



## Is capitalism dying out?

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**review of:**

André Gorz (2010) *The Immaterial: Knowledge, Value and Capital*, trans. Chris Turner. London and New York: Seagull Books. (HB, pp.212, £13.50, ISBN 1906497613)

The Austrian born but French writing social philosopher and author André Gorz's (1923-2007) important book *The immaterial: Knowledge, value and capital* is now available in English. The leftist radical post-Marxist theorist originally wrote the book in French, entitled *L'immatériel. Connaissance, valeur et capital*, five years before the international financial crisis hit the world in 2008. Gorz became known outside the narrow circle of critical interpreters of contemporary capitalism when he wrote the essay 'Écologie et Liberté' (1977; 'The Ecology of Freedom', 1982) and the books *Adieux au prolétariat – au delà du socialisme* (1980; *Farewell to the Working Class: An Essay on Post-industrial Socialism*, 1982) and *Les chemins du paradis, L'agonie du capital* (1983; *Paths to paradise: On the liberation from work*, 1985).

Gorz's thesis in *The immaterial* is that contemporary cognitive capitalism is in deep crisis and destined to die. In the book's opening chapters, he argues that human knowledge has become the most important productive force and an economic resource second to none for the valorisation of capital. Creative and innovative human thought, the precious fruits of 'human capital', have replaced industrialised work and production forms. But despite the social nature of and global access to knowledge (at least in principle), capitalism exploits immaterial labour and tries to invent ways to privatize knowledge (e.g. via copyright, high access fees, control of communication, etc.). But as Gorz suggests, capitalism is also in crisis. It is becoming obsolete in a society where human beings can exchange knowledge and good ideas beyond the market sphere and the production-commodity-money-consumption 'logic'. Knowledge is not a limited resource, reducible to a price or the time invested in its 'production'. Gorz traces how a 'communism' of free knowledge and thinking is breaking through in the midst of the present day corporate world. He baptizes the new stand-ins for the long-gone proletariat as 'the dissidents of digital capitalism' (114), and predicts that liberation is close. The creative potential of man will come to

blossom far beyond capitalism. According to Gorz, networks of free cooperation will take over and make corporate powers vanish.

Beside these profound and dramatic prophecies, the book contains a convincing defence of the idea of a basic income for everyone in society and attacks the labour-as-a-value convention: 'By freeing the production of the self from the constraints of economic valorization, a basic income will necessarily facilitate the unconditional full development of people, beyond what is functionally useful for production' (28). Chapter Three is called 'Towards an Intelligent Society?...' and Chapter Four '...Or Towards a Post-Human Civilization?'. In these chapters Gorz discusses whether we are standing at the threshold of a post-human civilization, where human nature will be drastically transformed, genetically modified and brain-enhanced by cognitive-instrumental reason and the accompanying techno- and bio-sciences. But this review will focus primarily on the intertwined double skeleton of Gorz' argument that: (i) cognitive capitalism is a crisis phenomenon; and (ii) capitalism as such is worn out and will soon become a relic of the past.

## Immaterial labour

At the beginning of the book Gorz quotes a long and telling passage from Norbert Bense, the Human Resources Director of Daimler-Chrysler:

The employees of an enterprise are part of its capital...The motivation and know-how of the employees, their flexibility, capacity for innovation and concern to satisfy the clients' wishes (*Kundenorientierung*) constitute the raw material for innovative service products...Their behaviour and their social and emotional skills play an increasing role in the evaluation of their work...This will no longer be assessed by the number of hours they put in but on the basis of objectives achieved and the quality of outcomes. They are entrepreneurs. (6)

Gorz draws several striking clues from this statement. Work is no longer measurable by pre-established norms and yardsticks. The idea of time as the measure of value is no longer a reality in the production sphere nor is it a valid theory, raising serious problems for both traditional bourgeois economics and Marxist labour theory. The societal value is neither reducible to scarcity and supply-demand curves nor related directly to a quantified and exploitative time-schedule that aims to speed-up the production process. In immaterial cognitive capitalism work becomes individualised and labour power becomes personalised. At the same time, social coordination capabilities and network activities tend to mandate procedures in which the flexible and mouldable workforce are involved. Personal performance criteria like motivation, flexibility, creativity and innovative skills overtake the roles that formal knowledge, craftsman qualifications and vocational skills used to have. To work is transformed into the capability to be able to produce oneself in unforeseen and unpredictable ways. The heart of value-creation is immaterial work. In present day post-Fordism, capital becomes more dependent on the implicit and explicit knowledge of workers' everyday lives and socio-psychological skills. Gorz stresses that capital tries to incorporate and exploit these *externalities* (free resources). The non-economic but precious

nature of man (intelligence, wit, desire, curiosity, creativity, lust, communication, language, etc.) is drawn into economics as necessary *conditio sine qua non*s for prosperous cognitive capitalism. The experiential knowledge of man cannot be formalized, and neither the igniting trigger of production nor its product is tangible. Gorz instead highlights what he calls ‘the total mobilization’ (16) of the mental and affective skills of the workers. Unpaid, unseen and voluntary work is integrated within the sphere of an ever-more virtual production process and employees are forced to see themselves as ‘entrepreneurs’, as a part of ‘fixed capital to be continually reproduced, modernized, expanded and valorized. No constraints must be imposed on them from the outside; they must be their own producers, their own employers and their own sales force...’ (19-20). Therefore, everybody must take responsibility for their own health, competence adjustment and the indispensable updating of knowledge. The modern workforce has to be ‘fit’ in the bio-political sense of the word. In short, life becomes business. Your health is your wealth! ‘Everything becomes a commodity. Selling oneself extends to all aspects of life. Everything is measured in money’ (23). Again: ‘The obligatory production of oneself becomes a “job” like any other’ (25). Here is a recent Danish example that seems to validate Gorz’s argument: Roskilde University Centre (RUC) is organized into interdisciplinary and problem-oriented academic educational programmes, based on a great deal of self-determined student involvement. At RUC it is not only possible to study ‘Performance Design’ but also something called ‘Personal Branding’. Good old Karl Marx would probably turn in his grave, full of shame, if he knew. Human capital, in this sense, seems destined to be cultivated (like the prosperous and ‘positive’ human skills of learning and creativity) from cradle to grave. As the French writers and sociological thinkers Éve Chiapello and Luc Boltanski wrote in their famous book about the spirit of new capitalism, *Le nouvel esprit du capitalisme* (1999), it is a predominant tendency that we come to study and to work in flexible and time-limited project networks based on profitable self-governance.

## Immaterial capital

For Gorz, it is against the ‘nature’ of society if there is a widespread scarcity of, or limited access to, knowledge. ‘Unlike general social labour, knowledge is impossible to translate into – or measure in – simple abstract units. It is not reducible to a quantity of abstract labour of which it can be said to be the equivalent, the outcome or the product’ (35). In other words, heterogeneous phenomena such as judgement, aesthetic sense, intuition, the ability to learn or anticipate unforeseen events cannot be bought nor ‘tamed’ with a price tag. Nobody can measure the exact ‘value’ of the internet, Kant’s *Critique of Judgement*, the unique sound of Jimi Hendrix’s Fender Stratocaster guitar, Kafka’s collected works or a kiss and a word from your loved one. Thereby the logic of cognitive capitalism decouples the value of knowledge, the most important productive force in society, from the realm of exchange and the market sphere (e.g. through copyright, high access fees, monopoly pricing). For Gorz contemporary capital relies on immaterial human and inter-human forces while it seeks to appropriate the talents and fruits of living labour. New powerful phantasms and neologisms are created: experience economy, attention economy,

knowledge economy, network economy, etc. But society's capacity to think and acknowledge risk becomes removed from society itself even though knowledge cannot (at least in principle) be detached from social individuals who practice and 'possess' it. What is in its nature, both social and common, becomes privatised in a world in which radical transformations 'hit' and challenge concepts like labour, knowledge, capital and value. Michael Hardt and Antonio Negri's *Commonwealth* (2009) represents the full potential of this thought six years later and refers explicitly to Gorz' analysis of the common in *L'immatériel*.

Gorz claims that cognitive and immaterial 'products' ought to be everybody's goods. When they are 'spent' they do not disappear. They are like love and happiness. The more you divide and bond knowledge and other immaterial 'products' the more you blossom and engage in mutual exchange beyond the sphere of commodities, money, alienated paid work or reified work forms. Using a colourful phrase Gorz describes the (forthcoming) free society beyond capitalism as a 'universal intercourse between human beings' (39). The exchange-value-free knowledge can, in theory, be shared at will, without having to pass through a value-form such as money. What is going on via the Internet is potentially beyond private appropriation. Gorz depicts a generous gift-economy in which standardized units of economic measurement dissolve and eventually vaporize. 'Human capital' has to be liberated from capital and our collective intelligence has to invent another conception of wealth, and dare to set new goals for mutual human activity.

Gorz writes about an 'affluent economy' which tends towards a no-cost economy, and thereby capitalism becomes obsolete by its own inherent logic. It is not hard to see that his concepts of affluence and economy differ profoundly from the mainstream definitions used by scientists and politicians. Gorz backs up his speculative thinking with interpretations of visionary quotations from *Das Kapital* and *Grundrisse*, and refers with admiration and vivid hope to the American economist and future research scientist Jeremy Rifkin's point that 'the immaterial capital or 'intellectual capital' of most companies [in Sweden around 1999] reached levels between five and sixteen times higher than their material and financial capital' (59).

### **Cool headed critique and a warm heart**

Gorz's claim that capitalism has intrinsic difficulties in 'making intangible capital function as capital [and] making so-called cognitive capitalism function as capitalism' (65) is certainly thought-provoking. But even though I have great sympathy for his analysis of the inner contradictions in present-day capitalism, I suggest that we keep a cool head. Impatience is no escape route or a freeway to paradise. What is needed is a thorough and critical diagnosis of the compulsory, immaterial and cognitive capitalism.

We have to reflect upon the fact that not only knowledge circulates on the Internet, but also blogs, diaries, private video-clips, pornography and subliminal PR for products and

services. The Web is not a liberated zone for free global and interactive citizenship. Gorz does not seem to differentiate between knowledge, information and the multitude of other signs. He wears only his knowledge glasses. It might also be the case that he underestimates the amount of work that is not based on novel knowledge production. Besides, powerful corporate interests and brands are able to privatise great parts of the value-added knowledge circulating online, even though the actual production costs on the Internet are something close to zero. We also have to realize that free access to Wikipedia and the like does not necessarily mean that we have become more knowledgeable than we were when we ‘only’ read whole books made of paper.

Even though Gorz sees a new hacker ethic and a free software ‘precariat’ – namely, underpaid and creative digital workers, the so-called ‘postindustrial neoproletariat’ (121) – breaking through, and actively welcomes their attempts to bring back knowledge into society, he might overstate this new tendency. The majority of the ‘dissidents of digital capitalism’ might be living on the fringes of salaried employment not because they want or choose to, but because economic trends dictate their living and working conditions. If we see a new global recovery, the creative commonality may well rush back to work for money in the big corporate machine(s). Gorz overloads the free software agents with labels like ‘anarcho-communism’ (125) and the idea that they ‘consciously [practice] within capitalism against capitalism’ (125) is unconvincing.

Capitalism has survived crises throughout in its long history and the market economy continues to spread across the world. The relations between exploitation, profit ‘creation’, the division of labour, wage-labour and commodities – for example, the fulfilment and production of needs at the market place – are not deteriorating, but are in fact becoming the dominant condition for the majority of working people on this planet. And capitalism has a talent for inventing needs while manufacturing and selling endless types of consumer goods to the masses. Great societal experiments of the non-capitalist kind or even socialist alternatives are unfortunately not easy to envisage, neither in 2003 when the book was written, nor 9 years later, at the moment when I’m writing this review.

## Exit

Where Gorz envisages a capitalism dying out and negating itself in a fertile virtual sphere of communication that contains real political potentialities for radical social transformation, I see what Marx called ‘the civilizing influence of capital’ giving breath to ever newer forms of contradiction. Gorz is right in claiming that knowledge is not reducible to a commodity. He is also right to emphasize that neither the Marxist theory of value nor the dominant ‘liberal’ theory of economic value can grasp the process of transforming knowledge into value. But unfortunately he is mistaken in claiming that capitalism will soon disappear. Maybe it is capitalism’s ability to produce powerful conflicting and contradicting patterns of social life that keeps it alive and kicking. Capitalism manages to integrate major parts of human creativity, our innovative skills, desires and communicative

utterances to foster and maintain its own logic of accumulation, and until now we have not been able to conquer its destructive aspects or find a way to live without its seemingly magnetic power.

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