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Postmodern Capitalism as Symbolic Action: Aesthetics and Commerce in The Hyper-real Economy

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ABSTRACT Capitalism has been criticized for over a century by artists and the cultural avant-garde. In the present period, however, aesthetics and commerce are converging, as art and even social criticism become more commoditized and as capitalism becomes more aestheticized. This condition calls for a new language of description and analysis that can articulate both the symbolic world of the imagination and the material world of capitalism. Drawing on Emile Durkheim and Kenneth Burke, the author advances "symbolic realism" as an approach well suited for this task. He then show how contemporary finance, production, and consumption, especially in the core economies of the world system, are increasingly symbolic in character. Brown concludes that the symbolic realist prespective captures these developments more fully than theories that have been advanced by other major thinkers.

Capitalism has been criticized from its inception, first by religionists and monarchists, later by the aesthetic and literary avant-grade, the community of the imagination. In the twentieth century, however, it seemed as though these critics had been vanquished or coopted. Indeed, popular art, high art, and even anti-aesthetic avant-grade critiques were themselves brought fully into the market system. Art that was merchandized eventually came to be designed for merchandising and, thus, the autonomous voice of the creative community became an extension of the capitalist marketplace. The radical critique of bourgeois sensibility advanced by the surrealists, for example, has become the new aesthetic of consumption. André Breton's automatic writing, which achieved its effects bypassing conscious reflection, or Marcel Dubychamps juxtaposition of images without respect to conventional contexts, are now available to almost any channel grazer, food court diner, or equities investor.

Yet is it also possible that capitalism has been co-opted by the aesthetic avant-garde, that style innovation, the sublimation of desire, and the negation of orthodox categories of preception have become central to capitalism itself? It is possible that the avant-grade has not been conquered by consumerism but has consumed capitalism itself, in both finance, production, and consumption? And, indeed, with these transformations, is it possible that aesthetics and capitalism are themselves no longer viable categories of difference? And, thence, are such categories as "advanced capitalism" and "postmodern culture" misleading, and would it not be more useful to speak of postmodern capitalism or of the capitalist economy as a cultural phenomenon, as symbolic action?

There are conceptual and methodological difficulties in exploring these questions, in part because students of culture are reluctant to engage seriously in social structural and political economic analysis "outside the text," whereas students of the historical dynamics of capitalism usually deploy a deductive or deterministic logic and often think of Herman Eutics as an obscure German philosopher.

There are resources at hand for filling in this chasm, however, and these include the thought of both Kenneth Burke, the theorist of literature and communication, and Emile Durkheim, the sociologist of ritual, symbolization, and social order. Both Burke and Durkheim were what might be called "symbolic realists." Despite Durkheim's sometimes positivist pronouncements, Durkheim's central project was to understand the basic categories of the mind (the Kantian *a priori synthetics*) as social facts, in the sense that they were neither purely mental nor purely material essences or sensa, but rather made through social rites and practices. For Durkheim these basic categories included both "truth" and "reality". Neither epistemology nor ontology, neither science nor philosphy, were exempt from his view that the systems of classification through which experience is formed are social symbolic constructions.

Kenneth Burke developed a similar perspective in which human social reality is regarded as symbolic, action is seen as embodied language, and language therefore becomes the primary unit of empirical knowledge. In elaborating this perspective, Burke established a "total distinction between the realms of [symbolic] action and [non symbolic] motion". Burke then argued that, whereas "action is not reducible to motion," symbolic action does encompass brute motion. For example, though the modes of analysis of natural science (or political economy) cannot explain the nature of literature, the methods of symbolic interpretation can help us understand the "literature" of nature. "I began to see," said Burke, "how my defining literary form in terms of 'expectations' could be extended to the empirical notion of 'reality' itself as a structure of expectations" (1976 : 65). To this way of thinking, words are not mere copies of things. Instead, things are signs for words. "Things" already are "words" insofar as things are symbolic constructions that we invest with a noumenal or objective reality. Burke's view is not merely the reverse of the behaviorist' dictum that words are signs for things; it also transvalues that dictum and becomes interchangeable with it. In Burke's linguistic realism, both words and things are signs. They reciprocally form and inform each other. Each is constructed through the symbolic interaction of persons who "entitle" their worlds similarly (Burke, 1966 : 368; see Brown, 1987, esp. pp. 81-89).

Durkheim nicely complements Burke by exploring more precisely how this collective symbolic construction gets accomplished. According to Durkheim and Mauss, for example, society was not simply a model that was followed by classificatory thought. Instead, the social-conceptual divisions of society served as divisions for the system of classification. "The first logical categories were social categories; the first classes of things were classes of men and women into which things were integrated. It was because men were grouped, and thought of themselves in the forms of groups, that in their ideas they grouped other things.... [Thus] logical hierarchy is only another aspect of social hierarcy, and the unity of knowledge is nothing else than the very unity of the collectivity, extended to the universe.... Logical relations are thus, in a sense, domestic relations. [Collective social representations do not merely portray] reality on its most general side [but also] 'illuminate it, penetrate it and transform it (Durkheim and Mauss, 1963 : 82-85, Durkheim, 1965 : 484).

This is an extension, not a reversal, of the prescription to treat social facts as things, in the sence that now all "things" are seen as *social* facts. Durkheim's work here prefigures that of Burke, postmodernists, and other rhetoricians. "By linking the social construction of meaningful objects to ongoing rites of sacrificial inclusion and exclusion, Durkheim moves social theory toward the consideration of supplementary (ritual) forces at work behind (or alongside) every artful appearance of objectivity (Pfohl, 1992 : 111). Drawing on the symbolic realism of both Emile Durkheim and Kenneth Burke, I will explore political economy as "aesthetic" symbolization, and symbolization as political economy, with reference to three activities as they appear in the language and practice of capitalism – finance, manufacturing, and consumption.

Postmodern Finance : The Conquest of Capitalism by Aesthetics

Perhaps finance has always been the symbolic dimension of the material economy, but this relation of reference or representation has altered radically in recent decades, so that money often appears to be a sign without referent, or to refer mainly to itself. An example is provided by the actions in financial markets in the precipitous drop of the exchange value of the dollar between 1970 and 1985. The central question is not what made the dollar go down in 1985, but what held it up for so long. "From 1971, when President Nixon floated the dollar, its foreign-exchange value was supposed to adjust to the ups and downs of the U.S. trade balance. From 1982 on, the United States had fast-mounting trade deficits, which soon exceeded anything ever seen before. Yet the dollar stubbornly stayed up at what everyone soon knew was an unrealistically high exchange rate. Then, when it fell, it went down to an exchange rate that was equally unrealistically low considering relative costs and productivity.

"The only explanation for the dollar's behaviour is that the real economy of goods and services no longer dominates the transnational economy; the symbol economy of money and credit [has absorbed it]. Every day the London Interbank market turns over ten of fifteen times the amount of transnational currencies such as Eurodollars, Euromarks, or Euroyen needed to finance world trade in goods and services. The amounts traded on the major foreign-exchange markets – New York, London, Tokyo, Singapore, Zurich, Frankfurt – are many times what world industry and world commerce require. *Ninety percent or more* of the transnational economy's financial transactions do not serve what economists would consider an economic function" (Transnational Economy – Transnational Ecology, 1992 : 127, *italics added*). Instead, they are speculative bets in a virtual economy of future central bank interest rates, political risks, changes in tax laws, and the like.

This does not mean that such speculation is "irrational" from the viewpoint of the speculators, but it does show that both money and the rationalistic economic models invoked to explain its movements have lost much of their representational function. Economists models, those simulacra of economic processes, are increasingly violated as political interventions become more necessary to maintaing economic stability. These interventions "include massive discounting of the indebtedness of some nations, massive discounting of the value of assets in the real estate industry and revaluation of the assets of leveraged corporations, [and mega-bailouts of whole industries such as saving and loan banks]. Such changes in book values constitute a recognition of the irrationalities in the economic system by correcting them with further irrationalities, thus saving the icons of free market competitive capitalism" (Vidich, 1992 : 171). What appear to be irrationalities of the monetary and credit systems when viewed economistically, turn out to be prudential interventions that help constitute and maintain the international economic order when viewed aesthetically (Makkreel, 1980). And in such cases, the postivistic discourse of economics operates as ritual incantation.

The neo-world of finance often is more animated by hope, desire, and imagination than by analyses of "concrete" past and current performance. For example, the hope of pre-empting the future through financial techniques governs the financial high flyer of the 1980s. the leveraged buy out or LBO. In an LBO, a publicly held stock-traded company goes private by borrowing money in order to repurchase its own stock. Sometimes this debt reaches 80 or even 90 per cent of the buying price. In effect, aside from outright fraud (Zey, 1993), such LBOs are a bet that future restructuring, growth, or "synergies" will more than off-set the initial debt-financed costs. In contrast to traditional assessments of values in terms of ratios of stock prices to earnings or to company assets, discussions of LBOs treat being-indebt as a source of value. Indeed, defenders of LBOs have argued that the "financial restructuring of the company based on debt creates value for the shareholders, disciplines management, and through its shock-therapeutical effects also makes the company leaner and more efficient" (Beneyto, 1990 : 3-4). Thus LBOs depend on the faith of investors that the tangible assets of the firm will increase in value, even though they do "not change the tangible assets themselves, which remain what they had been before the transaction. In short, large sums of money have changed hands, resulting in cash gain for some shareholders and an indebtedness for others – purely monetary transactions ... unrelated to industrial productivity" (Vidich, 1992 : 169-170). There thus emerges a virtual world of finance increasingly important, yet increasingly distant from what people actually make or do.

The LBO phenomenon is particularly fascinating in its symbolic content for two reasons. First, the very act of going private in what is called the "interest of the shareholders" paradoxically abolishes the single best resource for shareholders to protect their interest – information about corporate value as expressed in the daily stock price. That is, takeover strategies, aimed at increasing shareholder value without stock information, eliminate publicity and rely on secrecy that enriches insiders and seduces everyone else (Beneyto, 1990 : 4). Given this secrecy, behind the apparent battles between management and shareholders "over who will control the large public corporation and in whose interest it will be operated," there is another battle "between management and the small group of financial entrepreneurs who know the tactics and strategies of takeovers, green mailings, 'poison pills' and so on: that is, *the strategies of seduction*" (Beneyto, 1990 : 4). Thus, LBOs, junk bonds, and other such innovations are part of the transformation of "managerial capitalism," which was driven by the satisfaction of consumer needs, into a "casino capitalism" driven by seduction and the creation of desire.

In this new casino capitalism, finance becomes more visible as symbolic action. Perpetual floating rate notes, yield curve notes and dual currency notes, to name a few, are now traded as casually as the stock of firms that actually produce goods and services. The wave of mergers and takeovers of the 1980s also expressed this "paper entrepreneurialism," for although some transactions could be justified "in terms of rationalization or diversification or corporate interests, the thrust was more often than not to gain paper profits without troubling with actual production" (Harvey, 1989 : 163; see Reich, 1983). Speculators now scan a global stock market the way TV viewers scan global channels, never stopping long enough to make a commitment to what they view. Speculators and other new financial experts form a whole new class of value finders and image manipulators with their own yuppie culture, their close attention to symbolic capital, fashion, and quality of life, and a corresponding dis-interest in class or party politics (Harvey, 1989 : 331-332). This new class of consumers eases the flow between the aestheticized economy and the commoditization of aesthetics.

Perhaps one could even say that capitalism has triumphed over socialism because it deconstructed its own rationality and substituted for it a symbolization of desire and the consumption of images, whereas socialism remained loyal to an ideal rationality of production that ultimately was anti-aesthetic. The almost total commitment of socialism to the objectivist rationality of the Enlightenment has meant that the crisis of the modern project has also been a crisis of socialism (Smart, 1992 : 218; Bauman, 1991 : 263, 266). Capitalism was more effective in its creative selfdestructions than socialism. Perhaps a turning point for this deconstruction was the stagflationary crisis of the 70s, which "induced capitalism to perform a creative U-turn : ... capitalism took over the realm of the collective and individual imagination and started to create its own market. Instead of relying on preexisting consumer needs, capitalism suggested, induced, and created the desires of its consumers. In one of its most spectacular hostile takeovers, capitalism succeeded in appropriating its most basic contradictions, the realm of human dreams; capitalism took over the Unconscious and now supplies itself with its own desires" (Beneyto, 1990 : 7).

But this hardly resolves the issue because, in surmounting its earlier contradictions, capitalism became aestheticized just as its scientific legitimation in economics became an irrational theology. So perhaps the question, "Who really won, capitalism or the avant-garde?" is itself no longer relevant, since the opposition has past its critical moment and, instead, we are faced with new challenges – how to imagine another aesthetics, another economics, another mode of critique and transformation of postmodern capitalism as symbolic action.

Postmodern Modes of Manufacture

A postmodern capitalism is evident in the sphere of production as well as finance and consumption. Management and manufacturing increasing are done in virtual times and spaces in which the "product" becomes almost incidental to its simulation. In core capitalist economies, the physical ("real") manufacturing is often but a moment in the cybernetic ("hyperreal") processes of planning, design, marketing, and communication. Moreover, with the relative decline of rust-belt manufacturing in the core states and the increasing importance of information, communication and services generally, the older categories of "production" and "consumption" themselves are blurred as both become increasingly hyper-real.

The cybernetic systems that enable international financial trading and communication, and that have helped revolutionize office work, and also used in reshaping design and manufacturing of products and the assembling of entire systems of production. Today in advanced sectors most of manufacturing is "virtual" or purely symbolic – that is, up to 90 per cent of the investment is in social, communicative, and informatic activities – and is made long before anything physical gets produced. In the service sector this physical part of production drops to almost nothing, like the value of the paper on which a legal brief is printed.

The revolution in advanced manufacturing is partly impelled by new bases of competition. Led by Japan, higher quality became a top priority in the 1980s. Now quality is largely taken for granted and the competitive edge has shifted to speed and flexibility. Much of this change has been brought about by the fragmentation of markets, both in size and in time. As innovations shorten the life cycles of products, production runs become smaller and hence the useful life of any manufacturing system designed for a single product becomes shorter. As customers increasingly demand products that fit their specific needs, the age of mass production shifts to an age of mass customization in which products literally are "made for you."

In these transformations, profit efficiencies in the core economies of the world system have been preserved through agile, cybernetic, or virtual manufacturing, especially in product design and assembly and the coordination of work both within and between enterprises. Companies want well designed products, and they want them produced quickly. Traditional assembly production can be highly efficient only with relatively constant rates of output, a small range of products, and large products runs. By contrast, machines that are programmable by computer can provide greater flexibility, precision, and efficiencies even with "mass production in lots of one." For example, Ingersoll, a company that makes machines, hopes to grow with this sort of equipment now that the commodity machine-tool business has been captured by firms in low-wage and lower-tech Fordist economies.

The most innovative moment of a computer-controlled machine is when information is made flesh without human intervention. The worlds of "mind" and "matter" that meet here are very different. The immaterial world of information allows perfection that material things cannot match; its pure forms and absolute certainties make information easy to share and potentially boundless, but also hard to grip or control. By contrast, matter is awkward, unpredictable, and flawed, but also solid, graspable, workable. Until recently, these two worlds conjoined only in humanity: We are creatures of both thought and action and have imposed our intentions onto and into the material world, making physical things carry information around, not just explicitly as writing or recordings, but also implicitly as in well-designed tools that embody knowledge and purpose. Heidegger showed this in his example of the broken hammer – we know it embodies our intentions when, broken, we cannot use it to realize them. Today, however, information can flow with apparent freedom from either mind or matter in a neo-world that exists within and between computers. Computers let designers and manufactureres imagine and play with ideas with great material freedom, multiplying, sharing, and manipulating them almost without cost, long before anything physical is put together.

Given such capabilities, knowing how to design, plan and coordinate production is becoming more important than physically transforming the raw materials into a product. Some of these features are illustrated by CAD/CAM – computer aided design and manufacturing – which reduce the time needed and increase the accuracy achieved. Good design is the key to manufacturing products that perform excellently and reliably, that are easily fixed if damaged, and that are made cheaply and quickly. CAD facilitates all these processes – it cuts design time by as much as 90 per cent, makes perfect copies at the touch of a button, and incorporates changes quickly and easily. A design made with CAD can be transmitted perfectly from one place or part of the firm to another, or from firm to subcontractors who can now know almost immediately exactly what is wanted and programme their machines to make it, whether they are across the street or across the ocean. CAD also enables the transmission of designs directly to machines that will follow them perfectly so that a part or product can be conceived in San Jose, California and constructed in San José, Costa Rica in a seamless cybernetic flow. This allows manufacturers to redesign what it means to manufacture (Economist, 5 March 1994:7). This new mode of integrating intelligence into matter, of forming things by thinking, has been hailed as a technological revolution of the imagination : "What iron, steel and reinforced concrete were in the late 19th and early 20th centuries, software is now : the pre-eminent medium for building new and visionary structures" (Gelrenter 1989:66).

The use of computer aided design (CAD) at Du Pont, for example, enables engineers to view a model of a chemical-processing plant in three dimensions. The views can easily be rotated on the screen for quick checking for fit and other factors. Another example is the design of drugs without chemcials. At Merck Sharp & Dohme, models of DNA molecules are manipulated by CAD in ways that move drug design from the laboratory to the computer screen. Drug researchers also can factor in demographic, epidemiological, and marketing information in order to design pharmaceuticals with high yields both in therapy and profits, all without leaving their consoles.

Similar transformations are taking place in product assembly. Boeing's jet transport, the 767, was largely designed and assembled through use of cybernetic representations. "Parts and assemblages displayed on the screen could be fitted, analyzed, and subjected to simulated stresses before they existed in tangible form. That saved time and improved design as well" (Young, 1982 : 20). A generation later, the first Boeing 777 was put together in the largest factory in the world. Instead of building mock-ups of this new airplane to make sure that its millions of parts fit together, the very first 777 was a functional flying machine. But in fact a mock-up had been made – in trillions of bytes of information stored in the company's mainframe computers. Using computer (re)presentations of the virtual airplane, engineers had checked each part to ensure that they all would fit together before any pieces were actually made. This method was successful. "When the wings of the first 777 were attached to its waist, the port wing tip was out of position by a thousandth of an inch; the starboard wing was positioned as accurately as the gauges could measure" (Economist, 5 March 1994:7).

What CAD-CAM can do for the design of particular products, other cybernetic systems do for an entire manufacturing operation – the emergence of a virtual firm or network of firms. Is shipping parts from a Singapore plant an easier way to fulfil an urgent order than building them on the spot? How soon and at what cost? Such cybernetically available information not only enhances profit efficiencies, it also allows manufacturers to promise timely deliveries or proffer discounts with confidence.

One precondition for success in such operations is precise communication to enable precisely predictable coordination. Because agile manufacturing is highly sensitive to time, quality, and costs, and the different companies involved have to know their capabilities and time requirements exactly. New technologies for managing factories can build in such exactitude when a virtual enterprise is assembling itself. In the American military, for example, a programme called CALS will require every new piece of equipment to come with a form of electronic product model, in order to turn the supply chain into a sort of virtual enterprise. Similarly, whole networks of firms are being electronically integrated into complete production processes. Rather than physically manufacturing products, the lead enterprises in such networks assume the role of the central nervous system that integrates distant and relatively independent businesses into a single web. In the clothing business, for example, "fiber producers, textile manufacturers, apparel makers, and retail stores used to offer each other their products on the basis of intuition and hope, matching one another's desires more or less, and incurring delays and losses all the while. A computer network infuses these several businesses with common and constant intelligence so that the joint enterprise produces precisely what is wanted, sells exactly what is produced, agrees jointly on what fibers will best serve which fabrics, and which fabrics are best for what style of clothing. In such ways the recalcitrance of distance, the obduracy of delays, and the obtrusiveness of unsold and useless merchandise are reduced" (Borgmann, 1993:70; see Quinn et al., 1987:57). Through such processes, manufacturing becomes better understood as a mode of symbolic action than as a mechanical making of things.

The Postmodern Market: A Fusion of Aesthetics and Consumption

The "aestheticization" of consumption refers to the rapid flow of signs and images that saturate and infuse products, consciousness and consumption. In theorizing this process, we extend Marx's fetishization of commodities to the commoditization of fetishes. Marx noted that exchange value obliterated and replaced the original use-value of things; but in so doing it also allowed the commodity to freely float toward any secondary meaning, use-value, desire, or what Baudrillard (1972, 1973) called a "sign value" – a fetish that stands for itself. In this formulation, consumer capitalism does not merely extend the materialism of an earlier producer capitalism, but also confronts people with a new dreamworld of desires and aestheticized images that de-realize reality and realize appearances into a new hyper-real aesthetic/economic space (Featherstone 1984:270, Haug 1986:52, 1987:123).

With these changes, the Puritan ideology of early capitalism came into contradiction with an increasingly hedonist ethic of consumption now favoured by capitalism itself. The "entrepreneur's need to revive seduction, to respond to competition with ever-more complex pleasures, inscribes him in a consumerist ideology directly at odds with the 'bourgeois' virtues of sobriety, thrift, and hard work that had assured the development of production" (Beneyto, 1990 : 8-9). The moral liberation or even license necessary for consumption begins to erase the stricter morality necessary for production. Products, life, and capitalism itself become aestheticized as the manufacture of desire becomes indispensable in the making and selling of things.

As basic needs are satisfied or seen as essentialized constructions, the production of things further gives way to the production of wants. This is precisely where aesthetics and consumption converge, in Desire, the ultimate goddess of the aesthetic avant-garde. Capitalists join artists as both become workers of and on the imagination. Far from becoming merely irrelevant or coopted, the aesthetic is re-integrated into postmodern capitalism while retaining its demiurgical energy. After expropriating desire, the system re-ligitimates itself in the now heroicized figure of the entrepreneur, the dream maker, the teaser and the pleaser, the economic artist who elicits and seems almost to fulfill human desires. Then the focus shifts from the older dynamics and mechanics of capitalist oppression to the production and manipulation of social reality and social subjects, and to how long the theology of material economic rationality can survive its next deconstruction.

One feature of the postmodern market is the sheer speed of transaction that new technologies of electronic communication and data management enable; purchases by phone, credit card, or computer are examples. Global marketing is achieved by virtue of the ability to collapse physical space into electronic time which brings, say, McDonalds into instantaneous contact with the home office in Oakbrook, Illinois, and eaters in Bei'ching or Buenos Aires. Such violations of the older space-time ratios of preception turn transmission into transgression and communication into contagion. Boundaries are now shifted by the market in actual space-time the way formerly only artists could do so out of time in imaginary spaces.

The symbolism of status through consumption is perhaps especially significant in complex societies with a high division of "labor and high degree of mobility. High mobility requires an expressive symbolism demonstrating the status or features of the identity of a person in fluctuating interaction situations. The traditional ascriptive status and its stable expressive symbolism gets replaced by oscillating changes of fashions" (Staubmann, 1993 : 8). The same idea was suggested by Alexis de Tocqueville (1945) and Thorstein Veblen (1899) when they argued that the differentiated and fluid American society generates expressive symbologies of fashion and money to display identity in interactions with new partners and unknown neighbours.

Such extentions of the "economic" into the "cultural" are matched by the reverse – the rise of a symbolic economy. This postmodern market of signs has no precedent, and would have been unrecognizable to Adam Smith or Karl Marx, neither of whom paid much attention to consumption (Hickson, 1992 : 12-13). Instead, they took culture for granted and saw only relations of production as contested, thereby fetishizing the system of production and the market by ignoring processes and settings of labor formation, knowledge creation, and the constitution of self and desire.

By contrast, it is much more obvious today how cultural presuppositions limit, shape, and infuse economic activity, and not only the reverse. For example, in postmodern capitalism, intellectual innovation is a major, perhaps *the* major, factor enabling changes in the means and relations of production. Changes in cultural styles of consumption and identity similarly encourage new modes and outputs of production. Thus, instead of taking identities and forms of life for granted (and leaving them exterior to analysis), today a cultural economics needs to focus on the processes of cognitive innovation, self-formation, new definitions of lifestyles and, above all, the creation of desire.

Many authors have noted the extension of the market into the family and other areas of the lifeworld. But I am speaking here of a qualitative acceleration of this process in which the market itself is transformed into a sphere of ephemeral hyper-realities where "authentic feelings," "family values," and "economic calculation" all melt into each other. Such a transformation transforms the meaning of economy. The market no longer is exterior to social settings and cultural values from which it emerged. Instead, the postmodern market requires and creates people who can engage in creative processes of consuming the new production.

As past and present or near and far are recycled and mixed into pleasing images, art finally everywhere infuses a reality that is inseparable from its aesthetic representation. "And so art is dead, not only because its critical transcendence is gone, but because reality itself... has been confused with its own image" (Baudrillard, 1983 : 151). Mass tourism, films made in spectacular locations, and the micro-narratives of advertisements set in exotic climes present an unlimited range of simulated or virtual experiences. Places that are experienced are processed images of place that are stylized and marketed like any other product in an age of electronic (re)production. Art ceases to be a distinct, closed-off sphere of experience, because of the hyper-real blending of the actual and the virtual extends aesthetic fascination to everything in a non-intentional surrealistic parody of the world.

Capitalism and aesthetics converge not only in the stylization of commodities or the commoditization of style, but also in the absorption of even *anti*-capitalist expressions. For every anti-commodity counterculture, there emerges a commoditized culture for the sales counter. In the case of "hip" for example, capitalism appropriated whatever might seduce consumers while discarding whatever was critical or unmarketable. The appurtenances of hip – Ray Bans, leather jackets, this or that haircut – were constantly merchandised across America, blurring the lines between the hip and square, cultural resistance and the consumption of signs. Eventually espresso coffee moved from Greenwich Village to McDonald's just as McDonald's had invaded the Village. The stylized alienation that made fun of convention enabled people to cathect and consume a stylized mass culture even while feeling superior to it. The critical modernism of "Fleurs de Mal" became the postmodern floors de mall as late capitalism absorbs its avantgarde critics.

To perform or even survive as a player in the volatile markets of style requires new skills in manipulating taste and opinion. One can project one's own image as a leader in personal style or one can saturate the market with images that ride the volatility to one's enrichment as an entrepreneur. "This means, in either case, the construction of new sign system and imagery, which ... now assume a much greater importance in the growth dynamics of capitalism. Advertising ... is no longer built around the idea of informing or promoting in the ordinary sense, but is increasingly geared to manipulating desires and tastes through images that may or may not have anything to do with the product to be sold" (Harvey, 1989:287). Indeed, it could be said that capitalism now produces signs and sign systems more than commodities or, more precisely, that the commodity to be sold has become the image or icon of a sign system itself. Corporations today can achieve domination of markets and subjugation of psyches by promoting fetish-like brand names that inspire and are recreated in ritual acts of consumption. Oligopolies like the big three in tabacco, or Nike and Reebok in sports gear, or Nestlés in canned milk, achieve their market domination through massive advertising campaigns around the world. Indeed, one feature of the new world economy is precisely the globalization and oligopolistic control of mass media that guide that taste preferences of customers, create new and superfluous needs, and alter patterns of consumption, according to the requirements of their business (Wadgymar, 1994 : 300).

As the marketing of products becomes the manipulation of signs, the idiom of advertising is hyperbole. Every claim is not only inflated, but also elusive. Breathless prose is hung on the most banal objects. "Incredible Savings! Unbeatable Prices?" reads a supermarket poster for napkins. Ad claims are not merely unbelievable but, more importantly, they are too ambiguous to be held accountable. "What can it possibly mean to say that something is 'The first sandwich big and tasty enough for Burger King'? or 'Clairol's got a whole new lock on curls'? Such language just sits there, not so much persuading as enticing, conjuring up dreams of pleasure, abundance and personal fulfillment" (Cmil, 1992 : 197).

Advertising's primary cultural effect is a democraticization of desire. Although marketing has little effect on the economic position of consumers (except perhaps to encourage indebtedness) it has yielded a homogenization and inflation of wants and aspirations (Wilensky, in Cohen and Young, 1974). Such rising expectations have not led to revolution, however, nor even to significant protest. Why not? First, people who produce themselves through consumption have difficulty in imagining alternatives to the consumer society – they have become passive consumers, not active citizens. Second, for many people the capitalist system eventually does deliver. The democratization of desire stimulates innovation and larger production runs, so that goods that formely were luxuries often become broadly available, aggressively marketed, and avidly consumed by more and more people as necessities. Even in China, the "three wants" of the 1970s – bicycle, radio, and sewing machine – became basic needs in the 1980s as the motorcycle, television and refrigerator became the three new wants. Thus a democratization of goods arrives to satisfy a democratized desire even as other newer luxury goods emerge at the upper end of the market to re-stimulate desire and re-initiate the cycle. In the caste system of commodities, people may complain that the cargo of consumption is too meager, or that the rich receive an unfair measure, but not that the system itself is unjust, a system which in any case is constantly reinforced ideologically by the Capitalist Realism of commercial art and advertising, which in turn motivates the desire that fuels the dynamic of consumption, production and creative destruction.

Our remarks suggest that capitalism has won out over aesthetics. Through the commoditization of art, the organized production of "style", and the commercial cooptations of aesthetic protests such as hip, it would seem that capitalism has absorbed the avant-garde and tamed the aesthetic and even political critiques that have dogged it since the industrial revolution. But perhaps the reverse is true. Perhaps the aesthetics of irrationality, style and desire have absorbed the disciplined and ascetic rationality of an earlier capitalism. Perhaps not capitalism but the aesthetic avant-garde has won by aestheticizing the political economy. Or perhaps it is impossible to tell the difference. As the aesthetic avant-garde looks too often like kitsch and as entrepreneurship becomes a stylistic manipulation of images, it becomes more difficult to distinguish the impresario from the artist or the stockbroker from the surrealist.

Once recognized as symbolic action, economic activities cease to be an isolated facet of human experience. Instead, the meanings of finance, production and consumption are viewed as being continually redefined (Douglas and Isherwood, 1978 : 68). This is true of local firms and markets as well as of national and international economic processes, since ultimately producers and consumers alike remain actors in the creation of value.

Semiotics, Symbolism, and Social Theory

We have tried to cast the net of symbolic realism over the big fish of economics, mostly through empirical examples. But our remarks also have some general implications for semiotic and social theories of contemporary political economy. One way to develop the implications for semiotic theory would be to extend the idea of linguistic value to include value in general. Stated slightly differently, we would recode Marxism into a Burkean semiotics that subsumed the political economy of commodities under a political economy of signs. To see how this might be done, we should first distinguish interactionist theories that see language as a system of signification from positivist theories that view language as a system of representation. In the representationist view of language, objects, ideas, relationships, selves, or institutions exist independently from the language that is used to describe them; messages are formulated to convey (or disguise) the meaning of extra-linguistic things. The speaker encodes this extralinguistic reality into words and sentences and transmits it to an audience in the form of a message, which the audience then decodes (Thompson, 1989 : 7).

By contrast, in the more Burkean view of language as a system of signification, the crucial category is the sign or symbol. In this view, linguistic values do not involve any pre-existing things or ideas but emanate from the practice of communication itself, which involves exchanges of linguistic values through which things, persons, and relations of power are defined and constituted. This "economy of signs" is not so different from a monetary economy. As Saussure noted, in linguistics "as in political economy we are confronted with the notion of value; both sciences are concerned with a *system for equating things of different orders* – labor and wages in one and signified and signifier in the other" (1982:11, 1966-79. And it is unimportant whether the signifier of value (the money-image) be coins, paper, cowrie shells, or computer bits. Money talks, though it may use a wide range of phonemic markers.

If we push this conception further, we could say that the sign constructs its own adequate signified. In this formulation, the signifier dominates the signified, and we direct our attention to the conditions of discourse in order to understand the generation of meaning. Meaning is not something already formed prior to its articulation, for which language serves only as a mechanism of transmission. Instead, the "play" of meaning and sense is in the play of signification itself, as exemplified by the system of signs that make up those very means of signification (Thompson, 1989 :8).

If we transfer this way of thinking to the case of money or commodities, we see that both neo-classical and Marxist economics assume the representational theory of language, and thus treat money as a sign of something else. Both see money as a means of representing value, though they differ as to what the value is. For neo-classical theorists, "value" is given by the utility obtained from the use of the commodity. "The amount of money consumers are prepared to pay for a commodity depends upon the utility they derive from it. Of course, that utility cannot be observed directly. It must be represented by money because it remains hidden. In Marxist theories, money is a phenomenal form of value, where value is determined by the abstract labour power embodied in that commodity" (Thompson, 1989 : 8). Here again, labour value can never be seen directly but only as it is "transformed" into money and prices. In both neo-classical and Marxian conceptions, then, it is the representation of value that we observe – the realm of money and prices – and not the deeper reality of utility or labour that is said to determine it.

This representational theory distinguished appearance (representation) from reality (the deeper meaning, structure, etc.) and then decodes the appearance to get to the underlying reality. The absent reality becomes present through its representation. It is both absent and present at the same time. If we strictly applied positivist canons to such thinking, it would appear to be a logical contradiction, even an example of mystical thought, as in the absent presence of Christ's blood and flesh in the wine and wafer. In Marxist literature this is called the "transformation problem."

By contrast, if we take seriously the view of language as signification, we understand the signifier to "construct" the signified. Analogously, money does not represent anything in terms of an extralinguistic domain of utility or value. Instead, money "constructs" value, but on the same semiotic "surface" as money itself. Thus "value" and "money" are synonymous. This view of money and value as "appearance" or "surface" would become more plausible if it were understood in the context of a general theory of economic action as symbolic action. Such a theory is hinted at in some of the writings of Marx (1971:17), as when he compared the fetishism of language to the fetishism of money: "It is no less false to compare money with language. It is not the case that ideas are transmuted in language in such a way that their particular nature disappears and their social character exists alongside them in lanugage, as prices exists alongside goods. Ideas do not exist apart from language."

We could extend this point and say that the world does not form speech, but that speech forms the world or, more precisely, gives form *to* the world (Roche, 1973 : 79-80; Meehan and Wood, 1985 : 218-224). Class, economic exchange, and value take their existence and form in their linguistic enactment. In *Capital* Marx followed the logico-empiricism of Feuerbach and so he conceived of the value of goods as an expression of the labour of those who produced them. But he also argued in the more Hegelian *Grundrisse* that, under capitalism, language becomes reified. Langauge becomes the "agent of divorce" (Marx, 1971 : 71). Like virtue, love, or conviction, which men had once considered inalienable, language too becomes "an object of exchange, or traffic... [What] till then had been communicated, but never sold; acquired, but never bought ... passed into commerce."

Seen as symbolic action, economics becomes a subject both of semiotics and pragmatics of communication. As objects have become commodities and relationships ones of commodity exchange, the use value of things or people is subordinated to their exchange value. This exchange value is stated in terms of money, the purest of signs since it now stands for virtually anything (Marx, 1946; Simmel, 1978; Lukacs, 1971; Kelemen, 1982). As Baudrillard (1981 : 63) said, "The object is nothing...but the different types of relations and significations that converge, contradict themselves, and twist around it." This semiotic critique of the political economy of the sign parallels the earlier Marxist critique of the political economy of the commodity. Indeed, in a Marxian (or Burkean) semiotics, they become the same critique, since commodities use and exchange value, whereas "the sign... combines the signifier and the signified. A Marxian semiotics merges these two structures into a single structure that may be called the *signified commodity*" (Baudrillard, 1975, 1981; see Denzin, 1987).

The conception of postmodern capitalism as symbolic action also implies a reformulation of social theories of political economy. Symbolic realism discovers emotionality as a source of social integration, which, as we noted, is generally overlooked in Marxist as in economistic or utilitarian social theory. As Durkheim observed (1893/1960), the viability of rational contracts depends on non-rational foundations of complementary trust. Hobbesians and utilitarians solve this problem by assuming an instrumental superordinate Power. But this simply shifts the problem to a higher political level of how to explain the commitment to power. By contrast, Talcott Parsons argued that preconstructed contractual trust was secured through a shared normative culture inculcated into people through socialization (Staubmann, 1993 : 6). But the character of this socialization is never explained. The Marxist tradition provides an alternate to the problem of order or solidarity as it arises in contract theories of society – the fraud of ideological domination or, failing that, the force of the capitalist state.

Randall Collins offers yet another solution to the dilemma of social solidarity, one that seeks also to preserve his basic conflict theoretical approach. Collins argues that non-rationality at the micro-social level is a basis for domination at the macro-social level by the more internally cohesive groups. Thus, Collins replaces Marx's cognitive and instrumental concept "of class or group consciousness with a Durkheimian notion of group solidarity based on ritual and emotion, in which solidarity is seen as a prerequisite of instrumental macro-phenomena like conflict and domination" (Staubmann, 1993 : 6). As Collins said (1992 : 4, 24) : "One of the central discoveries of sociology is that rationality is limited and appears only under certain conditions. More than that : society itself is ultimately based not upon reasoning or rational agreement but upon a non-rational foundation.... The basic nature of politics is disagreement and struggle among various factions. But the key point is, that *no particular faction would be able to dominate others if it lacked solidarity in its own ranks*. For a group to have this solidarity, its members must stop calculating their own self-interest vis-a-vis each other and feel only their common interest as a group. This requires that somehow they share a non-rational sentiment that makes them want to contribute to the group instead of being free riders. It is for this reason that ideologies, symbols, and emotions are so important in politics" (Staubmann, 1993 : 6). However ingenious, this formulation depends on a segregation of macrostructure from micro-action, and a view of emotions as individual or soical/psychological phenomena. This is misleading. As Staubmann (1993 : 6) puts it, "Neither art, nor emotions can be understood properly in this perspective. The macrolevel of a universalistic culture as well as the dynamics of a total society are constitutive for expressive-aesthetic action in general. Emotionality and art, as well as science and economy, have to be seen as micro and macro phenomena."

Other views of the relations of culture and economics appear in the debate over postmodernism, especially in efforts to link its dynamics to changes in the structure of capitalism. Frederic Jameson (1992), for example, periodizes postmodernism as the culture correlate of the late capitalist stage of capitalism. Another kind of Marxist, David Harvey (1989), considers postmodernism as a phenomenon of culture that develops in response to the capitalist crisis of overaccumulation. "He suggests that in the past the crisis of overaccumulation was countered by the extension of capitalism into new markets around the world especially in third world countries. As these opportunities have declined in the present, capital reworks the home markets by accelerating the turnover in use of commodities with the aid of advertising and by switching to new, more customized production techniques, such as flexible organization. The outcome, at present, is the articulation of commodity production with fashion and a rapid, speeded-up process of consumption that is based on the consumption of image alone – all of which are characteristics of postmodernism" (Gottdiener, 1995 : 139).

Put somewhat differently, both Jameson and Harvey place the operations of ideology at a different location in the circuit of capital accumulation that did Marx – not so much in processes of valorizing and stabilizing production, as in the realization and circulation of surplus value through markets and conduits for investment. Here the ideology of consumerism plays a major role. Indeed, Harvey seeks to reduce and appropriate analyses of postmodern culture to an epiphenomenon of world captialist dynamics.

In contrast of all these views, the socio-semiotic approach has the advantage of being able to specify in rich detail the mutual transformations of culture and political economy. Rather than some totalizing view of either culture or political economy, such an approach sees both as socio-semiotic systems through which (cultural and economic) value is generated, transformed and exchanged. Signs, images, and feelings matter in both culture and political economy, but not quite in the says that Parsons, Collins, Jameson or Harvey suggest. This is not to say that Burke or Durkheim had all the answers. Durkheim, especially, had little to say about power. But they did develop theories of symbolic action out of which both selves and social structures are generated, and these theories, developed later by poststructuralists and postmodernists, promise to give us richer understandings of postmodern capitalism as symbolic action, and of power not only as political domination and economic exploitation but also as the creative constitution and subjugation of selves and societies.

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