

Cognitive Capitalism and the New Spirit of Capitalism : An attempt at brief comparison ¹⁾

認知資本主義と資本主義の新たな精神：比較の試み

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In order to understand the structural changes in capitalism that occurred in the last 4 decades, we refer to two viewpoints: Cognitive Capitalism (CC) and the New Spirit of Capitalism (NSC). Both approaches regard that the movement of 1968 and its aftermath are important, and the characterisation of modern capitalism has a similar point.

Many scholars (C. Vercellone, Y. Moulrier-Boutang, A. Fumagalli, C. Marazzi, and others) have developed the cognitive capitalism hypothesis. By borrowing the so-called *Workerist* approach (*Operaismo*: A. Negri, P. Virno, M. Lazzarato, and others), they consider that immaterial labour and collective intelligence play a crucial role in contemporary capitalism. They also refined Marx's concept, which stated the social productivity of *general intellect*.

On the other hand, the book *Le Nouvel esprit du capitalisme* by L. Boltanski and E. Chiapello focuses on the ideological changes that have accompanied the recent transformations in capitalism. The title of *Le Nouvel esprit* alludes to Weber's classic study of the Protestant ethic. However, Boltanski and Chiapello argued that historically there have been three successive 'spirits of capitalism'. They labelled modern capitalism a 'connexionist' or 'network' variant.

The aim of this article is to compare between the concepts of CC and NSC with respect to their common and different features. We shall attempt to examine the complementary relation of both approaches and clarify the points that the two sides cannot easily agree on. The present article also describes the Actor-network theory (ANT) that can integrate CC and NSC in concrete research studies on the network. At the same time, we mention the problematic of ontology and normativity in the

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methodology of political economy.

1 General characteristics of CC and NSC

How should we understand the modern capitalism that is often described in terms globalisation, post-Fordism, neo-liberalism or knowledge-based economy etc.? CC and NCS emphasise that the current globalisation can be seen in the light of the emergence of a *third type* of capitalism since the 1970s, especially after the 1990s.

This type of capitalism is called Cognitive Capitalism by C. Vercellone, Y. Moulier-Boutang, A. Fumagalli, and so on. They argued as follows: The generation of knowledge and its spatial diffusion through the learning and the network processes are the basic features of contemporary economy.

[...] what has happened in these last 30 years is a veritable metamorphosis of production processes of this very surplus-value. There has been a transformation of valorization processes that witness the extraction of value no longer circumscribed to the place dedicated to the production of goods and services, but that extends beyond factory gates so to speak, in the sense that it enters directly into the sphere of the *circulation* of capital, that is, in the sphere of the exchange of goods and services. It is a question of extending the processes of value extraction to the sphere of reproduction and distribution—a phenomenon, let it be noted, well-known to women for a long time. (Marazzi 2011, pp.48–49)

We can define CC as the tendency by which the immaterial becomes increasingly important in capital accumulation. Within a new accumulation regime driven by information and communication technology, knowledge *in a broad sense* has become the key variable for understanding the recent structural changes. In contrast to the Fordist phase, the present dissemination of knowledge no longer depends upon technological transfers of machinery, but rather upon relational flows generated by immaterial process (Fumagalli & Lucarelli 2007). Cognitive capitalism produces knowledge by means of knowledge and produces the living by means of the living (Moulier-Boutang 2011).

The category of “knowledge-based economy” or “information society” appears to be inadequate for comprehending the real transformation of the capital/labour relation related to the development of an economy founded on the driving role of knowledge. From this perspective, Marx’s analysis of the knowledge/power relation in the development of the division of labour is needed (Vercellone 2007).

CC focused on the mode of production, whereas Boltanski & Chiapello (2005; originally published in 1999)²⁾ mainly considered the ideological changes that have accompanied recent transformations in

2) On the significance of Boltanski & Chiapello in Convention theory, see Bessy et Favereau (2003), Eymard-Duvernay (2004).

capitalism. Capitalism needs a 'spirit' in order to engage the people required for production and the functioning of business. The spirit of capitalism legitimates and constrains the accumulation process.

New images of firms and economic processes emerged over the last 3 decades: network, flexibility, creativity, reactivity, mobility, and so on. Managers can no longer rely on hierarchical legitimacy. In a reticular or connexionist world, new *city* [cité] as normative supports for constructing justifications is required. Social arrangements tend to incorporate reference to a kind of general convention directed towards a common good, and claiming universal validity, which has been modelled on the concept of the *city*. Boltanski & Chiapello identified the formation of the *projective city* in the third capitalism. The network cannot in itself represent the support for a *city*. It is the project that is a mass of active connections apt to create forms by stabilizing certain connections and making them irreversible.

CC and NSC try to grasp the current transformation of capitalism at global level. NSC analysis focuses on the situation of France, however Boltanski & Chiapello regard that similar processes have marked the evolutions of the ideologies accompanying the redeployment of capitalism in the other developed countries. Both approaches reject technological fatalism. It is also noted that CC and NSC try to analyse the *tendency* underway, which is not a mere empirical observation.

They focused on same topics about the transition to third type of capitalism (Boltanski & Chiapello cite previous works of Virno and Lazzarato et al, on the other hand, Marazzi and Moulier-Boutang refer *Le Nouvel esprit du capitalisme*). In the following section, we try to compare CC and NSC on several respects: network, labour, critique / antagonism, exploitation, and ontology.

2 Comparison of CC and NSC

2 – 1 Network / Common

Neoliberalism is often characterised by market fundamentalism. In contrast, NSC and CC focus on the problem of network. Network is clearly distinguished from not only hierarchy but also the market in CC and NSC.

CC:

Moulier-Boutang (2011) emphasised the productivity of network, the rise of 'cooperation between brains'; the Smithian division of labour perfected by Frederick W. Taylor gave place to the cognitive division of labour that promotes more innovative production. New mode of capitalism is particularly concerned with making it possible to capture the positive externalities of network, i.e., 'common intellect'.

At the philosophical or abstract level, Negri & Hardt (2009) presented the concept of 'common' – first of all, the common wealth of the material world to be shared together, and more significantly, those results of social production, such as knowledges, languages, codes, information, affects, and so forth. We can interpret that the concept of common has been developed from the Marx's concept of general

intellect.

NSC:

In the management discourse since the 1990s, network has been considered as one of the most important key words. In the 1960s, what concerned management literature was motivating *cadres*, whereas in the 1990s, knowing how to engage people is treated as only one particular instance of the problems involved in mobilising all employees. The surplus value is generated from creating a network or finding out the structural hole and combining different networks. However, for Boltanski & Chiapello, the concept of network is principally the formation of a mode of judgement.

2 – 2 Metamorphosis of labour

It is the great change of labour relation, organisation and process that characterise the third type of capitalism for CC and NSC. The words about work such as flexibility, communication, and creativity also relate to the representation of network.

CC:

Dynamics of labour is the main driving force of transformation of capitalism. The concept of immaterial labour (Lazzarato 1996; Hardt & Negri 2000, 2004)³⁾ which is sorted into cognitive labour and affective (emotional) labor, or invention-power (Moulier-Boutang 2011) plays a central role in the CC hypothesis. The new production model is characterised by the rise of immaterial labour and collective intelligence as the primary factor of production of knowledge, intangibles, or ‘the common’, as the real substance of wealth and value. These two characteristics are closely tied with the difficulty of meaning wealth.

NSC:

The changes in labour correspond to the rise of a model of the firm as network. Boltanski & Chiapello intend to try to make the link between the displacements introduced into organisations since the 1970s and developments in the condition of wage-labour. In a political reversal, the autonomy of work was exchanged for the security of work. The world of work now contained only individual instances connected in a network.

In the connexionist world, the distinction between private life and professional life tends to diminish (NSC). If living activities of human and their cooperative interconnection come to the fore as the major

3) Hardt & Negri (2009) use the term ‘biopolitical labour’ instead of ‘immaterial labour’. The meaning of biopolitical labour is almost the same as immaterial labour. However, Hardt & Negri define biopolitical labour as ‘the production of subjectivity’. As a result, productivity of common directly connects with the concept of political subject in their argument, which is called *multitude*.

source of valorization, then the separation of the labour-power from the person doing work and from his or her affect becomes a fiction (CC). Both approaches recognise that the distinction between labour-power and the juridically free individual is becoming increasingly untenable.

2 – 3 Critique / Antagonism

Both CC and NSC highlight the revolt of May '68 and its sequels in late the 60s and during the 70s. They also stress that conflicts bring new social forms. This common point is remarkably meaningful; nevertheless, there is a slight but impressive gap or tension between the angles of the two.

CC:

Cognitive capitalism is the historical product of a profound movement of working-class rebellion (Moulier-Boutang 2011). Hardt & Negri argue that two paths were open to capital for accomplishing the tasks of placating the struggles and restructuring command. The first was the repression, but this had only limited effectiveness. The second is to change the very composition of the proletariat. The proletariat or 'multitude' actually invents the social and productive forms that capital will be forced to adopt in the future. The restructuring of production from Fordism to post-Fordism was anticipated by the rise of a new subjectivity. The history of capitalist forms is always necessarily a reactive history (Hardt & Negri 2000).

NSC:

The principal operator of creation and transformation of the spirit of capitalism is critique. In certain conditions, critique can itself be one of the factors of a change in capitalism. Boltanski & Chiapello distinguished between an artistic critique and a social critique. In the first phase of 60s-70s, the employers interpreted the crisis in terms of social critique. They sought to calm things down by negotiating benefits in terms of wages or security. In the second phase, the employers found this strategy to have failed and understood that the crisis would be construed in terms of artistic critique, which demanded autonomy or creativity. Then, the themes of 'new spirit' of capitalism were taken directly from the repertoire of May 1968 to gradually form the new *city*.

In CC, conflicts or antagonism can be regarded as processes of emerging new desire, or the problem of power relations. In NSC, critique functions at the level of the normative.

2 – 4 Exploitation

Perhaps the world of work seems to have gone forward in a 'more human' direction. However, we have to comprehend that reinforcement of flexibility and communication in labour also means the emergence of new exploitations. At the same time, the connection of new forms of exploitation and accumulation should be revealed. The viewpoints of CC and NSC are not the same because the simple

schema of class relation ended up being non-functional.

CC:

Moulier-Boutang (2011) examined the new exploitation in the productive power of cognitive capitalism. Unlike the muscles of the body, the human brain works all the time. If one wishes to exploit collective intelligence, living labour as invention-power has to be deployed in the process of production (and accumulated in 'human capital'). In other words, cognitive labour continues to exist as means of production throughout the cycle of production: this is called exploitation at degree 2.

NSC:

Boltanski & Chiapello explored the link or transition from the notion of exclusion to a theory of exploitation. In a networked world where everyone moved around, to be excluded is to be immobile, and there is the exploitation of the immobile by the mobile. The mobile necessarily needs the immobile to maintain network itself.

However, Boltanski & Chiapello indicated that nothing could be stabilised, accumulated or crystallized in purely connexionist world that would simply contain flows. There is a similar problem in CC to capture positive externality of collective intelligence. The concept of 'rent' in contemporary capitalism (Vercellone 2010) may play a key role in understanding the new mechanism of exploitation and accumulation (also see Pasquinelli 2009).

2 – 5 Ontology of the social world

In the preface to the English edition and so forth, Boltanski & Chiapello (2005) explained the dual ontology of the social world. They comment somewhat critically about the Deleuzian ontology. On the other hand, CC theorists, especially A. Negri, were influenced by G. Deleuze⁴⁾.

According to Boltanski & Chiapello, the first ontology that emphasises force and the relations of force apt to abandon the issue of normativity. It was associated with the revival of Marxism through an injection of structuralism, and now in its rhizomorphous, Deleuzian-like forms. The second paradigm, which was redeployed at the end of the 1970s and the 1980s, during the decline of Marxism, intends to underscore the real social role played by political institutions and political philosophy, by law, morality and, in general, normativity. Boltanski & Chiapello attempted to articulate and combine two paradigms via dual ontology.

Perhaps CC theorists do not treat the theory of normativity explicitly, but it does not necessarily mean that they disregard the problem. Hardt & Negri accused the "corruption" of Empire, and Moulier-Boutang examined the legitimacy of the guaranteed social income, etc. From different viewpoint, we

4) We cannot discuss about the interpretation of Deleuze's philosophy here.

may say that Negri and others tried to draw out the ethics immediately and impatiently from the ontology or metaphysics. The dual ontology of Boltanski & Chiapello seems to be pragmatic; however, at this time, it is not clear enough how we should consider the relation of the ontology and normativity or politics.

3 Toward the concrete analysis of contemporary capitalism

In NSC, there is no analysis on financialization. On the contrary, CC tries to combine analysis of immaterial process of production and financialization. The processes of financialization are not simply irregularities between the traditional categories of wages, rent, and profit, but rather a new type of accumulation adapted to the processes of social and cognitive production today (Marrazzi 2011). However, the immaterial valorization (or valuation) process has not been analysed sufficiently in CC. How does cognitive capital derive surplus value from “common”?⁵⁾ For this problem, the recent development in Valuation Studies is suggestive both theoretically and empirically. Convention theory and ANT have been combined in this research program (Bessy & Chauvin 2013, Stark 2009).

We should pay attention to ANT, especially the works of M. Callon and his colleagues (Callon, Méadel & Rabéharisoa 2002, Callon & Muniesa, 2005). ANT emerged during the mid-1980s, primarily with the works of B. Latour, M. Callon, and J. Law. ANT is a conceptual frame for exploring collective socio-technical processes, whose spokespersons have paid particular attention to science and technologic activity. ANT does not differentiate between science (knowledge) and technology (artifact). Similarly, proponents do not subscribe to the division between society and nature, agency and structure, context and content, human and non-human (machines, animals, texts, and hybrids, among others), or knowledge and power. Nature and society, subjectivity and objectivity, etc. are all effects of collective activity (Latour 2005, Crawford 2005). According to ANT, the role of things and material devices and process of translation (or qualification) have significant implications for the analysis of immaterial network and common intellect⁶⁾. In terms of emphasising things and devices, problem setting of Convention theory and ANT is said to be close. ANT is the point of contact between CC and NSC.

However, this alliance is not as easy as expected. Latour (2005) regarded that Boltanski & Chiapello (2005) has criticised ANT clearly⁷⁾. Certainly Boltanski & Chiapello cites ANT as a kind of Deleuzian ontology that constitutes the spirit of network/project. But in other parts Boltanski & Chiapello referred

5) Pasquinelli (2009) showed cognitive hegemony of Google. That is not simply an apparatus of surveillance or control, but a machine to capture living time and living labour and transform the common intellect into network value. Google is defined as a parasite of the digital datascape as, on one hand, it provides benevolent free services but, on the other hand, it accumulates value through a pervasive platform of web advertisement.

6) M. Lazzarato who is one of the advocates of CC hypothesis (but now criticize CC theorist especially Moulier-Boutang) argues the significance of ANT (Lazzarato 2014).

7) “Is ANT not one of the symptoms of this market spirit that claims, against all evidence, that everyone has the same chance—and too bad for the losers?” (Latour 2005, p.63)

to studies and concepts of ANT affirmatively. On the contrary, Callon (2007) suggests the methodology to analyse the political economy in late modernity including the dimension of normativity without duplicating the ontology. Again here, the problem is ontology and normativity.

Concluding remark

We have attempted to compare the theory of CC and NSC on several respects. These two approaches focus on the emergence of a *third type of capitalism*. Though both approaches are not the same, they share basic problems such as: network, labour, critique/antagonism, and exploitation. CC mainly focuses on the new productivity of the common, i.e., network of the immaterials. NSC analyses the processes of transformation in ideological aspect (cit  of project/network) in detail. Therefore, CC and NSC are complimentary to each other. Thus, to analyse contemporary capitalism more closely, we can use the concepts and method of ANT. However, at the level of ontology of the social world and the place of normativity in the ontology, they may not easily agree. Also from this, we could understand that the dimensions of these two are entangled in a complicated way. We have to discuss how to deal with normativity and ontology in the methodology of political economy.

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