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BIOCAPITALISM AND BASIC INCOME

“What a long, strange trip has been” ♥

1. Introduction

In recent years, many analysts have noted that, within advanced capitalist societies, income polarization has steadily increased. Such a polarization is a direct consequence of the emergence of a new accumulation paradigm that lately several scholars have emphatically defined as *Cognitive Capitalism* or *Bio-capitalism* (Vercellone 2003, 2005, Moulier Boutang, 2007, Fumagalli 2007, Morini and Fumagalli, 2009).

What counter-power measures should be put into place if we really want to redress the imbalance of power characterizing the actual paradigm of accumulation entailed by Cognitive Capitalism? Does Basic Income (henceforth BI) represents a sufficiently strong economic intervention able to recompose an increasingly fragmented labour market? We shall try to explain why BI is the most appropriate economic intervention necessary to deal with the unprecedented flexibilization of the labour market required by Cognitive Capitalism. With the term BI we intend the proposal of a universal and unconditional economic intervention, without discriminating against anyone, paid on a regular and perpetual base, independent of the actual working activity, aimed at guaranteeing a decent standard of life to all members of a given community. So conceived, together with juridical citizenship, it would contribute significantly to the full economic and social status of citizens and their complete enjoyment of civil liberties. Indeed for this reason, it is possible to claim that BI is a measure of counter-power against the forms of social exclusion entailed by the actually existing accumulation paradigm. Apropos, we shall argue that, as it frees individuals from the coercion entailed by the precarious,

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♥ J.Garcia – R.Hunter “*Trucking*”, Grateful Dead, *American Beauty*, 1971.

compulsory and predetermined work, it increases individual autonomy and the right to choose.

2. *Bioeconomics and cognitive capitalism (bio-capitalism)*

With the advent of bio-capitalism, the process of exploitation adjusts. The main points to emphasize are the following:

- The production of wealth and value is no longer based solely and exclusively on material production, but is increasingly based on intangibles, namely on "raw materials" intangible, difficult to measure and quantify, deriving directly from the use of the relational, emotional and cognitive faculties of human beings;
- The production of wealth and value is no longer based on a uniform and standardized pattern of organization of work, regardless of the type of good produced. The production is carried out with different methods of organization, characterized by a network structure through the development of technologies for linguistic communication and transportation. It follows the disintegration of a traditional and unilateral hierarchical form, internal to the factory, which is replaced by hierarchical structures which are realized on the territory along the productive chains of subcontracting, characterized by cooperation and / or hierarchy;
- In the past Fordist production, the references were seriality, standardization, specialization of labor and tasks: at the exchange level, the mass-market orientation to the product. As far as organization is concerned, the result was the centrality of command and obsessive attention to the processes of execution, a sort of mirror of systemic denial of the relationship with each other. In this context, we assist, otherwise, that the life is put to value and to an emphasis on the role of the relationship activity, which is directly placed into the production. The management command is proposed as the management of living life and not of static life. In this context, the value of labour increasingly becomes vague, changing, subject to a variety of assessments.
- The new organizational culture of enterprise is set up around the "human resources". Some new models of business organizations recognizes the need to incorporate in the enterprise, not so much explicit knowledge (objective) rather than the entire relation of subject knowledge "deeply rooted in action, the commitment and involvement in a in a specific context". The interest of the organization of cognitive work, even more than to explicit knowledge, goes to the subjective knowledge (tacit), the views that each brings with himself², everything that relating to the scope "motivational" (even drive).

² I. Nonaka, "Come un'organizzazione crea conoscenza", in *Economia & Management*, n.3, 1994

- In bio-capitalism value lies, first, in the intellectual resources and relationship of the subject, and in its ability to activate trade which can be translated into exchange value. In the labour market, what it is exchanged is not only the abstract labour (measured in days), but a subjectivity with its heritage experiential, relational, creative, the "power" of the subject. If in the Fordist model it was easy to calculate the value of work based on an average output and on a professionalism related to the experience and training of workers; in bio-capitalism, the value of work almost loses all possibility of concrete definition.
- The autonomy of intellectual labour, with respect to the material one, is not a natural fact, original and unchanging, in capitalism. It has possible explanations in the dynamic of labour and production organization, particularly pronounced in certain historical periods (the intellectual work involved in the governance and monitoring of manual labor). Is it still effective today? In bio-capitalism, production and organization of labour do not introduce something different today? What is meant by physical work and what by intellectual work? Both the intellectual labour that the material one should be reduced, in order to understand the real function, not to a general category but to "certain historical form." Arguing about the problem of value also implies the questioning of a separation that does not seem, to be just representative of a reality which now is more and more characterized by the subsumption of all the differences. The complexity of the world is broken down and placed in the service of a criterion of productivity.
- Another primary division of the Western world, at a conceptual level, is that between mind and body. Today we slip, indeed, gradually towards the abolition of each dichotomy³ (and it is not necessarily a bad thing) while we see, indeed, that the whole existence has become productive. The body, therefore, the body controlled, monitored, healthy by law (towards the idea of immortality) becomes increasingly explicit part of the mechanism of production, with the creation of genuine new market sectors (cosmetic surgery, fitness and dietary supplements; beauty industry). The "sexualization of the bodies," which appears today in all its evidence, is cool, looks like a technique: these bodies also belong to the work space of the decommissioning of affection and desire, or rather, belong to the channeling of both these human drives towards the market. The hegemony of the production function, devoid of all reason, continues to give rhythm to a productivity almost undisputed that does not fail to get value added from nothing. We have already mentioned the knowledge, the experience in life outside work. Contemporary capitalism tries to patch up another historical separation: that between soul and body, in the name of the market.

³ Between production and reproduction, ,manual and intellectual labor, working time and life time, production and consumption. See, A. Fumagalli, *Bioeconomia e capitalismo cognitivo. Verso un nuovo paradigma di accumulazione?*, Carocci,Roma, 2008

• labour performance changes both quantitatively and qualitatively. Regarding the material conditions of work (the quantitative aspect), there is an increase in working hours⁴, and often a combination of work tasks, the loss of separation between working time and life time, greater individualization in the employment relationship. Also work performance gains more and more elements of intangible assets: the business relationships, communication and brain become increasingly co-present and relevant. These activities require training, expertise and attention: the separation between mind and arms, typical of Taylorist performance is reduced up to develop a mix of routines and intense involvement in the production cycle. To the traditional division of labour is added the division of knowledge and skills, increasing the degree of subjection of the workers in the production process. That subordination is not imposed in a disciplined manner by a direct command, in most cases is introjected and developed through forms of market and social control. Individual bargain more and more represents the legal institutional framework, within which the process of emulation and individual competition tends to become the guideline of behavior at work.

• The role of knowledge becomes crucial. To the creation of value through producing material is added the creation of value through the production of knowledge. In both cases, the labour factor is decisive, and its subordination to capital provides, through exploitation, the preparatory condition for it to mature a positive profit.

• The "unpaid work" of women⁵ (the work of reproduction and care) becomes an interesting archetype of contemporary production. When we analyze the dis-measure of labour in the current cycle of flexible accumulation, unpaid labor fully enters into the discussion because it is a striking example. Not only because the problem of the measure (in terms of the potential value product, which are in practice, the terms that the political economy makes available to us) of social reproduction - namely domestic work, care, management and services necessary for existence – is one of the topic of the present research agenda and, in many cases, we realize that unpaid social reproduction tends to be greater than the total of paid work: but because we think it perfectly and generally reflects the essence of job performance in this phase of capitalism, based on an anthropogenic model, that is to say "production of men by means of men"⁶, where "life is destined to work for the

⁴ We'd like to note a clear stylized fact, too often forgiven: after a secular decreasing of working time, with the overcoming of the industrial-fordist paradigm, beginning from the years '80, the working time restarts to grow. It structurally deals with the passage to the bioeconomic paradigm.

⁵ A. Picchio (ed.), *Lavoro non pagato e condizioni di vita*, Ricerca Cnel, september 2000; A. Picchio, *La questione del lavoro non pagato nel lavoro di servizio nel nucleo domestico*, Cnel, 1997. See also C.Morini, *La femminilizzazione del mercato del lavoro*, Ombre Corte, Verona, May 2010

⁶ C.Marazzi "Capitalismo digitale e modello antropogenetico del lavoro. L'ammortamento del corpo macchina", in Laville J. L., Marazzi C., La Rosa M., Chicchi F. (a cura di), *Reinventare il lavoro*, Sapere 2000, Roma, p. 107-126.

production and production to work for life"⁷. From this point of view, the value earned from work today often tends to exceed its remuneration. At a time when the production process incorporates knowledge and affection, desire, and bodies, motivations and opinions, it is even more evident than ever that what is actually sold it is not entirely paid

The point we'd like to emphasize is the following: when we talk of bio-capitalism we refer to the wealth generation through human knowledge and experience, through the use of those assets, corporeal and intellectual, which are implied into existing. Adding that every process of production reproduces not only material things but also social realities. The production process, therefore, does not only identifies different modes of production, as well as different types of companies. The production process partially becomes a process of self-production, which is the core activity of a living organism. This basic idea is common to all forms of social life but it becomes absolutely central to cognitive capitalism.

However, the process of accumulation of knowledge is by definition individual, and indeed, the very definition of a single element of identity through the power of language and memory⁸. Because of its singular nature, the contemporary needs bio-labor then in a major business relationships, which becomes an essential tool for transmitting and decoding of cognitive activity and knowledge accumulated by an individual. Cognitive abilities and activities report are, at this stage, inseparable from each other, and form the basis of *general intellect*, or diffuse intellectuality advocated by Marx in the *Grundrisse*.

The *general intellect*⁹ is therefore the new primary source of (plus) value. In order to become *productive*, it needs "space" or the growth of a network of relationships: each singularity becomes a node of the network of collective intelligence, which organically connects the economic flows and our desires. If knowledge is embodied in the individual, it is an end in itself. It can be functional, perhaps, to generate a process of enhancing individual but it does not produce exchange value for the accumulation of wealth: in other words, it is a "commodity." The biocapitalism is necessarily reticular not linear, and the hierarchies that develops between different nodes of the network are complex and often linked to factors of social control of space within which it grows. In this sense, it is quite understandable that the biocapitalism is strongly interested to the *differences*. Diversity, "even in the form of local or indigenous knowledge systems, has become a commodity of great value on the market: globalization works through the

⁷ T.Negri, M. Hardt, *La produzione biopolitica*, 3 giugno 2000, <http://www.globalproject.info/print-143.html>

⁸ J.Locke, *An Essay Concerning Human Understanding*, eBooks@Adelaide 2004: <http://ebooks.adelaide.edu.au/l/locke/john/181u/>

⁹ C. Vercellone, "From Formal Subsumption to *General Intellect*: Elements for a Marxist Reading of the Thesis of Cognitive Capitalism", in *Historical Materialism* vol. 15, 2007: 13–36.

incorporation of otherness”¹⁰. The theme would lend itself to special treatment: we only express that within the biocapitalism because of the network and non-linearity that characterize it, a static idea of identity cannot be given in any way. In biocapitalism, identity ceases to be a given stable, but becomes a process of identification that is built and rebuilt over a period of life, through the different faces, roles, circumstances that individuals and groups are able to play. The manifold “self-identities” is here configured as a field rather than as an essence. It is not a kind of metaphysical reality, but a dynamic system defined by the possibilities and limits (through relationships) which can be recognized and processed. In a sense, this process, always dynamic, guarantees the existence of the transforming power (and production of surplus value) that we call *general intellect* and develops various singularities.

The shift from production of money by means of commodities: (D-M-D ') to the production of money by means of the commoditization of the bios [M (bios)]: [D-M (bios)-D'] has then changed the mode of valorization and the process of exploitation.

New features in trend immaterial production, based on the exploitation of economies of learning and networking, and the central role of the precarious subordination that prevents a new form of wage adjustment, open to new challenges in defining a theory of value, adjusted to biocapitalism.

The first question has to do with the "measure" of labor value: it concerns, in fact, the productivity of *general intellect* and of relational process as source of value in biocapitalism.

The second question deals with the "source" of labor value: it has to do with the work performance, within the dichotomy between the need for cooperation and social relationships to better exploit economies of learning and networking, on the one hand, and the privatization of knowledge and control of individual work, on the other¹¹. In the labor organization, this contradiction is reflected in the demand for social cooperation and in the definition of a hierarchical relationship that arise and is substantiated from the prevailing individual bargain and from the income blackmail (social insecurity). In biocapitalism, cooperation and hierarchy are the cornerstones that regulate labor relationships in a contradictory and unstable way. In this context, the problem of a mixture between working time and life time arises. Here we have a process of assimilation between work and life that creates a potential conflict in the subjectivity of work itself, creating idiosyncrasy and instability in the organization of individual lives. It refers to the dualism between machine and man, in time in which the machine tends to become more and more

¹⁰ R. Braidotti, *Trasposizioni. Sull'etica nomade*, Luca Sassella Editore, Roma, 2008, pag. 68

¹¹ M.Hardt, A.Negri, *Empire*, Harvard University Press, Ca. Mass, 2000

the brain and the body, “something” that it is inside the human being. The relationship between concrete labor, that produces use-value and therefore itself is potentially "creative", and abstract labor, determined by the conditions of capitalist production, generates, from one side, a potentiality of freedom and autonomy in the labor and, from the other, at the same time the necessity of repression and lobotomization of brain for firms¹².

2. Towards a theory of life-value: knowledge, affection, image

The characteristics of labour in biocapitalism are multiple and open up new analytical scenarios: they have to do with relational activity (and therefore it is *relational work*), with learning processes (and therefore it is *cognitive-linguistic work*), with the activity of production of images and meaning (and therefore it is *symbolic work*), with the activity of the body and senses (and therefore it is *manual and sensorial work*), with feelings and care (and therefore it is *affective labor*). In a word, labor in biocapitalism is the sum of the brain-vital-physical faculties of the human beings. We simply define it *bio-labor*.

Regardless of its form in prevalence, it is nevertheless characterized by the following common elements:

- overcoming the separation between life time and working time. In a context in which the labor activity is based on the vital faculties of individuals, it becomes impossible to set a time limit on working time compared to non-work time. If that can notionally exist from a formal-legal point of view, in fact, thanks to new technology-linguistic communication, there is no difference between life and work: life is completely subsumed to work.
- Overcoming the separation between workplace and living place. The bio-labor in all its variety is indeed nomadic work, where more and more mobility is required towards the definition of non-workplace rather than traditional forms of domestication. In this case, it is more correct to speak not so much about the

¹² With the passage to the biocapitalism, not only the relationship between concrete labor and abstract labor endures a metamorphosis, but we see a modification also the concept of productive labor, that is that labor, than becoming “abstract”, produces plus-value. There is not here the sufficient space for dealing with this issue. It is sufficient to only remember that the base of bioeconomic accumulation extends more and more until to include also the times of reproduction, of learning/education and of consumption. See A. Fumagalli, *Bioeconomia e capitalismo cognitivo. Verso un nuovo paradigma di accumulazione?*, Carocci, Roma, 2008, A. Amendola, L. Bazzigaluppo, F. Chicchi, A. Tucci (eds), *Biopolitica, Bioeconomia and processes of soggettivazione*, Quodlibet, Macerata, 2008 and on the relationship between productive and unproductive labor in Marx, cfr. T. Negri, “Productive and unproductive labor”, in Aa.Vv., *Lessico Marxiano*, Manifestolibri, Rome, 2008: 117-136.

overlap between the pursuit of life and the workplace, but rather the expropriation of the workplace, with all the ensuing consequences on self-identity.

- Overcoming the separation between production and reproduction. It is the first consequence of putting the life to work. When we talk about life, we mean not only the life that is directly finalized to production, but also the life that is addressed to the social reproduction of life itself, now exemplified by the mostly feminine care work. However, we can say that the blurring of this distinction involves the partial overcoming of the only gender difference to highlight the role played by the *differences* altogether.

- Overcoming the separation between production, circulation and consumption. The act of consumption is no longer reducible to the purchase of material goods or services as economics has always traditionally taught. In biocapitalism, the act of consumption is at the same time, participation to public opinion, act of communication and self-marketing. Consumption is public participation because today is dominated by conventions there at the same time more and more constraining and dynamic. As in financial markets, the behavior of financial agents is determined by the domain of a convention, based on the diffusion of practical linguistic and *ad hoc* communication, so the realization process is dominated by behavioral conventions. From this point of view, the drive for consumption is not dictated by the need to satisfy one's needs but rather by the need to prove membership to common sense¹³. Precisely for this reason, consumption is also an act of communication: form of advertising and *brandization*¹⁴. Today, advertising and communication, as an emblem of the biocapitalistic monetary realization does not lead to buy something that is other than oneself, but rather leads to self value. The non-separability between production and consumption is so complete. There's no more separation between working act and consumption act. Once again, what could be considered a routinized and simple act aimed at survival (as the act of consumption) is put to value in the process of accumulation¹⁵.

It is starting from these differences that it is possible to discuss on how the value is generated by *bio-labor*. To this end, it would need at least distinguish the analysis into three phases: the value generated by the work underlying the generation and dissemination of knowledge, ie linguistic cognitive labor (*theory of knowledge value*), the value generated by the affective and reproduction work (*theory of affection value*), the value generated by the production of symbols and imageries in the process of brandization, or the symbolic labor (*theory of image value*).

¹³ A. Fumagalli, *Bioeconomia e capitalismo cognitivo. Verso un nuovo paradigma di accumulazione?*, Carocci, Roma, 2007

¹⁴ A. Arvidsson, *Brand*, Routledge, London, UK, 2006

¹⁵ A. Fumagalli. *Bioeconomia e capitalismo cognitivo. Verso un nuovo paradigma di accumulazione?*, Carocci, Roma, 2008

4. Production and income distribution in Biocapitalism

Besides the valorization and accumulation processes, Biocapitalism structurally changed (a) the mode of production and (b) the regulation of wages.

As regards the mode of production (a), there is a growing process of tertiarisation in the countries of old industrialisation; there is also an outsourcing (delocalisation) of manufacturing to the countries of recent industrialisation, thanks to the development of globalised networks of sub-contracting suppliers made possible by the development of Information Communication Technology (Ict) and new transportation technologies. The new computer technologies make possible the exploitation of new and dynamic economies of scale, namely learning economies and network economies, arising out of the spread of knowledge and cumulativity in the exchange of knowledge itself¹⁶. The learning economies and network economies develop over time and make possible a growth in the productivity of General Intellect, a productivity which cannot be ascribed to individual behaviours but is rather the fruit of social cooperation, i.e. social productivity. It is this social cooperation which gives the possibility of scaling up production, as happened in an earlier context with the automation of production under Taylorism.

As to how wages are regulated in this coming period, the tendency is towards an individualisation of the labour relationship, with contracts arrived at by individual negotiation rather than by collective bargaining. This is partly the outcome of qualitative changes in the actual nature of work, but it is also based on the fact that cognitive-relational activities which are by definition individual. This individualisation of the labour relationship tends to go hand in hand with a high degree of spatial and functional mobility, reducing stability of employment and thus engendering a high turn-over of labour. The flexibility that derives from this affects all aspects of people's working lives without exception, ranging from the kinds of job-contracts in force (where there has been an explosion of non-typical forms, of parasubordination and other-directed and second-generation self-employment) to the structures of wages and working hours. There are two important outcomes of all this: on the one hand we have a cooptation of life as a whole into the working process; this means that all the more or less cognitive human faculties are activated in the working process, and also that life itself is totally subsumed in the labour process. On the other hand, precarity becomes a structural condition; it goes well beyond being merely a condition of working life, to the point of becoming almost existential. The centrality of the condition of precarity in cognitive capitalism is paradigmatic: it is a homogeneous condition of labour which unites a large part of the workforce, above all young workers and intellectualised labour, and at the same time comes to be lived subjectively in

¹⁶ By cumulativity of the exchange of knowledge we mean the fact that the knowledge commodity is not rival, and thus is not scarce, in the sense that the more it is exchanged the more it becomes diffused and becomes abundant.

differentiated and individualised ways. The result is a high degree of subordination and blackmailability of the worker as regards company compatibilities, and this leads to a breaking of the link between productivity and remuneration which was typical of the Fordist regulation of wages. Labour activity is generalised. It expands over the whole span of human life, thereby widening the borders of exploitation, which are no longer measurable in terms of the individual working day. At the same time it sees the growing participation of subjects who, during the period of Fordist manufacturing, had been marginal (such as migrant labour-power) or employed in activities of reproduction (female labour power). To the traditional division of labour by tasks and functions there is now added a new and growing division of cognitive-type labour, which, through the individualisation of labour relations and the differentiated use of cognitive-relational faculties, leads to further processes of fragmentation and diversification of labour-power.

The new characteristics of tendentially immaterial productive activity – founded on the exploitation of learning economies and network economies, and the central role of precarity and subalternity which prevents a new form of wages regulation – open up new contradictions.

The first contradiction concerns the productivity of General Intellect as the source of the creation of value in cognitive capitalism. This productivity depends on two factors which are inversely correlated. On the one hand there is capital's drive to extend intellectual property rights in order to be able to appropriate knowledge and R&D outcomes via licensing and copyrighting. The effect of this is to limit the diffusion of knowledge, rendering it artificially scarce. On the other there is capital's need to create a "virtuous circle" of the circulation of knowledge and information and to increase their diffusion in order to accelerate the generation of new innovations and knowledge and the codification of hidden knowledge. The implicit incompatibility between intellectual property rights and the diffusion of General Intellect thus implies a trade-off which is currently irresolvable at the level of simple market exchange.

A second contradiction has to do with the nature of work itself. Capital is caught between the necessity of social and relational cooperation (in order to maximize advantages from learning and networking economies) on the one hand, and the privatization of knowledge and the control of individual worker output on the other. Viewed in terms of the organization of the labour process, this contradiction translates into (a) the need for social cooperation in production, and (b) at the same time the creation of hierarchical relationships made possible by the individualization of the labour relationship and the blackmailability of workers in conditions of precarity. Cooperation and hierarchy can thus be seen as the two pivotal elements regulating, in a conflicting and unstable way, the labour process in cognitive capitalism

A third element of contradiction is that deriving from the fact that there is no longer a clear division between work-time and life-time. More than a contradiction in a real sense, what we have here is a process of assimilation between work and life which generates a potential contradiction in working subjectivity itself, creating processes of idiosyncrasy and instability in the organization of individual existences. It relates back to the dualism between machine and man, given that in cognitive capitalism the machinic productive tool tends increasingly to be people's brains, in other words a non-alienable part of their persona and internal to labour power itself. The concrete labour that generates use value, and for that reason is in itself potentially "creative", becomes increasingly intermixed with the abstract labour determined by the capitalist conditions of production, generating an enorion* of possible liberation and autonomy of thought for labour, on the one hand, and the necessity of repression and brain lobotomy for the enterprise, on the other.

The existence of these contradictions generates structural instability. In a context in which:

- intellectual property as a new form of ownership of the immaterial means of production (which replaces the ownership tradition of material means of production) is protected and incentivized at the expense of the possibilities of growth of the social productivity of general intellect;
- the condition of precarity and uncertainty of income (i.e. intermittent employment and low wages) makes it difficult to take advantage of the learning and networking economies; the dynamics of production in cognitive capitalism risk running into structural crises, aggravated by structural deficiencies of demand in the absence of a policy for the redistribution of income.

Up until now the process of financialisation and concentration of production and technology, together with the accompanying "delocalization" and outsourcing of production, have made it possible to achieve low production costs, high profits for the financial institutions, and forms of indebtedness that have sustained both supply and demand at the global level. The state of permanent war (the "military coup of Empire") has so far held off the risk of this structural instability becoming critical. But it was clear that this situation could not go on for a long. As soon as the speculative bubble on sub-prime financial activity busted in August 2007, the situation of private indebtedness, favored by the dismantling of welfare state and no more compensated by positive capital gains, became unbearable and the above mentioned contradictions appeared in all their unsustainability.

The present situation of crisis is no more than the results of these contradictions¹⁷.

¹⁷ For a deep analysis of the global and economic crisis, see A.Fumagalli, S.Mezzadra (eds), *Crisis in the Global Economy. Financial Markets, Social Struggles, and New Political Scenarios*, MIT Press, Ma, USA, march 2010.

5. Basic income as counterpower in biocapitalism

In order to reduce the current instability of cognitive capitalism it would be necessary – at least from a merely theoretical point of view – to rethink the definition of the redistributive variables to bring them more into line with the nature of value creation and accumulation in present-day cognitive capitalism.

Looking first at the overall labour process, we can say that in cognitive capitalism the remuneration of labour translates into a remuneration of life. In other words, whereas under Fordism remuneration was in the form of the wage, today in cognitive capitalism remuneration has to be in the form of an income of existence (basic income) and the struggle that is about to begin is no longer the fight for high wages (to put it in Keynesian terms) but rather the fight for a continuity of income regardless of whether or not one actually has a job. As we have already seen, following on the crisis of the Fordist-Taylorist paradigm work time and life time are no longer easily separable. The most exploited subjects in the world of labour are those whose entire life is set to labour. This happens particularly in the services sector, and shows itself in the lengthening of working hours, especially for migrant workers: a large part of the labour time involved in the activities of the tertiary sector does not happen in the workplace. The wage is the remuneration of labour; individual income on the other hand is the sum of all the incomes which derive from living and from relations in a territory (job, family, welfare, eventual unearned incomes, etc) – and this is what determines the standard of living. As long as there is a separation between work and life, there is also a conceptual separation between wage and individual income, but when the entirety of life-time is set to work the difference between income and the wage vanishes.

However this tendency towards a growing overlap between work and life, and thus between wage and income, is still not taken into account in institutional regulation (and is also not recognised by some on the Left). Basic income can represent an element of institutional regulation adapted to the new tendencies of capitalism as we know it. It is defined by two elements: the first strictly wage-related, on the base of life performances which immediately translate into working performances (certified and paid labour time, but also the life-time taken up in education, relational activity and reproductive activity); the second is a component of income (in addition to the first) which represents the amount of social wealth which is due to each individual. This social wealth is the outcome of the cooperation and social productivity which are exercised in a given territory (which today is the terrain of profits and real estate and property rents). When we define things in this way, the concepts of wage and income appear complementary.

Turning now to the sphere of production, a second innovative aspect is the role played by intellectual property rights. As we have already observed, these are the main instrument allowing capital to take control of general intellect. Since knowledge is a common good, produced by social cooperation, the surplus value

which derives from its use in terms of innovative activity and growth in the labour productivity are not simply the fruit of an investment of a stock of physical and individual capital (which could be ascribed to a single given capitalist or entrepreneurial organization) but depends rather on the use of a social patrimony (“human social capital “, as the economists would say) which has been sedimented in the territory and which is independent from the initiative of any individual entrepreneur. The level of profit which derives from it is thus not a simple relationship between the level of investment and the stock of capital which defines the value of the enterprise, but rather a “something” whose entity also depends on existing “social” capital. In other words, since profit is created out of the exploitation and expropriation for private gain of the common good which is knowledge, it could in part be taken as similar to an income: an income from territory and learning, or an income that comes from the exercise of intellectual property rights, from the ownership of knowledge.

Now, paraphrasing Keynes one could say that,

“The owner of knowledge can obtain profit because knowledge is scarce, just as the owner of land can obtain rent because land is scarce. But whilst to there may be intrinsic reasons for the scarcity of land, to there to are not intrinsic reasons for the scarcity of knowledge.”¹⁸

The intermixing between profit and income derives from the fact that in cognitive capitalism the accumulation process has extended the basis of accumulation, coopting within it activities of human doing which in Fordist industrial capitalism were not productive of surplus value, and neither did they translate into abstract labour. New inputs have been added, or strengthened, and they have become strategic – like, precisely, knowledge as a commodity unto itself (and which cannot simply be incorporated into machines), and space, both in its physical-territorial terms, and in its virtual terms. It follows from this that the ownership of these factors no longer gives access to income but, since they are put into production, they give access to actual profit. This is particularly true for territorial ownership and ownership of the flows of communication, and also for the management of monetary and financial flows.

From this point of view we would like to propose that the kinds of economic policies proposed in Keynes’s time, shortly after the rise of Fordism, might be rewritten to take into account the new features arising out of the transition to cognitive capitalism.

We could see basic income as equivalent to Fordism’s (relative) high-wage policies, and Keynes’s “euthanasia of the rentier” could be read as the euthanasia of intellectual property rights, accompanied by fiscal policies to re-design the tax

¹⁸ Here we have taken the Keynes quotation, as cited above (J.M. Keynes, GT, ch. 24, p. 396) and we have replaced the word “capital” with the word “knowledge”, and the word “interest” with the word “profit”.

base, taking into account the new productive inputs, most notably space, knowledge and financial flows.

With regard to Keynes's third proposal, for a socialization of investment, cognitive capitalism is characterized by a socialization of production in the face of an increasingly massive concentration of technological and financial flows, which today are the levers which permit control and command over the flexibilised and externalized productive activity. Any policy which tends to affect this concentration, which is the concrete basis of investment flows, thus directly affects the structure of ownership and undermines at root the capitalist relation of production.

The possible "reformist" proposals which might define a social contract in cognitive capitalism are therefore restricted to the introduction of a new wage regulation based on basic income, and reducing the weight of intellectual property rights, which could tendentially lead to a kind of euthanasia of income/profit deriving from intellectual property.

However, in the present state of things, there are neither the economic nor the political preconditions for such a social contract to come about. It is therefore mere illusion.

The Fordist New Deal was the outcome of an institutional intervention based on the existence of three preconditions:

- the existence of a nation-state in a position to develop national economic policies independently, albeit coordinated with other states;
- the possibility of measuring increases in productivity and therefore to oversee their redistribution between profits and wages;
- industrial relations operating between social partners who recognized each other reciprocally and which were legitimated at an institutional level, expressing themselves in a single-voiced representation of the class interests of both employers and workers.

None of these three preconditions is present in cognitive capitalism today.

The existence of the nation-state is going into crisis as a result of the processes of internationalisation of production and financial globalisation which today, in its declinations in terms of technological control and knowledges, of information and apparatuses of war, represent the bases for the definition of a supranational imperial power.

In cognitive capitalism, at a push it is possible to imagine a supranational geographical spatial entity. From this point of view the European Union could function as a public socio-economic space in which a New Deal might be implemented. But in the present state of things the construction of Europe is

proceeding along monetarist and neo-liberal lines which are the negation of the possibility of creating an autonomous and independent public and social space free from conditioning by the dynamics of the finance market.

The dynamics of productivity tend increasingly to depend on immaterial productions and on the involvement of cognitive human faculties. These are hard to measure with the traditional quantitative criteria used in Fordism. The present difficulty in measuring social productivity does not permit a regulation of wages based on linking wages to productivity¹⁹.

The proposal for a basic income could be the solution. Although it is seen, not surprisingly, as unacceptable by the employing class, it also encounters difficulties among trade-unionists. The employers see it as a subversive measure, insofar as it would reduce the blackmail involved in people's need for a job. For the trade unions, it contradicts the work ethic on which a part of the trade union movement still bases its existence.

Last but not least is the key question of the crisis in the forms of social representation among both the employing class and the trade unions. The growing failure of a single organizational model is leading to a fragmentation not only in organized labour but also among the employers. The employers are segmented between the interests of small companies (often locked into hierarchical sub-contracting relationships), the interests of the big multinationals and speculative activities on the financial and monetary markets, appropriations of profits and income from monopoly in the fields of distribution, transportation, energy, military supplies and research and development. In particular, the contradiction between industrial capital, commercial capital and financial capital in terms of different strategies and time horizons, and that between national capital and supranational capital in term of geo-economic and geo-political influence makes it de facto impossible to achieve a level of homogeneity of attempts of the capitalist class, and the definition of shared objectives. We would say that it is the present intermixing between profit and income that renders the capitalist class not homogenous. The element which most unites the interests of capital is the pursuit of short term profit (which has its origin in various ways), which renders practically impossible the political formulation of the kind of progressive reforms which were instituted in the time of Fordist capitalism.

Furthermore, the world of labour also appears increasingly fragmented, not only from a juridical point of view but above all from a qualitative point of view. The figure of the wage-earning industrial worker may be newly-emergent in many parts of the world but it is in more or less terminal decline in western countries. Instead what we have is a variegated multitude of atypical and precarious figures, including the employed, the employed in the sub-contracted sector* and the self-employed, whose ability to organize and represent themselves is becoming

¹⁹ This is not to say that this difficulty will not find a solution at some point in the future.

increasingly restricted thanks to the prevalence of individual work-contracts and an inability to construct anything approaching the structures of Fordist trade unionism. The overall result is that in cognitive capitalism there is no space for an institutional reform policy capable of reducing the structural instability that characterizes it. No New Deal is possible. And this is the case despite the appearance of measures designed to favoring a re-equilibration of the accumulation process. But such measures, which we have defined as (a) a wage regulation constructed on basic income and (b) a productive capacity founded on the free and productive circulation of knowledge, undermines at root the very nature of the capitalist system, i.e. the necessity of work and the blackmailability of income as an instrument of domination of one class over another, as well as violating the principle of private ownership of the means of production (yesterday machines, today knowledge).

In other words, we can conclude that in cognitive capitalism a Keynesian-type social compromise, adapted to the characteristics of the new processes of accumulation, may be possible in theory, but it is impracticable from a political point of view.

In fact, a policy which is to all intents and purposes reformist (i.e. seeks to find a form of mediation between capital and labour satisfactory to both parties) and which is capable of guaranteeing a structural stability of the paradigm of cognitive capitalism is impossible. The idea of a social compromise founded on basic income and the free diffusion of knowledge radically undermines the foundations of the capitalist economic system: the obligation to work for a living (and thus the subaltern nature of labour) and private property as the source of accumulation.

The relationship between reformist praxis and revolutionary praxis thus tends to redefine itself on new bases, and to show that a reformist project at the level of the redistribution of wealth does not affect, at least in the immediate term, the capital-labour relationship of exploitation, but it assumes possible revolutionary and subversive connotations that lead to the overcoming of the capitalist system itself.

It follows from this that, since it is practice which guides theory, only conflict and the ability to create *multitudinarian* movements can – as ever – make possible the social progress of humanity towards a post-capitalist society.

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