet for their desire, adoration and consumption has arose and calls for them to come into existence. We – our cognition – is that outlet. It is anticipated consumption (our cognitive states, formed as they are) that dictate what, how, where, when, how much, by whom, etc. will be produced. Consequently, production largely conforms to the demands that consumption puts upon it (a dominance of cognition over matter). In other words, it is the knowledge, feelings and emotions of people, whom as producers make commodities that are directed to our knowledge, feelings and emotions, as consumers. The cognitive state of the consumer interacts with the cognitive state of the producer. Consequently, value is being embedded in commodities as they materialize through their production processes, and not later, for example at a shop window or through some advertising campaign, that could transform them into something (more) desirable (Tsogas, et al, 2013). Commodities in cognitive capitalism are born–affective, desirable, sexy and made-to-sell, and do not become later.

3. The (amazing and bewildering) commodity in cognitive capitalism

‘Great clothes often begin with a feeling, a vision, a memory ... perhaps a song lyric or a scene from a classic movie’ (The Gap 2010).

A commodity in cognitive capitalism is no longer a ‘thing’; it has a soul, a personality carefully cultivated to match that of the perspective buyer, a history, a mind, and a culture enshrined into it by the immaterial workers that created it. Thus, ‘the mysterious character of the commodity-form’ (as Marx described) in cognitive capitalism reflects not only the social relationships that exist among those who worked in their production (as it did in industrial capitalism), but also the exceptional and numerous cognitive qualities that are embedded in it, through us: the sex appeal, the ability to generate desire, evoke feelings, complement the identity of an

individual, become a visual display of individuality, status, even mood, and so many others. *The commodity in cognitive capitalism becomes biopolitical*; it contains life, it is made up of life, it reflects life back – it gives life. It is happy and cheerful (even if blood and sweat were shed for its production, it is still gleaming with happiness). Commodities in cognitive capitalism don't just speak, they sing like sirens! (see graph 1).

Graph 1: The siren-like desirability of the commodity-form in cognitive capitalism



Source: Extract from a print advertisement in the *London Evening Standard*, 11 November 2009.

One can only resist – if at all – by suffering tied up at the mast, like an Odysseus, or when has been ordered to disable her senses¹. Certainly, the social relations of production have not disappeared and some will continue to draw attention to that little ‘monster,’ born out of the blood and sweat of workers that is hidden beneath of what they see as a glitzy, meaningless exterior.

4. The new plateaus of consumption in cognitive capitalism

Consumption is so overwhelmingly powerful that not only creates the space for production to materialize, but it also transcends that production space and thrusts itself into new plateaus.

First, it moves from the production space of the ‘genuine’ to the plateau of the ‘fake’. The production space of the ‘genuine’ is organized and regulated, where laws function, brands ‘really’ exist, factories legally operate, and governments collect taxes. The plateau of the ‘fake’ is seemingly disorganized, beyond the reach of law, or outright ‘illegal’, without boundaries, but nonetheless a place where many people earn a living. This is the domain of pure consumption-led production. Here, consumption goes beyond the (inadequate) actual capacity of industrial capitalism and the regulated economy to satisfy the thirst of label-hungry, recognition-seeking, commodity-worshipping consumers (but with less disposable incomes...). Consumption engulfs the ‘informal’ economy to provide these consumers with ‘high quality fakes’. The skyrocketing production of various high quality counterfeit products demonstrates, in this extra-ordinary way, not only the significance of brand names for people, but also our insatiable appetite for a fashionable, status-defining accessory, a piece of clothing, or a lifestyle defining product. Certainly, if brand logos did not appeal as much to consumers, there would not have been such an exposition in the counterfeit market. Those who cannot afford the ‘genuine’ would knowingly seek and purchase the ‘fake’. For them, the ‘fake’ becomes the very real that can be acquired; not an inferior item, but very much the real thing.

But, consumption is not content with ‘fakes’. Whenever it can, it uses as little physical production and form as possible. Physical production is messy; it involves dealing with the most unpredictable and upsetting issues: people to start with and politics, dirty factories, managers with big egos, geographies, and politicians fixated with protecting their border, etc, etc. Consumption avoids the materialization of its existence, and can do so with great success when given the opportunity, by linking directly (with no intermediaries) the producer with the consumer. The legendary Napster and others who imitated and followed him have all but destroyed the very *raison d'être* of some once-upon-a-time powerful industries: music and movie entertainment. Consumption through the technological means of internet technologies can reach the consumer directly with as little need as possible for a form of materialization. Music and movies can be enjoyed directly through a network onto a computer screen, without even the need of ownership or possession.

Commodity riots and the dictatorship of the proletariat of consumption

Consumption can also violently burst out of the confinement imposed upon it by industrial capitalism to dictate to those who cannot consume enough a more direct relationship. In the land that the Industrial Revolution begun and where once the Luddites destroyed machines, in August 2011, we witnessed a different kind of riots; some very cognitive-capitalism riots. The violence – at times seemingly blind – was not directed at destroying the means and super-structure of production; the objects of repression of the proletariat (what ‘traditional’ Marxists would expect to witness), nor was it focused directly against authority and the power of the state (any clashes with police were a by-product of the dynamic of the riot). It did not have any political objectives, nor was it organized by any (party, union or revolutionary organization) hierarchy. Riot(er)s self-organized through social-networks and direct exchanges of knowledge, feelings and emotions (anger, resentment, or just the joy of vandalism).

The gangs of these negated Luddites of consumption did not destroy machines in factories (these are, after all, no-where to be seen, nowadays, in the urban landscapes). Their violence was a violence of consumption.

They ‘liberated’ the objects of consumer desire from the confines of stores and warehouses. They grabbed and looted what they saw as deserving theirs and, after all, made *for* them: the cool sneakers, the plasma TVs, the trendy clothes, the Xboxes, PlayStations and mobile phones; and when these run out, everything else they could get their hands on.

Other explanations of these riots fail to understand this cause. But, by putting forward the exegesis of consumption as an all-powerful and mighty drive to acquire and a call to possess, we bring in some lucidity to the matter. Some might warn that the riots are a sign of the threat to society posed by (over)consumption and we, thus, need to return (somehow) to more ‘traditional’ values. We suggest that the (commodity) riots of August 2011 are a warning sign that consumption and cognitive capitalism are asphyxiating in a structures and norms of industrial capitalism that are still in place. Shouldn’t we be thinking more along the ‘Italian mode of revolutionary politics’ by adopting and appropriating (literally or metaphorically) all the pleasures that the capitalist society can offer us, and in doing so intensifying and heightening our desires? After all, in a society of abundance, like ours, everyone who desires a PlayStation or a plasma TV, should have one!

We feel that we are right at the beginning of not only a new era, but also of a huge highway of knowledge that we need to grasp. Paraphrasing Žižek (2011), we advocate that the situation is indeed catastrophic, but not serious! (It is catastrophic for those who strive for outdated forms, but not serious for those who want to seize the future).

NOTES

1. When the sensual deprivation under ‘existing socialism’ ended millions of little shops, kiosks, and stalls blossomed all over Eastern Europe, offering a myriad of wonderful object (from lingerie and adult entertainment goods to techno gadgets) that served primarily one purpose: to make life more sensual; happier and cosier.

REFERENCES

- Hardt, M. and Negri, A. (1994), *The Labor of Dionysus: A Critique of the State Form*. Minneapolis: University of Minnesota Press.
- Hardt, M. and Negri, A. (2000) *Empire*. Cambridge, MA: Harvard University Press.
- Hardt, M. and Negri, A. (2005), *Multitude – War and Democracy in the Age of Empire*. London: Penguin Books.
- Hardt, M. and Negri, A. (2009), *Commonwealth*. Cambridge, MA: Harvard University Press.
- Lazzarato, M. (1996), “Immaterial Labour”, in Virno, P. and Hardt, M. (eds), *Radical Thought In Italy: A Potential Politics*, 189–210. Minneapolis, MN: University of Minneapolis Press.
- Mantle, J. (1999), *Benetton. The family, the business and the brand*. London: Little, Brown and Company.
- Moulier Boutang, Y. (2007), *Le capitalisme cognitif : La nouvelle grande transformation*. Paris: Editions Amsterdam.
- Negri, A. (2008), *Reflections on Empire*, trans. Ed Emery. Cambridge: Polity Press.
- Paulré, B. (2008), “Le capitalisme cognitif. Une approche schumpétérienne des économies contemporaines”, in G. Colletis and B. Paulré (eds.), *Les nouveaux horizons du capitalisme*, 23–69. Paris: Economica.
- The Gap, Inc. (2010), ‘How our clothes are made’, Assessed at http://www.gapinc.com/public/About/abt_howourclothesaremade.shtml
- Tsogas, G. (2012), “The commodity form in cognitive capitalism”, *Culture and Organisation* 18(5), 377-395.
- Tsogas, G., Shukaitis S., Koufopoulos, D. (2013), “Cognitive capitalism, organization, and the labour theory of value”, paper presented at Essex Business School Seminars, 18 June.
- Vercellone, C. (2005), “The hypothesis of cognitive capitalism”, paper presented at the Historical Materialism Annual Conference, 4–6 November, London, UK.
- Virno, P and Hardt, M. (1996), *Radical thought in Italy. A potential politics*, Minneapolis and London: University of Minnesota Press.
- Virno, P. (2004) *A Grammar of the Multitude*, New York: Semiotext(e).
- Žižek, S. (2011), ‘The situation is catastrophic, but not serious’ assessed at http://pt-br.facebook.com/note.php?note_id=192323217466727 – posted on

Saturday, 05 March 2011 at 15:39, [assessed on 16 April 2011].

Zuccaro, B. (1990), "Information systems should be both useful and used: the Benetton experience", *Online Information Review*, 14(2), 71-76.

George Tsogas has held academic positions at the Cyprus International Institute of Management, Cass Business School, Erasmus University Rotterdam and Cardiff Business School. His interests are in organization theory, employee relations and labor markets. The results of his research about the commodity form in cognitive capitalism have been recently published in the *Culture and Organization*.