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Postcapitalism: A Guide to Our Future

By Paul Mason, Allen Lane, 2015

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EARLIER THIS YEAR, Paul Mason left his position as economics editor of *Channel 4 News* in the UK to go freelance. The reason Mason gives is his desire to ‘work for a while outside the impartiality framework front-line public service TV reporting demands’.¹ He has his own ideas and his own analyses, and he wants to be free to promote them vigorously. In fact I think Mason can already be seen writing and speaking for truth

¹ Paul Mason, Why I’m Going Freelance... [blog post], accessed March 27 2016, <https://medium.com/mosquito-ridge/why-i-m-going-freelance-930b84afc20a#.7bmcptuno>, para 1.

rather than simply achieving a spurious ‘balance’ in his reporting from Greece in recent times, particularly in a four-part documentary on the first Syriza government.² But most important in Mason’s decision is his sense that there is ‘a space opening up where the left of social democracy meets the radical left, green and autonomist politics, [and] I’ve got to engage seriously with that’.³ He is not the first to note this phenomenon but what is certain with *Postcapitalism*⁴ is he is fully engaged already in that ideological space.

In this book, Mason argues that we are on the cusp of a revolutionary transformation in the global economy, a shift so significant and so extensive that it will be comparable with the first Industrial Revolution. The shift will take us to an information economy, a phrase which might be easily dismissed as glib tech-speak if it wasn’t for the fact that, as Mason demonstrates, such an economy cannot possibly be capitalist. There is a problem, however: while we are indeed on the cusp of something revolutionary, we are trapped there, unable to move forward into this transformative era. Instead, we are stuck in some sort of zombie economic system that refuses to lie down and die.

Postcapitalism also displays Mason’s journalistic concern for the human angle, as can be found in his reporting from the Moldovan-Russian border, the account of the tent camp in Gezi Park in Istanbul, the conversation with migrants from Niger, or the description of the bakery chain store which now operates out of what was once Adam Smith’s house in Kirkcaldy, Scotland. Such anecdotes and observations not only attest to Mason’s familiarity with events on the ground but also, by breaking up the tracts of theory, serve to keep the book accessible.

2 Theopi Skarlatos [Director] and Paul Mason [Producer], #ThisIsACoup, accessed February 15 2016, <https://theintercept.com/fieldofvision/>.

3 Mason, *Why I’m Going Freelance ...*, para 5.

4 Paul Mason, *Postcapitalism*, London 2015, p. 163.

Nevertheless, the theory is essential. It gives the arguments put forward in the book a much more robust foundation than the excessive optimism which came across in Mason's *Guardian* piece on the subject.⁵ His strength here is in synthesis, though I think he also offers some original insights. In connecting together a wide range of ideas from a very eclectic group of sources, among which Marx is the leading voice, Mason gives far greater credibility to the case for postcapitalism than the now rather notorious *Guardian* article seemed to achieve. So what are the main ideas Mason presents in his book?

Mason begins from the indisputable point that information has some very peculiar qualities when examined through the lens of economics. Economics deals in scarce goods and information is abundant. In fact, 'information goods exist in potentially unlimited quantities', which is very disturbing to an economics based on marginal utility theory because the true marginal cost of abundant goods is zero.⁶ This point is not simply applicable to illicit copies of an episode of *Game of Thrones*. All software ever written, everything ever committed to digital form, observes this rule too. The computer programming that is part of larger material systems also observes this rule. And so, Mason contends, when 'you inject zero marginal cost products into the price model ... it breaks down'.⁷ To build his case Mason provides a lengthy exposition of Marx's labour theory of value (which is needed because marginalism cannot handle abundance) and also draws on the 'Fragment on machines' from Marx's *Grundrisse*. Mason concludes that 'an economy based on information, with its tendency to zero-cost products and weak property rights, cannot be

5 Paul Mason, The End of Capitalism Has Begun, *The Guardian*, accessed January 21 2016, <http://www.theguardian.com/books/2015/jul/17/postcapitalism-end-of-capitalism-begun>

6 Mason, *Postcapitalism*, p. 163.

7 *Ibid.*, p. 169.

a capitalist economy'.⁸ In other words, information is corroding capitalism.

Of course, capitalist information technology corporations and heavily knowledge-dependent businesses such as pharmaceutical companies are not going to go quietly, hence their passionate relationship with intellectual property lawyers and monopoly power. As Mason bluntly notes in respect of iTunes, 'Apple's mission statement, properly expressed, is to prevent the abundance of music'.⁹ And he has backing from the economist Kenneth Arrow who said that 'inventive activity is supported by using the invention to create property rights; precisely to the extent that it is successful, there is an underutilization of the information'.¹⁰ Neatly inverting this statement, Mason insists that Arrow has brought us to a revolutionary conclusion: 'an economy based on the full utilisation of information cannot have a free market or absolute intellectual property rights'.¹¹

But why is the path to this new non-market economy blocked? Why is it that 'instead of rapidly automating work out of existence, we are reduced to creating bullshit jobs on low pay'?¹² Mason identifies neoliberalism as the source of blockage, and his thoughts around how this has come about are insightful.

This aspect of Mason's analysis is based on the work of Nikolai Kondratieff, a Soviet economist executed in Stalin's purge in 1938. Kondratieff identified successive cycles of expansion and decline in capitalist economies which have a period of roughly 50 years. These so-called 'long waves' have been thought to be

8 Ibid., p. 175.

9 Ibid., p. 119.

10 Kenneth Arrow, *Economic Welfare and the Allocations of Resources for Invention*, accessed January 21, 2016, <http://www.nber.org/chapters/c2144.pdf>, p. 617. Cited in Mason, *Postcapitalism*, pp. 131-2.

11 Mason, *Postcapitalism*, p. 132.

12 Ibid., p. 242.

driven by technological developments and a variety of economic factors. Uniquely, I believe, Mason adds class struggle as a third critical element in releasing a new upswing and a new phase of expansion. Episodes of intense class struggle arise periodically because, in the downswing phase of the wave, capital looks for the cheapest solutions to its ever more frequent crises, attacking wages and working conditions in an attempt to bolster profits. This working class resistance in turn forces capital to make fundamental changes to its own practices and thus reinvent itself.

Or it did, in the past: not so this time. We're now at the tail end of the fourth Kondratieff wave, on a huge downswing, suffering relentless attacks on wages and working conditions, benefits and public services. And while there is some fightback, there is no effective or concerted resistance across society. For Mason, this is because the essence of the neoliberal project from the 1980s onwards was the attack on labour and the smashing of labour's bargaining power.¹³ And with unions crushed, 'the transformation of work could begin in earnest, creating the atomised and precarious workforce of today'.¹⁴ Through this transformation, neoliberalism has very effectively stalled the onset of the next Kondratieff wave. Instead of being forced by working class resistance into a reinvention of itself, capital could find a solution to its crises through low wages and low value production and the imposition of 'penury and atomisation on the working class'.¹⁵ So the manner in which neoliberalism and its adherents are preventing the rise of an economy based on the full utilisation of information means much more than merely taking a convenient, cheap and very nasty option to support profits. It means perma-

¹³ Mason regards the PATCO air traffic controllers strike in the US in 1981 as a seminal moment. See for example David Macaray, *How the Air Traffic Controllers Strike Changed Everything*, accessed January 21, 2016, <http://www.counterpunch.org/2015/05/12/how-the-air-traffic-controllers-strike-changed-everything/>.

¹⁴ Mason, *Postcapitalism*, p. 93.

¹⁵ *Ibid.*, p. 93.

ment class war. Some years ago, billionaire Warren Buffett was quite frank about this: ‘it’s my class, the rich class, that’s making war, and we’re winning’.¹⁶

The context of this ongoing class war has also been changed by the abundance of information and, more significantly, by information technology. As Mason writes, ‘with the death of the “real” working class ... in the past twenty years capitalism has mustered a new social force that will be its gravedigger, just as it assembled the factory proletariat in the nineteenth century’.¹⁷ This new social force is the networked individual. Mason argues that just as the bourgeoisie had to embody capitalism in the past, so the networked individual ‘would have to fight ... for the new economic model and to embody its values in their behaviour. They would have to be ... the bearer of new social relations inside the old’.¹⁸

Unfortunately, the nature of this networked individual is not sufficiently explored in *Postcapitalism*. Given the hugely significant role that Mason gives to them, they really deserve as much analysis as the labour theory of value or Kondratieff waves get in the analysis of economic forces. But instead of a detailed investigation, Mason refers us, via endnotes, to his cryptically titled 2014 essay, ‘WTF is Eleni Haifa’.¹⁹ This essay certainly is an entertaining and thought-provoking read, but it could usefully have been included as a chapter in the book.

The absence of this discussion is important because a serious question arises around the political agency of the net-

16 Cited in Ben Stein, In Class Warfare, Guess Which Class is Winning, *New York Times*, accessed January 22 2016, http://www.nytimes.com/2006/11/26/business/yourmoney/26every.html?_r=0.

17 Mason, *Postcapitalism*, p. 212

18 *Ibid.*, p. 114.

19 Paul Mason, WTF is Eleni Haifa [blog post], accessed February 3 2016, <http://www.versobooks.com/blogs/1801-wtf-is-eleni-haifa-a-new-essay-by-paul-mason>.

worked individual. At one point Mason refers to networked individuals as showing ‘no interest at all in overthrowing the old capitalism, and scant interest in politics at all’.²⁰ Later, however, he describes how this new social force has ‘camped in the city squares, blockaded the fracking sites, performed punk rock on the roofs of Russian cathedrals ... The appetite for radical economic change is clear’.²¹ The lack of an investigation into the networked individual, and the failure to resolve the ambivalence Mason has expressed, rather let us down on this essential element of the case for postcapitalism.

In some ways this is a rather curious situation as, previously, Mason has engaged quite deeply with the work of Manuel Castells,²² a sociologist who has both theorised the networked society and its movements and studied it empirically in great detail. In his recent book²³ Castells surveys a number of rebellions such as the Arab Spring, the Spanish 15-M/Indignadas movement and Occupy Wall Street, and draws some general conclusions about how the networked individual is changing the world. For example, Castells argues that networked movements ‘are rarely programmatic ... this is both their strength (wide open appeal) and their weakness (how can anything be achieved when the goals to be achieved are undefined?)’.²⁴ This analysis leads Castells to conclude that networked movements ‘aim to transform the state but not to seize the state’.²⁵ Mason’s take on such ideas would be interesting to say the least, given the revolutionary role he as-

20 Mason, *Postcapitalism*, p. 114.

21 *Ibid.*, p. 212-3.

22 Indeed, in 2012, Mason even interviewed Castells for a public talk at the London School of Economics. See Manuel Castells (Speaker) and Paul Mason (Chair), *The Crisis Always Rings Twice*, accessed February 22 2016, <http://www.lse.ac.uk/news-AndMedia/videoAndAudio/channels/publicLecturesAndEvents/player.aspx?id=1606>.

23 Manuel Castells, *Networks of Outrage and Hope*, London and New York 2015.

24 *Ibid.*, p. 255.

25 *Ibid.*, p.256.

signs to the networked individual. But Castells receives only the briefest of mentions in the preface to *Postcapitalism*. It seems like a missed opportunity.

In the final part of his book, Mason attempts to look into the future and the possibilities for social and economic transformation. His efforts are better than many attempts of this sort as he is well aware of the lessons of history, in relation to how *not* to effect such a transformation. Based on these lessons he lays down some principles for a project that he describes as ‘revolutionary reformism’.²⁶ He readily acknowledges that this phrase will irritate both social democrats and radical leftists (for opposite reasons), but the intention is to avoid the major catastrophes of revolutionary change experienced in the Soviet Union (and elsewhere) while also avoiding the institutional capture which has rendered impotent Labour and other social democratic parties (and many so-called ‘progressive’ NGOs into the bargain). So Mason supports the promotion of numerous small-scale radical experiments, to test new ideas and their impacts, and then to use the information gathered to model their application at a macro scale virtually, to see how they would play out. Many experiments will fail, but we need to tackle the problems we face from all angles, recognising that no one person or group can determine the future owing to the ‘limitations of human willpower in the face of a complex and fragile system’.²⁷

Mason writes that the ‘socialists of the early twentieth century were absolutely convinced that nothing preliminary was possible within the old system’ but concludes that ‘the most courageous thing an adaptive left could do [now] is to abandon that conviction. It is entirely possible to build the elements of the new

²⁶ Mason, *Postcapitalism*, p. 262.

²⁷ *Ibid.*, p. 266.

system molecularly within the old'.²⁸ However, Mason is not an autonomist. He sees an important role for an enabling state that would, for example, institute a universal basic income (UBI) to establish a formal separation between income and work, socialise the finance system, suppress monopolies and foster collaborative modes of working such as co-ops. These elements are sketched in outline only, and each of these proposals could generate a book in its own right. But they do serve to show that we already have plenty of useful ideas to contribute to the building of a non-market economy.

Throughout his book, Mason writes with energy and he certainly turns a fair number of memorable phrases. The grounding of his work firmly in a Marxist tradition, along with a willingness to develop new lines of thinking relevant to the 21st century social and technological context, make for some valuable insights. There is much to ponder here. But I did find I had to work quite hard at times—it sometimes seems that Mason has so many ideas bursting forth that, while he is highly articulate, well-informed and very well read, he cannot quite organise his material as effectively as could be done.

One final thought. Again displaying a certain ambivalence about the prospects for revolutionary transformation, Mason writes that 'we're living in an age of the network alongside the hierarchy, the slum alongside the web café', which I think implies we face many more years of precarious bullshit jobs, the extension of the power of finance capital, beneficiary bashing alongside corporate welfare, and the marginalisation of minority voices while smug wealth dominates our media ... unless that new social force, the twenty-something networked individuals, rises up in rebellion *en masse*. Our future lies in the hands of these young people and what that future will be may turn upon

28 *Ibid.*, p. 244.

the question of their sense of political agency. While this question remains unanswered by Mason's book, from what I saw on the streets of Auckland on 4 February 2016, in the blockades opposing the signing of the TPP, plenty of young people are primed and ready. The new era of postcapitalism may be born sooner than we expect.

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