

AN INVESTIGATION OF COMMODITY THEORY
AND ITS APPLICATION TO CRITICAL MEDIA STUDIES

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A Thesis Submitted to the Faculty of
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in Partial Fulfillment of the Requirements for the Degree of
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Florida Atlantic University

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This thesis was prepared under the direction of the candidate's thesis advisor, Dr. Mike Budd, Department of Communication, and has been approved by the members of his supervisory committee. It was submitted to the faculty of The Schmidt College of Arts and Humanities and was accepted in partial fulfillment of the requirements for the degree of Master of Arts in Communication.

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ABSTRACT

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The theory of the commodity is used by critical theorists to explain the general organization and development of capitalist society. It was originally proposed by Marx, and subsequently developed by Lukács and later Adorno and the Frankfurt School. Media scholars such as Dallas Smythe, Judith Williamson, Robert Goldman and Eileen Meehan have identified the commodity structure in several forms throughout the process of mass communication. Although commodity theory is not always articulated as a part of critical studies, it is useful for understanding the process of mass communication under capitalism. By investigating the dynamics of market processes and cultural innovation, this paper shows where the theory of the commodity fits into Critical Media Studies and suggests where some productive applications may be found.

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Chapter I.

INTRODUCTION

The purpose of this research project is to identify, articulate and extend the theory regarding the mass media's role in the social and economic process of commodification so it can be used more productively as a tool for critical media analysis. It proceeds by organizing and analyzing the body of literature centered around the core of Karl Marx's formulation of commodity theory, known as "commodity fetishism." This theory which Marx originally employed to explain and analyze capitalist economic relations of production has since been developed and used by critical social theorists to address the social and cultural effects of mass communication.

Unlike "administrative" communication studies, Critical Studies diverges from the traditional undergraduate Communication curriculum designed to prepare individuals to work in the communication industry as employees of media companies. Rather than studying communication phenomena to improve its

efficiency and persuasiveness, the focus of Critical Media Studies is to produce constructive criticism of the media establishment in an effort to improve its structure and policies. Consequently, Critical Media Studies diverges from administrative studies, not necessarily in its subject, but in its purpose. Commodity theory provides a framework for approaching Critical Media Studies. It posits an explanation for the basic social motivations of 20th century capitalism. It is more than just an economic explanation of society; it is a framework for understanding social exchange from a variety of different perspectives under capitalism.

Commodity relations are a significant element of social control in capitalist society, and the power of the media as a means of entertaining and informing people promotes these relations. The mass media are recognized by large corporations and national governments as an effective means of social and political control. "In a fundamental sense, control over the means of informing people is the basis for political power."¹ The aim of Critical Media Studies is to find the structures and mechanisms of the mass media that affect the values and behavior of society. This involves recognizing that the media institution involves a material

¹Dallas Smythe, "A Marxist Theory of Communications," Counterclockwise: Perspectives on Communication, ed. Thomas Guback (Boulder, CO: Westview Press, 1994), p. 254.

infrastructure, an economic system of organization and a specially adapted apparatus for symbolic presentation. Consequently, it is shaped by material, economic and cultural forces.

Critical Media Studies has traditionally been approached from two perspectives: political economy and Cultural Studies. Each perspective reflects the academic tradition from which it evolved. Political economy is predominantly explanatory, proceeding from the general theory to the particular phenomena in the tradition of the social sciences from which it developed. Scholars trained in political economy tend to explain the media through the macro-institutional structure, class, and historical variables.² In contrast, Cultural Studies tends to be descriptive in nature. It proceeding from the particular to the general in the academic tradition of the humanities and qualitative social sciences from which it evolved. This approach seeks to describe and interpret the meaning of cultural practices and artifacts and the conditions surrounding the consumption of media messages.

²Robert Babe, "Communication: Blindspot of Western Economics," in Illuminating the Blindspots: Essays Honoring Dallas W. Smythe, eds. Janet Wasko, Vincent Mosco, Manjunath Pendakur (Norwood, New Jersey: Ablex Publishing Corp., 1994), p. 17.

Despite the differences in approach, scholars who are involved in Critical Media Studies are united around discovering "the nature, sources, uses, and consequences of power."³ Most scholars would agree that no single theoretical model can account for the diversity and contradictions of economic and cultural practice in the mass media. They would also agree that although capitalism perpetuates many undesirable social values, media products always contain excess meaning beyond the intentions of their producers. Consequently, media products may be both exploitative and domineering, while providing pleasure and empowerment.⁴

This study incorporates both the macro-dynamic and a micro-dynamic perspective of social analysis; investigating both the political and institutional process of commodification, the semiotic construction of messages, and the structures of meaning associated with commodification. By explaining the theory of the commodity, investigating how media analysts have used it, organizing, comparing and contrasting with it with perspectives on commodity theory from other disciplines, the author hopes to position commodity theory within the academic discourse of Critical Media

³Ibid., p. 16.

⁴Lawrence Grossberg, "Cultural Studies Vs. Political Economy: Is Anyone Else Bored with this Debate?" Critical Studies in Mass Communication 12 (March 1995): 76.

Studies, articulate its benefits and limitations, and suggest some productive areas for future research.

The following two chapters present the primary literature concerning the historical development and application of commodity theory within Critical Media Studies. First, commodity theory is presented as it was conceived by Marx and follows its development through World War II, just before the predominant influence of the mass media as a major social institution. Its development is explained as it progressed from Marx to Lukács to Adorno and the Frankfurt School. Next, chapter three describes how contemporary media analysts have applied commodity theory to media analysis from the two basic approaches to Critical Media Studies. This section represents the direct application of commodity theory to media studies and discusses the theoretical aspects relevant to its understanding and use. Chapter four is an attempt to enlarge the scope of commodity theory by investigating the tension between economic commodities and cultural artifacts. The purpose of this chapter is to investigate possible applications of commodity theory outside of Media Studies to get a better understanding of how it might be applied within the discipline. The final chapter contrasts and synthesizes the two primary approaches to Critical Media Studies around commodity theory in order to sug-

gest where the benefits and limitations of its use may be found. Here, the author introduces a general model for estimating the productivity of commodity theory to communication research. As a tool, this model suggests what kinds of problems and in what areas of study one can expect commodity theory to be most useful.

The chapters are arranged to present commodity theory as it developed chronologically as well as a structurally. This arrangement is considered appropriate since the genesis of commodity theory occurred before the predominance of the mass media. Although, excellent work and reviews⁵ are available that rely on commodity theory to support key assumptions, most contemporary discussions do not review the development or justification for commodity theory. The noted studies by Leiss, Kline, Jhally, Ewen and Miller were the inspiration for this paper. These works reveal to the student of communication many of the irrational forces of capitalism on the mass media. Under the guidance of the author's thesis advisor, the author proceeded to investigate the theoretical aspects of the theory as it developed from

⁵John Harms and Douglas Kellner, "Critical Theory and Advertising," Current Perspectives in Social Theory, ed. Ben Agger (Greenwich, Connecticut:JAI Press, Inc., 1991), pp. 41-67.

Marx to Lukács to the Frankfurt School and its application to Critical Media Studies by Dallas Smythe.

This study began by using computer searchable indexes available through the library. It required research into a wide scope of academic work. Studies in Material Culture, Economic Anthropology and Sociology from a critical or Marxist perspective were important in developing chapters three and four. Some of the work important in these sections include Marshall Sahlins, Culture and Practical Reason (1976), Mary Douglas and Baron Isherwood's, The World of Goods (1979), and selections in The Social Life of Things: Commodities in Cultural Perspectives by Arjun Appadurai and Igor Kopytoff (1986). Using this method the author proceeded to identify new sources of research until the primary citations began to consistently refer back to each other. This paper is a compilation and synthesis of the research just described.

Chapter II.

THE INTELLECTUAL GENESIS AND DEVELOPMENT OF COMMODITY THEORY

The purpose of this chapter is to describe and explain the intellectual genesis and development of commodity theory conceived by Karl Marx, its extended application by Lukács, and its association with the "culture industry" by the Frankfurt School. It begins by summarizing the classical economic understanding of "use value" and "exchange value" and proceeds to explain Marx's conception of "estranged labor" and the "fetishism of commodities." Next it introduces Georg Lukács' conception of the reified mind, and then the contribution by Theodor Adorno and the Frankfurt School.

Commodity theory was conceived by Karl Marx (1818-1883) as the core of his critique of capitalism. The theoretical foundation for commodity theory is presented in the first section of, Das Kapital (Capital). Marx wrote in a time of great economic and social transition, in the midst of the rise of industrial capitalism. From this perspective, with a remarkable knowledge of classical economics, and a radically

transformed conception of Hegel's dialectic emphasizing the material basis of social relations, he produced a revolutionary theory based on conventional concepts of use value and exchange value.

Since Marx, others have made important contributions that have extended it far beyond the economic and material context of its genesis. In particular, Georg Lukács and Theodor Adorno were instrumental in transforming and interpreting the theory of the commodity into a viable tool for contemporary Critical Media Studies.

Use Value and Exchange Value

The distinction between use value and exchange value is the foundation that Marx used to develop his original theory. The first principle is that use value and exchange value are completely independent. Use value is "limited by the physical properties of a commodity"⁶ and exchange value is dependent on the human labor necessary to produce it. Although the concepts of use value and exchange value were commonly used by the classical economists of Marx's day, he used them to produce his most original contribution: the

⁶Karl Marx, Capital: A Critique of Political Economy, ed. Frederick Engles (New York: Random House, 1906), p. 42.

concept of "commodity fetish." Following is the methodology that Marx used to develop the relationship between these two terms.

The use value of a commodity is its utility to satisfy human needs and wants, in whatever form they may take.⁷ It is solely conditioned by the physical properties of the commodity and is independent of the amount of labor required to make it. For instance, the primary use value of water is its ability to satisfy human thirst. Whether it flows freely in a river, or must be carried across a desert, its utility remains the same. Use value is independent of human labor.

The labor that humans expend on transforming natural objects results in articles of social value. Unlike use value which is realized exclusively in use or consumption, exchange value is realized only in exchange. The exchange value of a commodity is dependent on the amount of labor required to produce it. According to Marx, human labor is the root of all social value between individuals. He demonstrated this by comparing two different goods of equal value. In order for two different types of goods to be exchanged, they must have a common quality. For corn and iron to be exchanged, there must be a third element common to both. Marx demonstrated how labor is the common element

⁷Ibid., p. 41.

that enables any commodity to be exchanged with any other. The exchange ratio of two commodities depends on the relative amount of labor required to produce each of them. Thus, the water carried across the desert (in the previous example) has a greater exchange value than water freely flowing in a river because of the difference in human labor associated with each. Consequently, the exchange value of a commodity can actually be thought of as congealed or objectified human labor.⁸

Use value and exchange value are completely independent of each other; they have no natural or inherent relationship.⁹ The discontinuity between use value and exchange value was well known in Marx's day. The most common example is the paradox of water made famous by Adam Smith. Water is a natural necessity for humans, it is required for life and is accordingly high in utility or "use value." But socially, water has little value as demonstrated by its small price or "exchange value." Diamonds, on the other hand, are hardly essential for life but valued more highly than water in exchange. His famous passage that Marx, no doubt, knew well is cited below:

⁸Le Trosne cited in Marx, Capital, p. 46.

⁹Ibid., p. 45.

The word VALUE, it is to be observed, has two different meanings, it sometimes expresses the utility of some particular object, and sometimes the power of purchasing other goods which the possession of that object conveys. The one may be called "value in use;" and the other, "value in exchange." The things which have the greatest value in use have frequently little or no value in exchange; and, on the contrary, those which have the greatest value in exchange have frequently little or no value in use. Nothing is more useful than water; but it will purchase scarce anything; scarce anything can be had in exchange for it. A diamond, on the contrary, has scarce any value in use, but a very great quantity of goods may frequently be had in exchange for it.¹⁰

Marx believed that the discontinuity between use value and exchange value is concealed by capitalism, and instead appears to have a natural correspondence. This is clear from the exchange of commodities. Exchanges appear to be based on the usefulness of commodities, yet commodities are actually exchanged based on the social mechanisms of the economic market. Marx reasoned that the mechanism of equilibrium was responsible for this illusion. According to him, the price or exchange value of a commodity varies with time and location because the amount of labor to produce it changes. The labor necessary to produce particular commodities varies due to location, natural conditions and technology. For instance, new technology can decrease the amount of labor

¹⁰Adam Smith, An Inquiry into the Nature and Causes of the Wealth of Nations (London: George Routledge and Sons, Ltd, 1893), p. 21.

required to produce iron from iron ore, and natural circumstances may increase the amount of labor required to produce agricultural products such as sugar. Consequently, the ratio of exchange between iron and sugar will vary, depending on the amount of labor applied to each commodity.¹¹ But over time, the ratio of exchange between kinds of commodities tends to stabilize. The equilibrium that develops over time makes the relation between use and exchange value appear to be a natural and inherent property of the commodity. "When these proportions have, by custom, attained a certain stability, they appear to result from the nature of the products . . ." ¹² Consequently, when commodities are compared, they appear to have a natural relationship to each other, completely beyond the control of humanity, but in reality it is a social phenomenon, dependent upon human labor and social convention.

Marx believed that the existence of a commodity is a result of the transformation of a good's use value into exchange value. He wrote:

The first step made by an object of utility toward acquiring exchange value is when it forms a non-use value for its owner, and that happens when it

¹¹Marx, Capital, p. 63.

¹²Ibid., p. 86.

forms a superfluous portion of some article required for his immediate wants.¹³

In other words, the first step in the production of a commodity is the existence of something that was once useful to an individual but is no longer necessary to fulfill the immediate desires of him or her. Marx believed that commodities initially came into existence at the boundaries of primitive communities.¹⁴ In primitive societies, one article is exchanged for another based on its use value alone. Estimates of utility are subjective and variable depending on the immediate circumstances the individuals involved. Here, the ratio of exchange is more a matter of chance than calculation, but gradually, after repeated exchanges, a convention becomes established between certain goods. After a standard becomes customary, the exchange ratio between commodities is no longer only determined by the individuals directly involved in the exchange, but is established by social standard. When a dependence develops for a particular foreign good, an excess amount of a domestic good must be produced for foreign exchange. Excess production has little use value within the community. For example, once enough hunting spears are produced to serve the immediate needs of

¹³Ibid., p. 99.

¹⁴Ibid., p. 100.

a given community, additional spears have little value within this community. But when exchange value is established between communities, it also becomes an exchange value within the community,¹⁵ so the spears become valued for the foreign goods that they are equal to in exchange.

From that moment the distinction becomes firmly established between the utility of an object for the purpose of consumption, and its utility for the purpose of exchange. Its use value becomes distinguished from its exchange value. On the other hand, the quantitative proportion in which the articles are exchangeable becomes dependent on their production itself. Custom stamps them as values with definite magnitudes.¹⁶

At this point the commodity comes into being--an artifact produced specifically for exchange. Hereafter, the ratio of exchange is determined by the forces of the market. A product is then valued for what it can be exchanged for, instead of its unique personal utility. In this way "products are transformed into commodities, whose use values become the 'material depositories' of a new quality--exchange value".¹⁷

Money is the ultimate commodity. It represents the complete absence of use value and the archetype of pure

¹⁵Ibid., p. 100.

¹⁶Ibid., p. 53.

¹⁷Ronald L. Meek, Studies in the Labour Theory of Value (London: Lawrence & Wishart, 1973), p. 162.

exchange value. It is the "universal measure of value."¹⁸ Through money, all commodities are immediately exchangeable. Since the mint of metal coins, money has become increasingly abstract and symbolic. As a malleable metal, coins can be rationalized as a use value since the ore has tangible material uses. But after the gold standard which backed paper money was abolished throughout most of the world in the 1960's, its symbolic character became more evident. Now with the proliferation of electronic money its symbolic quality is unmistakable. Its only utility is to serve social exchange and measure social power. Consequently, accumulation of money or other immediately exchangeable commodities is the overriding objective of individuals under capitalism. Capitalism is the accumulation of money.

Although the existence of money appears to be a necessary instrument to achieve the degree of equivalence required for capitalism, it does not guarantee the creation of capitalist markets. This is evidenced by the time differential between the introduction of money in Roman times and the appearance of capitalism nearly 800 years later. In addition to money, a sophisticated division of labor and a complement of social institutions are necessary to atomize consumers and mystify the creation of goods.

¹⁸Marx, Capital, p. 106.

Estranged Labor

The concept of estranged or "alienated" labor is essential to understanding the commodity fetish of capitalism. Marx believed that individuals who are forced to sell their labor to produce a living are relinquishing a significant element of their human expression. He maintained that the transformation of nature, the way individuals produce their subsistence, is the essence of human existence. Marx based his dialectic on a radical transformation of Hegel's theory of cultural development that emphasized the material conditions of social relations in everyday life neglected by Hegel.

He wrote that social conditions evolve from the way humans produce their subsistence, and that the act of producing is the foundation of the social order. Humans appropriate and transform nature to survive. But unlike other animals that sustain a constant relationship with nature, humans continuously cultivate their relationship with nature.

[Humans] begin to distinguish themselves from animals as soon as they begin to produce their means of subsistence, a step which is conditioned by their physical organization. By producing their means of subsistence men are indirectly producing their actual material life.¹⁹

¹⁹Karl Marx, "The German Ideology," Selected Writings, ed. David McLellan, (New York: Oxford University Press,

Subsistence for humans is more than just producing the rudiments to sustain life. The way individuals make their living is the way they express themselves. No absolute level of subsistence exists for humans as it does for animals.

An animal only produces what it immediately needs for itself or its young . . . whilst man produces even when he is free from physical need . . .²⁰

Rather, the level of subsistence is determined by a combination of social relations and physical resources. What individuals produce and how they produce it is a consequence of their material conditions and social organization.

Man does not live by bread alone, and every community has minimum standards of living (beyond the most basic necessities) that constitute the level of subsistence. The mode and nature of subsistence varies among societies and historical periods. Subsistence and the material needs of people evolve the same way that culture evolves, by building upon its history. Utensils for eating and in-door plumbing, both of which were luxuries at one time, are now considered human necessities by most.

Once a worker sells his or her labor it does not belong to that person any more. It is external and alien to him or

1977), p. 160.

²⁰Karl Marx, Economic and Philosophic Manuscripts of 1844 trans. Martin Milligan (New York: International Publishers, 1964), p. 113.