Henryk Grossmann 2.0: A Critique of Paul Mason’s Book
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Abstract: This article reviews Paul Mason’s book “PostCapitalism: A Guide to Our Future”. It discusses Mason’s version of long wave theory, the book’s interpretation of Karl Marx, its analysis of the Grundrisse’s “Fragment on Machines”, and aspects of political struggles and societal change. The conclusion is that Paul Mason is digital Marxism’s Henryk Grossmann 2.0.

Keywords: Paul Mason, post-capitalism, Karl Marx, digital media, digital Marxism, Internet


1. Introduction

In 1857, Karl Marx (1857/1858, 161) described the emergence of “institutions […] whereby each individual can acquire information about the activity of all others” and can build “interconnections”. So it seems like it was not Tim Berners Lee, but Karl Marx, who invented the World Wide Web (see Fuchs 2014a, 17)! What sounds like a description of the Internet, was in fact an analysis of the lists of current prices that were important information sources for the organisation of trade in the 19th century. Marx was not just a theorist of capitalism, but also one of communications (see Fuchs 2016d, 2009; De La Haye 1980) or what he termed the means of communication. It is therefore no surprise that not just the capitalist crisis, but also the rise of the Internet has led to an interest in Marx today. We have seen the emergence of what can be termed digital Marxism (see for example: Dyer-Witheford 1999, Fisher and Fuchs 2015; Fuchs 2014a, 2014c, 2015a; Fuchs and Mosco 2012, 2016; Huws 2003, 2014).

The journalist Paul Mason tries to join the field of digital Marxism with a popular science book titled PostCapitalism. The work’s task is to show how information technology has created foundations of what Mason calls a post-capitalist economy.

2. Long Waves of Economic Development: Kondratieff, Schumpeter and Marx

Paul Mason sees post-capitalism as a consequence of information technology: “Postcapitalism is possible because of three impacts of the new technology in the past twenty-five years” (xv): 1) the blurring of boundaries between labour and free time, 2) the abundance of information, 3) collaborative digital peer production. “The main contradiction today is between the possibility of free, abundant goods and information and a system of monopolies, banks and governments trying to keep things private, scarce and commercial” (xix). This analysis over-estimates information economy because capitalism is not just digital and informational capitalism, but at the same time financial capitalism, hyper-industrial, fossil fuel capitalism, mobilities capitalism, etc. (Fuchs 2014a, chapter 5).

Mason argues for a long wave theory of crisis and capitalism that combines Kondratieff’s long wave theory (that assumes that capitalist development has the form of 50-year long cycles consisting of 25 years of economic upswing followed by 25 years of downswing) and
Marx’s theorem of the tendency of the rate of profit to fall (TRPF). The fifth long wave’s “takeoff has stalled” (47) because of neoliberalism and information technology (48). “[F]irms use profits to pay dividends rather than to reinvest” (71). Factors enabling neoliberalism would have been “fiat money, financialisation, the doubling of the workforce, the global imbalances, including the deflationary effect of cheap labour, plus the cheapening of everything else as a result of information technology” (106).

For Mason, the fourth cycle lasted from the late 1940s until 2008 (72) and was driven by “transistors, synthetic materials, mass consumer goods, factory automation, nuclear power and automatic calculation” (48). He argues that in contrast to Joseph Schumpeter’s assumptions, innovations and the adoption of new technologies do not stem from entrepreneurial inventiveness, as Schumpeter argued, but from working class struggles that force capitalism to reinvent itself (75-76). The key technologies of the stalled fifth cycle would be “network technology, mobile communications, a truly global marketplace and information goods” (48).

The combination of Kondratieff and Marx in a Marxist version of long-wave theory as alternative to Schumpeterism is not new. Paul Mason completely ignores and does not seem to be aware of Ernest Mandel’s work, especially his book Late Capitalism (Mandel 1975; for a discussion, see: Fuchs 2016d, 151-152, 211). Mandel argued that there are long waves in the development of the rate of profit and that the 4th long wave’s downswing was initiated around 1967. Like Mandel, also Mason assumes that the tendency of the rate of profit to fall drives long waves that last fifty years: “The tendency of the rate of profit to fall, interacting constantly with the counter-tendencies, is a much better explanation of what drives the fifty-year cycle than the one Kondratieff gave” (p. 77). Mandel wrote in his 1972 PhD dissertation Late Capitalism:

“The history of capitalism on the international plane thus appears not only as a succession of cyclical movements every 7 or 10 years, but also as a succession of longer periods, of approximately 50 years. […] An economic upswing is possible only with a rising rate of profit, which in its turn creates the conditions for a fresh extension of the market and an accentuation of the upswing. At a certain point in this development, however, the increased organic composition of capital and the limit to the number of commodities that can be sold to the ‘final consumers’ must both lower the rate of profit and also induce a relative contraction of the market. These contradictions then spill over into a crisis of over-production. The falling rate of profit leads to a curtailment of investments which turns the downswing into a depression” (Mandel 1975, 120, 439).

Mason like Kondratieff, Schumpeter and Mandel assumes that “fifty-year cycles are the long-term rhythm of the profit system” (77). But Mason’s own claims contradict this metaphysical assumption that the wave-length is fixed to 50 years: He in other places in the book argues that the fourth wave was 60 years long (72). Given that capitalism is a complex, dynamic, open system (Fuchs 2004, 2008b, 2002), the deterministic assumption that there are long waves that last 50 years is simply not feasible (for a more detailed version of this argument, see: Fuchs 2016d, 150-159).

Other than neo-Schumpeterians such as Christopher Freeman and Carolta Perez, Mason rejects the assumption that the information technology paradigm is resulting in a new long wave with sustained growth. The reason why he does so is however not scepticism of deterministic, undialectical and instrumental logic, but another form of determinism: Paul Mason assumes, as we will see, that information technology has to result in the breakdown of capitalism.

3. Karl Marx

“Marx could not take into account the major phenomena of the twentieth century – state capitalism, monopolies, complex financial markets and globalisation” (54). Obviously Marx did not live in the 20th century. But he was a very anticipatory thinker and, other than Mason claims, indeed very well understood globalisation, monopolies, and finance. Already in the
Communist Manifesto, Marx and Engels pointed out the connection of capitalism, globalisation and technology, arguing for example that capitalism “has given an immense development to commerce, to navigation, to communication by land. This development has, in its turn, reacted on the extension of industry. […] [Capital] must nestle everywhere, settle everywhere, establish connexions everywhere” (Marx and Engels 1848, 486, 487). Eric Hobsbawm (2011, 112) argues in this context that today we can because of new communications and a new round of globalisation “see the force of the Manifesto’s predictions more clearly than the generations between us and its publication”.

It is also simply not true that Marx did not see capitalism’s monopoly tendency. This tendency is a key aspect of what Marx in Capital Volume 1 calls the historical tendency of capitalist accumulation. This tendency involves the “centralization of capitals” because of the “immanent laws of capitalist production itself” so that one “capitalist always strikes down many others” (Marx 1867, 929). Marx also saw the speculative dimension and crisis tendency of financial capital in his analysis of what he termed fictitious capital in Capital Volume 3. He spoke of finance as “an entire system of swindling and cheating with respect to the promotion of companies, issues of shares and share dealings” (Marx 1894, 569).

Against Paul Mason, we have to stress that Marx anticipated many of 20th century capitalism’s development tendencies. Capitalism develops dialectically through crises that result in sublations (what Hegel called “Aufhebung” in German) that bring about the emergence of relatively unpredictable changes. Crises are bifurcation points that destabilise the system. Marx’s theory itself is dialectical and historical, which means that it formulates the basic foundational structures and tendencies of capitalism, but needs to be adapted and sublated for the analysis and critique of the political economy of every specific phase of capitalist development. This does not mean that Marx is unsuited for the analysis of contemporary capitalism, but rather that the basic tenants of his analysis form the foundations for a dialectical analysis of 21st century capitalism and all other epochs of capitalism and class society as well as of society in general (see also Fuchs 2016a, 2011).

4. Marx’s Grundrisse and Informational Exceptionalism

Paul Mason uses the assumptions of the neo-classical theory of economic goods for formulating a hypothesis of informational exceptionalism: “Info-goods change everything” (116) because they are non-rival and non-exclusive in consumption (118) and “can be reproduced for free” (117). Information would therefore undermine the price mechanism, result in the emergence of a contradiction between artificial capitalist information monopolies and “[p]eer-produced free stuff” (143) as well as in an alternative non-market info economy consisting for example of Wikipedia, Wikileaks, open source, creative commons, free software, etc.

Paul Mason echoes Jeremy Rifkin’s (2015) claim of the emergence of a zero marginal cost society: The convergence of communication technology, energy technology and transport technologies in an Internet of things according to Rifkin fosters a near-zero marginal cost society, in which the “marginal cost of producing and distributing” information plummets “to near zero” (Rifkin 2015, 5) so that collaborative commons emerge that give momentum to a “transition from the capitalist era to the Collaborative Age”, can “heal the biosphere and create a more just, humane, and sustainable global economy for every human being on Earth in the first half of the twenty-first century” (Rifkin 2015, 380). Both Paul Mason and Jeremy Rifkin are very optimistic that information technology ushers in capitalism’s end and has to result in a better world that transcends capitalism. Such an assumption is not just optimistic, but also techno-deterministic. It underestimates the antagonistic character of digital capitalism and its imperialistic tendency to create new inner colonies of exploitation.

Mason’s analysis of post-capitalism is based on a particular reading of Marx’s Fragment on Machines in the Grundrisse (Marx 1857/58, 690-714) that has been advanced by one theoretical tradition within Autonomist Marxism. This tradition involves authors such as Antonio Negri, Michael Hardt, Carlo Vercellone, Yann Moulier Boutang, Maurizio Lazzarato, and Paolo Virno, to whom Mason refers positively when interpreting the Fragment. According to this interpretation, the rise of an information economy or what these authors term “cognitive
capitalism" invalidates the law of value, completely destroys labour time as the source of value, makes value immeasurable and "immaterial", and thereby fosters crisis and the transition to communism.

Marx's Grundrisse would show that "a machine that lasts for ever, or can be made with no labour, cannot add any labour hours to the value of the products it makes" (167). Mason says that in the information economy, a "world of free stuff cannot be capitalist" (142), "information corrodes value" (143), and "value vanishes" (170). He argues that information technology creates a timeless economy that is independent from labour time: "Useful stuff that can be made with tiny amounts of human labour is probably going to end up being free, shared and commonly owned" (164). "Info-tech is just the latest outcome of an innovation process lasting 250 years. But information injects a new dynamic. Because with info-tech you can have machines that cost nothing, last for ever and do not break down" (164). "The real wonder of information is not that it is immaterial but that it eradicates the need for labour on an incalculable scale" (165). " Technologically, we are headed for zero-price goods, unmeasurable work, an exponential takeoff in productivity and the extensive automation of physical processes. Socially, we are trapped in a world of monopolies, inefficiency, the ruins of a finance-dominated free market and a proliferation of 'bullshit jobs'. Today, the main contradiction in modern capitalism is between the possibility of free, abundant socially produced goods, and a system of monopolies, banks and governments struggling to maintain control over power and information. That is, everything is pervaded by a fight between network and hierarchy" (144).

Mason argues that there are "structural obstacles" (173) to the emergence of info-capitalism: zero costs, zero price, the problem of reskilling, and human resistance to commodification. "So what we have in reality is an info-capitalism struggling to exist. We should be going through a third industrial revolution but it has stalled. [...] An economy based on information, with its tendency to zero-cost products and weak property rights, cannot be a capitalist economy" (175).

In an appendix to the book Reading Marx in the Information Age, I have focused on the Grundrisse's “Fragment on Machines” (Fuchs 2016d, 360-375) and have discussed the version of autonomist Marxism to which Paul Mason relates to in detail. One main problem of this interpretation is that it misreads the Fragment, especially that passage, where Marx writes that "labour time ceases and must cease to be" the measure of wealth (Marx 1857/58, 705). This peculiar version of Autonomism assumes that this formulation implies that the rise of information technology and cognitive capitalism abolishes the law of value within capitalism and results in the automatic transition to cognitive communism.

But Marx makes clear that the context of the situation he describes is that the "mass of workers" has appropriated "their own surplus labour" (Marx 1857/58, 708) and that "production based on exchange value breaks down" (705). Marx speaks of the breakdown of the law of value in post-capitalism, not in capitalism! As long as capitalism exists, the law of value institutes the exploitation of labour in space and time. Information technology advances the contradiction between the productive forces and the relations of production, but does not invalidate the law of value.

Roman Rosdolsky (1977, 428) in his seminal study of Marx's Grundrisse argued in this context that Marx in the Fragment had the "withering away of the law of value under socialism" in mind, but not under capitalism. Moishe Postone (2008, 126) stresses the crisis of value in capitalism is "not simply superseded by a new form of wealth", but rather value "remains the necessary structural precondition of capitalist society". "Capitalism does give rise to the possibility of its own negation, but it does not automatically evolve into something else" (Postone 2008, 127). Rosdolsky's study of the Grundrisse and the works of Postone, who is one of the major Marxists value critics, are just two of the Marxist works that Mason is obviously not aware of, which results in a one-dimensional, deterministic interpretation of the labour theory of value. Mason also ignores the state of the art in discussions about the digital labour theory of value (see Fisher and Fuchs 2015, Fuchs 2014a; Fuchs 2015a, chapters 4-6). This is a fairly complex and multidimensional debate, in which there are multiple strands of thought that foreground different categories, such as productive digital labour, the collec-
tive worker, the sphere of circulation, rent, advertising as ideological transport labour, reproductive labour, consumption work, audience and user labour/commodification, the political economy of targeted online advertising, or immaterial labour/cognitive capitalism. Mason only relies on the latter category and interpretation of the digital labour theory of value.

Although the copying time of information is very small, there are ways of how capital tries to institute new forms of labour-time, value creation and exploitation in the information economy. First, commercial software and other information goods are not just produced once and then copied, but there are often new versions, constant updates, and forms of support labour. It is therefore no surprise that the number of annual hours worked in the sector of IT and other information services (that includes software engineering among other types of work) has for example in Germany increased from 765 million annual hours in 2000 to 1,069 billion in 2010 (data source: OECD STAN).

Second, one has to see that large parts of the Internet's political economy are based on targeted advertising. The advertising industry is just a footnote in Mason's analysis, although global advertising revenue grew from £234 billion in 210 to £283 billion in 2014 (Ofcom 2015). The share of online advertising in total advertising has been rapidly increasing, contributing to the crisis of commercial print media. Google and Facebook are not communications corporations. They are the world's largest advertising companies (Fuchs 2014c). Advertising is not just based on the labour-time of marketing professionals, but also on the attention time of audiences and on commercial Internet usage time that is (unpaid) labour time. Dallas Smythe's theory allows us to understand this phenomenon in the context of the blurring of the boundaries between labour and leisure and between toil and play (Fuchs 2014a, 2014c, 2015a).

Third, there is an international division of digital labour, in which various forms of labour are organised (Fuchs 2014a, 2015a). It ranges from the exploitation of enslaved miners in the Congo, Tayloristic ICT assemblers at Foxconn in China, or software engineers in India or the Silicon Valley to various forms of unpaid online labour (ibid.). The production of information technology is highly exploitative and time-consuming. The assumption of value collapse in the information economy underestimates the dangers of actually existing exploitation in the capitalist world economy.

Fourth, there are various forms of irregular, unpaid, precarious, outsourced, crowdsourced, and click-worked digital labour. Examples include the usage of Facebook, Google, YouTube, Weibo, LinkedIn, Pinterest and Instagram; online customer reviews on Amazon or Yelp; work via freelancer platforms such as Upwork, PeoplePerHour, Amazon Mechanical Turk and ClickWorker; the participation in customer surveys, installing software updates, deleting spam, unsubscribing from spam lists, the time spent on online daring platforms such as match.com or Tinder, answering professional e-mails via the mobile or tablet out of regular working hours, working on the train, tube or in cafés; online travel booking, etc.

Unpaid labour and productive consumption that creates value goes beyond the Internet: Think of self-service gas stations, the self-assemblage of IKEA furniture, housework, commuting time, washing your garbage before disposing it, ATMs, self-check out machines in supermarkets, the culture of unpaid internships, check-in machines at airports, ticket vending machines at tube, train and bus stations, automated service kiosks in privatised post offices, automated vending machines, self-service bars in restaurants, fast food restaurants, etc. “Shadow working includes all the unpaid tasks we do on behalf of businesses. [...] Customers pump their own gasoline, draft their own bear, serve their own frogurt, and scoop up bagfuls of basmati rice and then label them, at the bulk-food section of Whole Foods. They fill plates at salad bars and ladle soups, lo mein, mac and cheese, or scrambled eggs from the soup bars. [...] With 3-D printers, they need only download design to 'print out' many objects they would have bought at a store not long ago. This is home manufacturing” (Lambert 2015, 1, 251-252).

Consumer and prosumers labour is shadow work because it does not in an obvious way feel like work, but creates value for corporations. It takes time. And it takes time away that could be used outside the commodity culture. It substitutes paid labour by precarious and
unpaid labour and by reducing corporations' wage-sum helps increasing their profits. Consumers and users have become part of the working class.

I am not arguing for upholding stupefying labour that could much better be conducted by machines, but rather want to stress that the contradictions that Marx describes in the Fragment have in the age of information technology become so acute that the automation and digitisation of labour result not just in unemployment, but also new forms of exploitation that are often not just precarious, but also unseen and hidden.

That the law of value has not died becomes evident if one looks at the largest transnational digital media corporations that make massive profits. In 2015, Apple was the world’s 12th largest transnational corporation with annual profits of US$ 44.5 billion. Microsoft was the 25th largest (annual profits: US$ 20.7 bn), Google the 39th largest (US$ 13.7 bn), IBM the 44th largest (US$ 12 bn), Comcast the 46th largest (US$ 8.4), Disney the 84th largest (US$ 7.8 bn), Hewlett-Packard the 96th largest (US$ 5 bn), Foxconn the 122nd largest (US$ 4.3 bn), 21st Century Fox the 150th largest (US$ 9.3 bn), Time Warner the 163rd largest (US$ 3.8 bn), etc. (data source: Forbes 2000, 2015 list). These profits do not fall from heaven and are not created out of nothing. They are the result of capital’s exploitation of paid, unpaid, precarious, outsourced, or crowdsourced digital labour-time that creates economic value in the international division of digital labour.

The reason why the Internet economy is (like all parts of capitalism) prone to crisis is not that it lies beyond value and labour-time. Rather there are exaggerated ideological expectations that the rise of the Internet can compensate for the fall of profits in other parts of the economy. Every new development in the digital world results in a new version of digital sublime (Mosco 2004), i.e. techno-optimistic ideologies that fetishise the Internet and computing. The capitalist Internet therefore comes along with expectations of massive profit rates that diverge from actual economic reality. These surplus expectations go beyond the actual possibilities inherent in the exploitation of digital labour, which drives the financialisation of the Internet economy so that financial bubbles emerge that can burst as the dot.com-crisis showed in the year 2000.

The rise of information technology has resulted in contradictions that have both created a new digital and consumer proletariat that is part of the global working class and financialised information monopolies that make informational capitalism prone to crisis. Digital and informational capitalism is not impossible, as Mason claims. It is a reality, in which we have to live today. The digital law of value has created new forms of exploitation as well as contradictions that allow the creation of new spheres of non-commercial, alternative, co-operative production and a solidarity, commons-based, and peer production economy outside the realm of capitalism that undermine the law of value. But the aim and tendency of destroying the law of value is not an automatism that flows from information and information technology. It can rather only be achieved in conscious political struggles for the decommodification of information, the economy and the world. It requires the dialectical political unity of the social movement crowd and the party (Dean 2016). “Crowds amass, but they don’t endure. […] [It is] the crowd that pushes the party to exceed expectations, [and] the party that finds the courage of the people in the haste of the crowd. […] [The] party works to extend the collective desire for collectivity after the crowds go home” (Dean 2016, 26, 260).

5. Class Struggle and Political Change

Paul Mason fails to make a profound and significant contribution to digital Marxism. His analysis is a one-dimensional, techno-deterministic breakdown theory that ignores digital labour analysis, the international division of digital labour, and the contradiction between digital labour and digital capital.

What Paul Mason is good at is identifying and describing political demands that can help to advance conditions for the creation of a post-capitalist society (see chapter 10). Such demands include the reduction of standard working hours; advancing support for co-ops, the solidarity and commons-based peer production economy; the reduction of carbon emissions, the strengthening of the welfare state and gratis public services, the reduction of inequalities,
the socialisation of the finance system, fostering human-centred automation, ending privatisation, starting state-led infrastructure projects (housing, transport, healthcare, education, etc.), debt write-off, the closure of tax havens, a clampdown on tax avoidance, the introduction of a universal basic income funded from taxation, etc. (292).

At least two ideas should be added and stressed: 1) There are different forms of tax-funded universal basic income – neoliberal and progressive basic income. In neoliberal basic income, the tax system is changed in such a way that the poor have a minimum income, but overall there is a redistribution from lower to upper income and wealth groups by measures such as flat taxation and the partial abolishment of the welfare state, which puts the first at a social disadvantage. It is no wonder that Milton Freedman embraced the idea of such a basic income. One version of neoliberal basic income is to abolish all taxes, except for VAT that is massively increased. Progressive basic income in contrast is a measure that combines universal economic rights with increasing the taxation of capital and the rich. Some years ago, I helped designing models of how progressive basic income could be implemented in the German-speaking world's basic income movement. The contradiction between neoliberal and progressive basic income became very evident in this movement. My political point has in this context always been that I do not care about basic income as such, but only about a socialist and redistributive basic income.

2) Paul Mason sees the necessity to combine civil society and state politics in progressive politics. The problem of alternative projects has to do with the radical Left's traditional scepticism of the state. Such projects often lack resources, remain an alternative ghetto for the enlightened left-wing few, are based on voluntary, highly self-exploitative labour, and as a result of all of this cannot challenge the power of capitalism. We need mechanisms that combine progressive state and civil society action. One of them is what I term the participatory media fee (Fuchs 2015b): Additional state revenues generated by capital taxation, for example by taxing advertising, are in this model redistributed via participatory budgeting to citizens, who receive a citizens cheque. They are required to donate the annual sum they receive to non-commercial media or cultural project that help advancing the public sphere.

When discussing political change potentials, the question arises who the potential subjects of this change are. For Paul Mason, contemporary protestors constitute this political subject. So he sees the need for active, conscious political praxis. But given his techno-deterministic framework, it seems like such praxis is not relatively autonomous, but the automatic result of the blind necessity forced by information technology on society and human subjects. Protest appears in Mason's account to be an automatic and necessary force of history. Such an analysis underestimates the role of ideologies that can forestall political change and political movements. Crises do not determine, but only condition political struggles. Crises as capitalism's objective dialectical factor condition the possibilities for and limits of subjective contradictions, in which humans intervene collectively into society and try to change it. “Not the slightest natural necessity or automatic inevitability guarantees the transition from capitalism to socialism. […] The revolution requires the maturity of many forces, but the greatest among them is the subjective force, namely, the revolutionary class itself. The realization of freedom and reason requires the free rationality of those who achieve it. Marxist theory is, then, incompatible with fatalistic determinism (Marcuse 1941, 318-319; for a detailed discussion of Herbert Marcuse’s critical theory in the age of digital and social media, see Fuchs 2016b, chapter 4).

Who exactly is the progressive political subject for Paul Mason? He speaks of “a new agent of change in history: the educated and connected human being” (xvii). “In the past twenty years, capitalism has mustered a new social force that will be its gravedigger, just as it assembled the factory proletariat in the nineteenth century. It is the networked individuals who have camped in the city squares, blockaded the fracking sites, performed punk rock on the roofs of Russian cathedrals, raised defiant cans of beer in the face of Islamism on the grass of Gezi Park, pulled a million people on to the streets of Rio and São Paulo and now organized mass strikes across southern China. They are the working class 'sublated' – improved upon and replaced” (212).
Almost all managers, CEOs, and other members of the class of the 1% are "educated and connected". They are the globalised, networked, educated, influential – and wealthy. Are the educated, connected and networked hedge fund manager and the educated, connected and networked entrepreneur, who parks and hides his wealth in tax havens, part of this subject? Definitely not! Education, networking and connectedness are not automatically politically progressive. When we assume that educated, connected, networked individuals are the progressive subject, then this means that the 1% must be the avant-garde of the Left, which is an absurd assumption. Also fascist leaders and activists can be educated and are mostly not just populists, but also highly connected and networked. We must see that a significant share of contemporary political action is fascist, racist or right-wing extremist in character. Not only is it relatively open if in a situation of crisis, protest emerges or is forestalled by ideologies and repression, also the dominant political direction of such politics is not determined.

Paul Mason’s take on political change is naive. This became also evident in his 2012 book *Why It’s Kicking Off Everywhere: The New Global Revolutions* (Mason 2012), in which he fostered the myth of contemporary protests being Facebook and Twitter revolutions. If one bases books on journalistic observations and not on systematic, critical empirical studies, then such short-circuited, one-dimensional analyses are the outcome. What Paul Mason observes as a journalist on some squares of the world and in his interviews can at best be a partial truth, half-truth or untruth. It is not based on a social science methodology. Empirical research has in contrast shown that online media neither cause contemporary protests and revolutions nor are they unimportant (see for example: Aouragh 2016, Fuchs 2014b, Gerbaudo 2012, Salem 2015, Wilson and Dunn 2011, Wolfson 2014). Protests are shaped by dialectics of mediation and the streets, the Internet and the squares, online and offline, face-to-face and mediated communication, traditional and new media (Fuchs 2014b). Sometimes it would be better that journalists go (back) to university and do PhDs in order to learn some social science and conduct systematic empirical research before they write books.

Not the educated, connected, and networked form a political subject today. The potentially progressive political subject-in-itself is rather formed by all those whose labour produces the commons, but does not control, expropriate and dispossess the commons of nature, the social, knowledge, culture, technology, care, and education. The 1% are not part of this political subject, but rather form its dialectical opposite.

6. Conclusion

Paul Mason’s book *Post-Capitalism* fetishises information technology. It ignores the role of digital labour and the contradiction between digital labour and digital capital in the international division of digital labour. It is based on a one-dimensional, functionalist reading of Marx and misses to understand digital capitalism’s imperialistic character (Fuchs 2016c). It sees human praxis as a blind necessity emanating from information technology and is based on a linear, techno-deterministic, functionalist logic:

Information technology => Zero-marginal costs of information => Tendency of the Rate of Profit to Fall => Breakdown of capitalism => Post-capitalism

"We need to be unashamed utopians" (288): Paul Mason is a utopian socialist 2.0, who sees the utopia of socialist post-capitalism not as the outcome of socialist praxis’ active hope, but as the result of information technology. The book stands in the tradition of other breakdown theories of capitalism. Although theoretically much less sophisticated, it is not unrelated to the German Marxist Robert Kurz’s approach. In books such as *Der Kollaps der Modernisierung* (Kurz 1991), *Schwarzbuch Kapitalismus* (1999), or *Geld ohne Wert: Grundrisse zu einer Transformation der Kritik der politischen Ökonomie* (Kurz 2012), Kurz argues that the microelectronic revolution destroys the substance of value and results in an inevitable decrease of the rate of profit that leads to capitalism’s collapse and the emergence of a post-capitalist society:
“Briefly, one can say that with the microelectronic revolution starting in the early 1980s, whose potential is far from being exhausted, not only the Fordist Expansion but the expansion of productive labor and therefore real value creation also stagnated; productive labor has since been in retreat on a global scale. This means that the historical compensation mechanism, which sustained the parallel expansion of capitalistically unproductive labor, no longer exists. The basis of capitalist reproduction has truly reached its absolute limit, although its collapse (in the fullest sense of the word) has not yet taken place on the formal phenomenological plane. But such an event would no longer merely take the form of an accelerated decrease in the rate of profit” (Kurz 1995).

The analysis in Mason’s book also resembles the parent of all economic breakdown theories, Henryk Grossmann’s 1929 book *Das Akkumulations- und Zusammenbruchsgesetz des kapitalistischen Systems (The Law of the Accumulation and Breakdown of the Capitalist System)*. Grossmann gives a mathematical example (based on a calculation that Otto Bauer [1912/1913] provided in an essay), in which capitalism breaks down after 35 years. He argues that the example shows that Marx’s theorem of the tendency of the profit rate to fall brings about the automatic breakdown of capitalism.

“If the capitalist system inevitably breaks down due to the relative decline in the mass of profit we can understand why Marx ascribed such enormous importance to the tendential fall in the rate of profit, which is simply the expression of this breakdown” (Grossmann 1992, 119).

“The capitalist mechanism falls sick not because it contains too much surplus value but because it contains too little. The valorisation of capital is its basic function and the system dies because this function cannot be fulfilled” (Grossmann 1992, 126).

“Marx roots the breakdown in the social form of production; in the fact that the capitalist mechanism is regulated by profit and at a certain level of capitalist accumulation there is not enough profit to ensure valorisation of the accumulated capital” (Grossmann 1992, 127).

Bauer calculated the development of the rate of profit in his example only for four years. Grossmann extended the calculation over 35 years (compare: Fuchs 2002, 254). The problem is that the example is constructed in such a way that the rate of surplus value remains constant while the organic composition of capital increases. In reality, class struggle on behalf of capital can increase the rate of surplus value and act as countervailing tendency so that class struggle is a crucial intervening variable in the development of the rate of profit (Fuchs 2016d, 348-350; Fuchs and Sandoval 2014; Fuchs and Garnham 2014, 125-126). Grossmann acknowledges the existence of countervailing tendencies, but argues that the breakdown tendency in the end must assert itself and must result in a final crisis: “Despite the periodic interruptions that repeatedly defuse the tendency towards breakdown, the mechanism as a whole tends relentlessly towards its final end with the general process of accumulation. As the accumulation of capital grows absolutely, the valorisation of this expanded capital becomes progressively more difficult. Once these countertendencies are themselves defused or simply cease to operate, the breakdown tendency gains the upper hand and asserts, itself in the absolute form as the final crisis” (Grossmann 1992, 85).

Also Lenin (1964, 154) overlooked the negative aspects of technology when he idealised the Taylor system’s inhumanity and thought it was ready made for application in a socialist society:

“The Taylor system – without its initiators knowing or wishing it – is preparing the time when the proletariat will take over all social production and appoint its own workers’ committees for the purpose of properly distributing and rationalising all social labour. Large-scale production, machinery, railways, telephone – all provide thousands of opportunities to cut by three-fourths the working time of the organised workers and make them four times better off than they are today”.

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The point is that capitalism and domination inherently shape the character of technologies. It is therefore unlikely that a technology in capitalism only has positive and emancipatory roles and potentials. Modern technology has contradictory tendencies that can support emancipation and repression. The point is that it is a political task to reshape both society and technology in an integrated manner so that democratic socialism can be advanced.

The rate of profit depends on the organic composition of capital and the rate of surplus-value. It is directly proportional to the rate of surplus-value and indirectly proportional to the organic composition (Fuchs 2016d, 248-256, 347-351). Technological development can bring about an increase of both, so that an actual rise or fall of the rate of profit and the economic expression of the tendency depend on the results of class struggle and the degree of countervailing tendencies (Fuchs 2016d, 248-256, 347-351). There is no necessary breakdown of capitalism. Information technology only conditions, but does not determine capitalism’s objective and subjective contradictions and their development.

The collective worker of the world has to politically unite in order bring about the humanisation of society and technology. Paul Mason is digital Marxism’s Grossmann 2.0. Such an assessment is the opposite of praise for a book. PostCapitalism: A Guide to our Future is successful in market terms (in capitalist ideological terms this means that it is a “bestseller”) not because of the superiority of its analysis, but because its author due to his journalistic activity has more than 200,000 Twitter followers and has become widely known by appearances on BBC and Channel 4’s news broadcasts. The stratification of media attention in the capitalist society of the spectacle results in a divergence of attention so that high levels of sales, revenues and attention can very well accompany low academic, theoretical and analytical quality. The poverty of theory sells if it blinks and screams glaringly and loud enough in the attention economy, even if it just imitates, copies and disguises itself as digital Marxism.

References


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