3 | On the Social Relations of Distribution and Consumption

In the Victorian era economy, which Jevons and Marx, for example, actually observed, there was only a small to nil public sector providing "social welfare" and related services and only a relatively small amount of private and church-related "charity." Market exchange of commodities was undoubtedly the most important way in which goods and services were distributed for "final" or consumer's consumption.[1]

In our own day individuals and families purchase and consume private sector goods and services within a wider social context of higher or semi-guaranteed earnings that are the product of the modern welfare state. Moreover, the social and cultural effect of the welfare state, most notably in education and health services, has fundamentally altered the kind and the quantity of private sector commodities purchased and consumed and, of course, how we consume them. Naturally, we don't live in two economic universes, as our private purchases and state provided services tend to complement and otherwise condition one another. Accordingly, this change poses an analytical problem that we must address if we are to give a useful account of modern consumption issues. Obviously, we need an analytical scheme that incorporates equally the so-called final consumption of both private sector commodities and the goods and especially services provided by the public authority. We will treat these matters under the category "social relations of consumption."[2]

What I want to show in this chapter is that the different social relations of consumption normally occur as constituent parts of wider ensembles of social relationships with producer institutions, both the public authority and the private firm, to such an extent and in such a manner that we find not "final" or "terminal" consumption but forms of productive consumption. What one is really arguing is that consumption in a modern economy is normally linked to and conditioned by its fur-

ther productive effects on the consumer as producer. It has a feedback effect and, as we shall see, something more as well.

In a modern or advanced economy the two most important kinds of social relations of consumption are exhibited in the (public sector) administrative relationship and through the (private) sale/purchase state or sale/purchase-in-time. Typically, the first is thought to impose a degree of constraint on the citizen-consumer because, as with elementary schooling or fire services, all of us are compelled to pay for them through the tax system, thus hindering our ability to provide alternatives to the services via the private sector. However, there are further, equally significant kinds of constraints on the consumption of public sector goods and services, and these are not dissimilar to those we find in sale/purchase-in-time.

Social Relations of Consumption I: Administrative Relations

Schooling, for example, and public health measures such as vaccination are often directly "administered" to the client by a government office or functionary, that is, across an administrative relationship, the terms of which are an administrator or functionary on one side and the client on the other. That peculiar relationship has not to my knowledge been sufficiently analyzed as a social relation of consumption, that is, an ongoing relationship in which the client receives and then consumes services and goods under the aegis of the administrator and/or his or her office. The following characterization of the modal administrative relationship is severely condensed but adequate to the present inquiry.

Imagine someone of no unusual social influence, perhaps yourself, dealing with some large, public-service-providing government institution, say, dealing with a school official over your desire for your primary school daughter to do something just a little bit out of the ordinary, perhaps to enroll in a French class. Imagine yourself entering and sitting down in the office of the teacher, departmental chairperson, or other official. How do we characterize the relationships between the two people in that encounter?

1. Your relationship with the official, nominally one-on-one, is in fact a one-to-many relationship since he or she represents a significant institution and its rules, procedures, and so forth. The client—in this case, you—represents merely you and your family.
2. The official will normally have more than a little information

about you "from the files"; in this respect, although he or she is anonymous to you, the files provide a good indication of your social, economic, cultural, and perhaps even personal characteristics.

3. The official is a specialist on the particular rules and regulations, procedures, and priorities of the institution with which you are coping; often you can be put off with the flat declaration, "It can't be done!" and it is then up to you to divine whether it can be done, how, and by whom. In short, the official operates in a relatively knowing way in the relationship, and you function in a relatively unknowing way.

4. The official has a menu of organizational assets with which to act should he or she choose to; you have only your personal persuasiveness and, of course, your potential power as part of the group "parents."

5. The official's attention to the problem is relatively enduring; his or her memory of the matter can operate after you have left the building. He or she has, so to speak, "institutional memory." To the point, most administrative decisions affecting your child are made when you are not present. That is, however important an effect you might have on this or that issue, the overall pattern of effects operating on your child lies in the first instance at the school's, here the official's, disposal.

6. The initiative to act on the matter at hand rests entirely with the official; you mostly react. His or her decision, say, to refuse admission to a French class, made in a moment, can often be undone, but that reversal is likely to take up considerable amounts of your time.

7. The official probably has personally and directly the power to satisfy or deny you, for example, by signing a form; your sanctions are more extended in time and normally will involve the cooperation of others, as in a petition or a motion made at a parents meeting.

8. You need to persuade the official to act favorably; the official needs to keep his or her job, that is, your need is immediate while the official's, though ultimate, is distant from your present encounter and therefore its influence is normally weaker.

One can see how the term *bureaucracy,* as it is used in either the negatively polemical or Weberian senses, is inadequate to grasp a relationship so frequently found between an individual and the various public "bureaucracies" that provide essential services for consumption. In fact, my choice of a school example underestimates the possible one-sidedness of functionary-client relationships. Had we chosen, say, the sort of relationship found in an unemployment or tax office, the odds would be more against you. At any rate, the concept of an eight-dimensional "administrative relationship" gets much closer to the truth, especially to

the roots of the power of the administrator to constrain the client's access to certain services and perhaps, as with the child's education, to exercise a degree of constraint over the very process of the consumption of the service. Taking one thing with another, government-administered services, even when they are not compulsory on the client, have a degree of constraint in the mode of their delivery and final consumption. It goes without saying that this constraint reflects wider government and social policies about, among other things, the characteristics of today's and tomorrow's labor force.[3]

It seems equally the case that those administrative relations we enter into with the private sector, as with warranties, auto and health insurance, or union-administered pension schemes, and so on, don't really differ. Their constraint may even be more powerful over time, for there we have only a contractual standing whereas in the public sector we are citizens. In both cases the phenomenon of constrained consumption is not by any means a minor one.

This eight-dimensional analysis of administrative relationships is representative of the normal case when we deal with an institution over a service we need or want it to provide. There is a ninth dimension as well, namely, our own skill and social status. If the client is also an administrator or manager, he or she will normally be more skillful and/or experienced in institutional lore than, say, a bus driver, clerk, or housewife. Similarly, if the client is a professor of French at the university or some other celebrity or specialist in the subject at hand, he or she may overwhelm the other eight dimensions and win easily. If, however, the administrator is highly placed in the organization while the client is just an ordinary "consumer,"then this ninth dimension tilts the relationship even further against the client.

Administrative relationships are normally tilted relationships, and that tilting occurs to some significant degree in one, some, or all of the cited dimensions. For the client, this is among the most important forms of constrained consumption of some of the critical services through which the work force is produced. Administrative relationships also provide the historical and social context within which we carry out the purchase and subsequent consumption from the private sector of contemporary goods and services.

Social Relations of Consumption II: The Sale/Purchase State

I want to turn now to the main kind of social relations of consumption, those that are present in modern commodity form. Here we pick up again

the microeconomic thread that is central to this study. These relations occur within or directly as a result of the sale/purchase of many, almost surely most of the private sector consumption commodities. We want to uncover how they, no less than government-administered social services, are distributed and consumed in socially constraining ways. And we want to see how these, too, generally comprise a "productive" and not merely terminal or final consumption.

As we have seen, a characteristic of commodity form analysis is that commodity forms manifest themselves socially. They take the form of dominant social practices that can be readily observed. As was argued earlier, commodities represent a convergence and crystallization of human social practices with respect to the social material world. By no means is the investigator looking to divine, as in Plato, the occult "Forms" that cast deceptive shadows on the wall of the cave. He or she is looking to see where and how social practices take on such codified form that they force themselves on the consciousness of the investigator. I do not claim that commodity analysis is simple, like reading a sports page, but the information from which one starts must be simple and observable and its patterns insistently discernible, the way radio music is distinguishable from background static. In Marx's still useful terminology, they must be "socially manifest."

In introducing sale/purchase-in-time we began with automobiles, electronic equipment, insurance and health plans, and semiprepared foods. These are all specifically "modern" commodities that play a significant role in the lives of modern consumers and the activities of modern producers. All have of themselves a notable quantitative significance in a developed economy; for example, prepared, semiprepared, and related foods now make up at least one-third the dollar volume of annual food sales in the United States (*Statistical Abstract* 1999: table 1279). Finally, their commodities characteristics seem to me to readily typify those of the great range of modern commodities and even the modern tendencies of many old and familiar commodities.

Several findings that emerged from the earlier microanalysis can be summarized here. First, the actual consumption of the services of the commodities in question incorporates a temporal social relationship with the producer, which typically endures throughout the life span of that commodity. By way of contrast, in the old bidding market, the producer/seller of a commodity is imagined to have only a fleeting, immediately terminated relationship with the consumer/buyer. Here, instead, there is a finite duration of time, a span of time in which the buyer and

the seller continue to have active, definite, and significant economic/social relationships built around purchase and consumption.

Second, within that time interval or state, the actual consumption of the services of the commodity by the consumer/purchaser is normally dependent on the continuing cooperation of the producer/seller. That is, the consuming relationship is normally an unequal one wherein the purchaser/consumer comes in some material way to depend on the future actions of a seller/producer for the duration of the sale/purchase state. Again we meet a form of constrained rather than free "final" consumption.

Third, consumption within that interval also involves the consumer/buyer in equally potent and dependent relationships with institutions that are not party to the original sale/purchase. Again, by way of contrast, the market is imagined to erase all relationships between the consumer and the earlier owners or producers of the commodity in question; in fact, this erasure is what Marx had in mind in his lengthy discussion of the "fetishism of commodities" in *Capital* ([1867] 1967: chap. 1). The modern sale/purchase relationship is not, as imagined in the classic market, a symmetrical one-to-one relationship but a nonsymmetrical, many-to-one relationship, that is, a typically somewhat one-sided social relationship of consumption between multiple producer/sellers and one person or family. This characteristic of modern commodities, like the distinction between the actual and potential services of the car at point of sale, underlines for us the increasingly social character of the inner processes of modern consumption and further emphasizes the normally unequal character of the sale/purchase relationship.

Further Observations on Modern Sale/Purchase

The distinction between the actual and potential services of a commodity became a manifestly social characteristic of vehicle sales only in the twentieth century. In this the auto industry was the pioneer, particularly General Motors. Prior to the rise of GM to automotive prominence in the 1920s, cars were simply sold by the manufacturer like any other classic commodity so that the dichotomy between actual and potential services was only a natural phenomenon and not of particular importance in social material practices. At that earlier time, the further maintenance and repair of the vehicle was left to whatever arrangements the owner might choose to make with others. Ford, the industry giant before the rise of GM, offered its famous Models T and A, but they were technologically

primitive even for the time. This was deliberate on Ford's part. They were designed primarily for farmers, who, it was imagined, were as capable of rewelding a broken axle on a car as on a farm wagon—or had ready access to the same sort of primitive repair services as would fix a hay rake or a plowshare (Jardim 1970: 118ff.; Lacey 1986: 102ff.).

General Motors' cars were different, and that difference has set the standard for cars even since. They were overtly designed for city dwellers.[4] There were two related, dominant factors in the change. First and most obvious, as the 1920 U.S. Census had revealed, the urban population of the country had exceeded the rural for the first time. If one was to find an expanding market for the auto-manufacturing business, it had to be keyed to city dwellers. Moreover, the GM people realized that whole new classes of auto users would become important, most notably women, who would presumably want a more user friendly vehicle, and those who "motored," that is, drove primarily for pleasure.[5]

Accordingly, GM sold cars within a system of "forward satellites" (dealerships), which would continue to service the vehicle, provide spare parts, offer major repair services, and even stock optional items such as radios. That way of doing business soon became a modal feature of the modern auto industry, and I think this point establishes the disjunction between the actual and potential services of the car as a commodity feature, not merely an accident of modern selling or a "natural" feature of the car. Practically speaking, the buyer/consumer was thereby made dependent on GM or its licensees for spare parts and typically at least some of the services performed on the car. Even if one goes to an independent auto mechanic, the latter is dependent on GM for service manuals and on GM or one of its licensees for replacement parts. If, as is usually the case, the buyer/consumer will sell the car before "running it into the ground," the price he or she receives for it will be importantly influenced by GM's engineering and sales behavior during the span of the relationship, that is, through the time subsequent to the initial sale. In short, sale/purchase creates not only a significant continuing relationship between GM and the consumer but one in which the consumer is in an essentially dependent mode. I don't claim that this is a dire dependency; the facts won't bear that interpretation. But it is clear that in the time period in which the consumer owns and uses a GM car, his or her fortunes are significantly affected by GM's behavior. And yet the consumer has little power to affect that behavior.[6]

To buy a car today also creates a set of continuing relationships with agencies and groups that are not parties to the original sale. The car

owner must license the vehicle, insure it, and fill it from time to time with gasoline, oil, wiper fluid, glycol, brake fluid, and so forth. Here the acquisition of the car, which of itself initiates a relationship with GM, also initiates for the purchaser/consumer a set of not dissimilar relationships with a state licensing bureau, the auto insurance industry, the petroleum industry, at some point perhaps the tourist industry, and possibly others. These relationships, which were more or less absent in Victorian selling, are now modal and as such should be entertained as part of modern commodity form.[7]

For analytical purposes, we can say that as it is sold the car as a whole comprises only quasi services, that is, services that can be brought out and enjoyed only when they are complemented with other quasi services within the sale/purchase state. This, of course, is literally true. To enjoy integral services, to consume them, requires that roads have already been built and are maintained by others, that others are ready to provide gasoline and other road services, that such services are widely available, that someone has created a backup system for maintenance and repairs, and so forth. These, too, only represent quasi services until they are combined with the car to create integral services, services that can actually be consumed by the owner/driver.[8]

The continuing, dependent relationships established between the auto maker and auto consumer are in a sense technologically driven, as is that which the auto consumer enters into with the petroleum industry. The situation is somewhat altered when we look at the markets that have been constructed for refrigerators, home heating units, cooking stoves (both conventional and microwave), air conditioners, and such. In each case, the manufacturer tries, through the warranty as well as such technological devices as continuing design changes, to maintain the relationship with the buyer, and there is an important degree of continuing support and repair services offered and used. But here the situation is not as dramatic as in the case of automobiles, although, insofar as a home appliance, for example, needs replacement parts and electricity to run and food to put into it, it has only quasi services as sold.

For some appliances the sale/purchase relationship is typically directed not toward services, repair, or the sale of add-on equipment but toward persuading the refrigerator buyer to purchase another appliance—an air conditioner, home freezer, or cooking stove—with the same brand name or to make a follow-on purchase when it is time to replace the original item. Companies such as General Electric and GM, which pioneered the home refrigerator business, also pioneered many related lines of business,

especially the production of air conditioners, home freezers (now typically included in the refrigerator), and more recently home humidifiers and dehumidifiers.

The relation-creating and relation-extending character of modern commodity form is even more pronounced when we look at the patterns found in the area of electronics for home consumption. One buys the television so that one can watch programs, the compact disc player so that one can enjoy music on CDs that will be separately (and subsequently) purchased, the videocassette recorder (VCR) so that one can rent or record films. The appliance itself plays a much smaller role in the overall relations between consumer and the several producers than does a refrigerator or air-conditioning unit. Basically, it is a ticket to commodities such as CDs or digital video discs (DVDs). The pattern is somewhat more mixed in home sales of personal computers, since the latter often require extensive add-ons—a mouse, a modem, an ergonomic keyboard, a special desk or stand, a printer, an eye-saving screen, disks, and so forth. At the same time, additional services are common—an Internet connection, a Web page, software that is continuously upgraded—so that PC distribution combines the features of both goods and services in a single commodity.[9]

Looking at the same phenomenon from the side of the prepared and semiprepared food industry shows the complementarity of modern marketing strategies. The modern food industry now provides not only frozen, canned, or dried semiprepared foods but also fresh but incompletely prepared foods such as typically need only to be heated or parboiled, additionally spiced, and so on by the home food preparer. We can consider this form of consumption to be a sort of second wave, that is, a mode of consuming that assumes a population already used to purchasing foods that are semiprepared. From frozen dinners and cake mixes, it is only a small step—though a huge commercial one—to making available to home preparers such foods as ready-mixed and washed salads, fresh cuts of meat that are already marinated, fresh pasta in need of only brief cooking, and so forth. Again we see the phenomenon of quasi services, which embody and then require combination with the quasi services provided by the microwave seller or the maker of bottled salad dressing, in order to become integral services at the family dinner table. When this occurs, the purchaser/consumer becomes a coproducer of the services of the commodity.

It does appear that in a wide range of contemporary goods and services their relation-creating and relation-expanding character is prominent, constraining the consumer to remain in a tilted relationship with an insti-

tution, or more likely a network of institutions, as a condition for the normal use of one's car, air conditioner, microwave, video recorder, CD player, or PC.[10]

I have deliberately refrained from discussing the role of advertising primarily because I want to emphasize the importance of the real and one-sided social relationships represented in sale/purchase and not just the symbolic phenomena of advertising. It is undoubtedly true that advertising plays a major role in those relationships, with the emphasis on *in*. Advertising does not constitute the relationships, a point not at all clear in the consumerist literature pro and con. Purely symbolic transactions and relations between producer and consumer are but one element in the constellation of such preeminently social relationships and often not the most important. For example, advertising is deeply influential in, say, our choosing an sport utility vehicle over a compact or a Ford over a Chevy, but the need to make such a choice comes from the fact that a transportation system built around private ownership of a vehicle is now socially imposed on the potential buyer, as is the subsequent need to keep it serviced, insured, inspected, and so forth. For most adults most of the time, one must own a car and thus enter the systems that maintain it. It is mostly within that real social imperative that advertisers work their magic.

To continue, even when the one-sidedness of the sale/purchase-in-time is disguised, it too often emerges when the commodity as sold is what is called in the auto business a "lemon." To get a faulty VCR or PC replaced or avail oneself of the medical services a health maintenance organization (HMO) seemed to promise is often a lesson in the essential inequality of modern sale/purchase relations and of our inability to avoid entering into them.[11]

Medical, insurance, retirement, and investment plans each overtly establish a continuing relationship between the producer and the consumer. Each in the nature of the case entails an expansion of the relationship beyond the original parties: the medical plan creates definite networks of relations between the potential patient and the actual providers of medical services and insurance and retirement plans involve one in relationships with the firms the insurance or retirement plan in which the carrier invests. Here, as earlier, the social relationship of consumption on one side involves an individual or family and on the other involves a typically large producing institution with links to the other producing institutions brought into the sale/purchase relation by that initial relation. The degree of dependence this brings to the consuming relationship always varies and its intensity in each case must be individually investigated, but it is always present and almost always significant.

"Engineered" Markets and Commodity Form

One could, of course, methodologically treat a car sale much as Jevons/Walras microeconomics treats any other purchase, that is, as a set of transactions no more related to one another in the economic sense than the choice, say, to divide one's income between food and clothing. Or one might aggregate the various choices involved in buying and maintaining the car. Then all the utilities the purchaser gained from the purchase could be interpreted in part as a set of anticipations operative at the instant of a sale/purchase and the future costs of operating and maintaining the vehicle as "disutilities" that the purchaser/consumer thoroughly considers in the showroom at the moment of the sale. From a purely intellectual, even analytical standpoint, the way in which we analyze the sale/purchase of a car is not, in the last analysis, forced on us. While the greater realism and naturalism of the analysis of the sale/purchase-in-time is clear enough, "realism" and "naturalism" don't always provide the final, decisive, scientific word in choosing between competing analyses.

Even the conundrums found (in chapter 1) to accompany the Jevons/Walras micro need not be fatal; no scientific analysis worth its salt is ever complete, final, or static. Often it is precisely the problem areas of a theory or analysis that eventually open up the way to future understanding, future breakthroughs.

It is in commodity form analysis per se that I find the superiority of the proposed microeconomics manifest. It is clear that the various features that were found within the sale/purchase state were not in any sense accidental. They are all integrally connected to the evolution of modern business methods in the production and marketing of goods and services, methods that have swept the older practices from the field; even Ford was quickly forced to copy the GM way of doing business. In short, it is when we realize that the features of the sale/purchase do in fact represent hard won evolutionary changes in codified economic and business practices as well as in the most important modes of consumer's consumption that we have sufficient reason to displace modern day variations of the Jevons/Walras microeconomics, adopting instead the microeconomics of sale/purchase-in-time, which better grasps the salient features that make a twenty-first century capitalist economy different from a mid-nineteenth-century one.[12]

The concept of commodity form incorporates, in the first instance, the fact that the production and marketing of "privately" produced goods and services is distorted when we characterize them as a form of exchange. We saw most prominently in the auto example that the ser-

vices of the car were not entirely transferred from the seller to the buyer at the point of sale but rather were serially alienated across a period of time. This aspect of modern sale/purchase was central to the new relationship that GM was consciously trying to forge with its customers. It was a relationship that would carry with it further capitalistic advantages that could not be garnered if cars continued to be made and sold in the older, Ford way.

By shifting to the design and production of a car that retained links to the seller several important new lines of business opened up for GM and in fact enabled it to rapidly surpass Ford as the world's leading car manufacturer. For a start, GM, through its franchised dealers, gained a very large and profitable business in repairs and auto parts. Second, this extended repairs and services empire of itself enabled GM to add an innovative technological dimension to cars that the old Ford system had prohibited. New features such as self-starters, high-compression engines, and later automatic transmissions both required technical backup from the company and encouraged car buyers to rely more on GM services and parts. The company further encouraged a continuing relationship with its customers by introducing the annual model changeover and attempted to produce more aesthetically pleasing cars in different colors and so on. Naturally, this placed GM and its dealers at the center of an additional and very profitable automobile market, the market for used cars. Finally, GM pioneered the consumer loan to would-be car buyers, literally financing its own sales. In short, a Ford sale was a one-off. No capitalistically advantageous relationship between producer and consumer was established. The new GM way of doing business used the initial sale of a car to a customer to try to establish a number of concrete, continuing relationships with that consumer, and in practice it frequently succeeded.[13]

One can fruitfully sum up these changes by saying that with the GM way of marketing, eventually adopted by virtually all major U.S., later international firms, modern capitalism ceased to treat markets are neutral and "natural" social spaces in which bidders and takers merely call out the prices they desire.[14]

This phenomenon has been misidentified, misnamed, thus misanalyzed by calling it monopoly. Recall that a monopoly is a phenomenon of the classic market. It assumes, for example, that the various sellers are selling essentially substitutable goods in a situation in which demand is more or less fixed, that is, a definite demand schedule is assumed in the analysis. But modern corporate selling doesn't occur in classic markets, the various sellers normally avoid direct head-to-head price competition by varying their product lines by means of unique features—style, color, imputed

panache, and so forth—and, more important, they try to expand demand in both the qualitative and quantitative dimensions. Finally, modern firms are diversified producers that can and will subsidize some of their product divisions in order to gain a stable market share; they simply can't be priced out of a "market" in which they wish to participate, and any attempt to do so would be ruinous for the competition.

A big firm really cannot retain a monopoly even on technological grounds against its competitors. For example, SONY tried to retain such a monopoly with its Beta system of video recording, which was vastly superior to the alternate VHS system. But by restricting and overpricing licenses for the Beta system, it merely encouraged other electronics firms to use, proliferate, and improve the rival system to such an extent that Beta has lost all its markets in the English-speaking world. All in all, modern firms are not fragile, as monopoly theory assumes; they are robust enough to force their rivals to coexist with them.

It was a truly historic change in marketing when firms such as GM, Sears, and General Electric learned to engineer the size, shape, and processes of markets, even to the extent of infusing them with credit so as to assure that they would have the high (volume) absorbency, the steady rhythm, and the adaptability over time that was needed at the sales end to absorb as systematically as possible the high volume of mass and large batch production of ever new kinds and classes of goods and services (Averitt 1968). These are the crystalline social practices of the modern commodity form.

Other characteristically modern social-commercial practices complement and extend this concept of engineered markets. These include the brand name, manufacturer-extended credit (culminating in the credit card), franchises and other forward satellites, advertising, provision of support and upkeep services, product tie-ins, discount cards, and so forth. In a modern economy I think it fair to say, markets for the different commodities are designed with as much care as their productive processes and equivalently weighty amounts of capital are invested to create "marketing channels" through which those commodities will smoothly and massively flow from ultimate producer to final consumer. The sale/purchase state-in-time is the element that, aggregated and combined, constitutes the marketing channel.[15]

The government has also contributed to the reshaping of markets from "natural" to engineered institutions. Through Keynesian and welfare state policies, governments have both raised and stabilized consumer incomes, pumped monies into underdeveloped regions, provided for more stable currencies and surer sources of credit for both producers and consumers,

and, most important of all, altered the productive characteristics of the work force. At both the national and international levels, governments have striven to standardize such commodity components as screws, washers, voltages, weights and measures, dosages, nutritional requirements for vitamins, and standards of purity and freshness.[16]

In a second coordinate dimension of commodity form, there has been a vast proliferation of not uniform but families of commodities. Part of this has come from the private attempts of the various firms to create and/or find and then fill each niche in the "market." Thus, automobiles come in many sizes, models, prices, and colors and with varying options. Music is available in the record shops to fit the infinite varieties of taste, as are PCs, TVs, and other appliances. A modern supermarket is a veritable cornucopia of foods and other goods, so much so that, as I directly remember, travelers from poorer countries coming to the United States a half century ago regularly included supermarkets among the tourist sites they wanted to visit. As a rule the modern word *goods* has replaced the older *commodities,* and conventionally the latter is now reserved for such items as wheat, steel, raw coffee, sugar, and so forth. Today, the point of mass production is not merely to turn out masses of relatively standardized, relatively interchangeable products and consumer goods but to make sure that there is also massive, exhaustive variation in what is marketed.

Perhaps the major point about the proliferating production of commodities is how that production has become so intimately tied to the sales effort. Modern production processes cannot really be conceived as separate in any way save analytically from the distribution of the things they produce. Production and distribution are reflexes of one another, not, as in Marx, distinct "spheres" organized on different principles. Whether a mass production run can be considered in the first place is obviously tied to the anticipation that the run can be disposed of in a timely and profitable way. Thus, the choice of productive method is in part a function of the sales effort, as are the engineering and design characteristics of the items in question. Even the packaging is considered from a unitary sales/manufacturing standpoint. Reflexively, one cannot consider a mass marketing campaign unless the good or service in question lends itself to a process of mass or large batch production.[17]

I will not belabor the point that the processes of both production and consumption in a modern economy have evolved in tune with the other dimensions of commodity form. To draw an example from the realm of consumption, the introduction of home refrigeration to general social use made possible and encouraged a new codified social pattern of food con-

sumption and use. From a situation in which consumers at, say, the turn of the century purchased and used a narrow range of staples, often of local origin, such as flour; salted, smoked, or canned meat; winter vegetables for storage; and fresh fruit and vegetables but only locally grown and in season, the combination of the refrigerator rail car and the home refrigerator helped to create a much more varied diet and the national, now international, market in foods of all sorts to supply it. In short, home refrigeration, later the home freezer, and even later the microwave oven helped to create for consumers a wider net of relations of consumption with a wider, more intricate network of food producing and distributing institutions. Here the dependent relationship between the consumer and the producer is not as marked as in the auto area, a matter more of changed social custom and practice than, as with autos, a sometimes dire technological dependency.

It is very difficult at present to conceive of the processes of final consumption, even within the home, as occurring independently of the larger, modern economy. One can investigate one's own daily pattern of consumption, and there it is indeed difficult to find a product or service that was available in the precorporate era or can be consumed without continuing assistance from one or more corporations. In many cases, we have even had to be taught by "the" economy" how to consume these new things: how to drive, thaw and prepare frozen food, use a PC, or operate a video recorder. Alternately, "the economy" has also "untaught" us, so to speak, the skills of the previous generation, for example, how to bank a coal fire, strop a razor, shell peas, or care for a horse.

There is a story that used to make the rounds of advertising agencies and may or may not be true. It does, however, make a point. It is said that when firms such as General Mills first introduced prepared cake mixes to the supermarket shelves, all one had to do was to add water and throw it in the oven. The product didn't sell well until producer and advertiser learned that the housewife was being asked to do too little. If she wasn't really "to bake a cake," why not just buy one already made? Sales took off only after the recipe and the instructions were altered so as to require that the housewife add eggs. In short, the housewife had to be an active partner with the manufacturer in the production of that "home-baked" cake. It's an appealing story, but, more the point, it is now modal that even in the home we work in partnership with the producers, distributors, and sellers of commodities to coproduce their and our desired services. This coproduction may be as trivial as checking the oil in the car, as elaborate as programming the VCR, or as intricate as using a word-processing pro-

gram to write a novel or purchasing whole sets of power tools and how-to manuals to remodel the basement.

"Final" Consumption as Productive

Earlier I interrupted the microeconomic narrative to discuss the state-citizen administrative relationship mainly with a view toward establishing the idea that the development of the consumption of school, health, and other publicly administered benefits was to a significant degree a form of both dependent and productive consumption. It was dependent within the administrative relationship and productive in that the consumption of the benefits had a definite historical relationship to the evolution and production of a modern labor force. Granted that the "final" or consumer consumption of modern commodities occurs within sale/purchase-in-time in one-sided, somewhat dependent relationships; it can also be shown to be a form of productive consumption.

First, and most obviously, is the sense that some consumption of consumer goods directly contributes to, and makes possible, productive activity on the part of the work force. This is trivially true of the food the worker consumes, of work clothing, of any tools he or she may be required to own. In still another sense, the car that takes the worker to work, transports his or her groceries, or takes the children to school serves to support or alter the productive characteristics of the work force and in that sense is a form of productive consumption.[18]

In the general case, insofar as the services of a car, semiprepared food, a PC, or a medical plan materially abet or enhance any of the productive characteristics of the purchaser/consumer, its consumption is obviously productive as well. Of course, if, unlike "those brutal South Americans" Marx referred to, we left individuals to consume things entirely by and according to their own personal lights, we could still speak of a "private" and "final" consumption. But our practices of consumption are codified in such definite social modes and processes that they directly and with discrimination result in the production of different productive characteristics in different parts of the work force. To overlook this would be to overlook the evolution of business and social change during the past full century.

There is a second, more subtle dimension in which the consumption of, say, the car's services by the new owner/consumer is also a form of productive consumption. This feature turns on the many-to-one character of

sale/purchase, already commented on, and from the constraint on the purchaser/consumer to maintain the car in good repair and operating order. Basically, the sale/purchase state is socially embedded in different nests of social relations of production. Of course, looked at from the side of the purchaser/consumer, the sale/purchase relationship appears to be consumption, pure and simple. But from the side of the seller/producer that sale/purchase state is a constituent, complementary element in its business strategy. As the early history of GM's innovations reveals, sale/purchase-in-time has institutionally evolved as a complement to the productive activities of the producing/selling firm. Because modern markets are engineered, the so-called final consumption of the consumer of the several quasi services of the car is an intrinsic part of a larger, dominant productive relation that is socially coordinated with the production of the complementary quasi services by the producer. In other words, it is an element of modern commodity form.

In this sense, the sale/purchase state, which we have heretofore conceived to begin at the point of sale, is actually prefigured in the linked engineering and marketing strategies of the industry. For a car of a certain model and year, the firm can anticipate for any definite time period a more or less definite quantum of demand for this or that replacement part or optional feature. That's at one end of the spectrum. In addition, the vacation and tourist industries, like the petroleum industry, make their calculations of demand for their services or products based on the numbers and kinds of cars sold (or leased) in a given year—corrected by other, statistically generated trend data. Sale/purchase relationships, from the standpoint of the producers/sellers, range across the spectrum of definiteness from those two poles, from direct, concrete relationships with definite groups of consumers in some instances to essentially statistically generated relationships. But, in terms of the time dimension, they typically precede the actual sale/purchase engaged in by the eventual consumers.

There is a third dimension to the productive character of consumers' final consumption as well, that is, where the consumption of the commodity serves to produce or coproduce further services. For some industries this is a central feature of their business. In the case of semiprepared foods, stereo equipment, or PCs, the consumer/seller must cooperate in, respectively, finishing the preparation of the food, in choosing and purchasing discs, and in purchasing and then using services such as the Internet. These new services are manifestly coproduced. This coproduction is also of especial economic and commercial importance in medical and dental insurance schemes. There the services are offered passively by the

provider while the strategy and initiative of one's own health or dental care are left to the consumer/purchaser. In that sense, the coproduction of the actual services is intrinsic (not merely complementary) to the insurer's productive process. Often, of course, this coproduction takes place within an administrative relationship.[19]

There is a fourth and particularly striking way in which the consumption of the consumer/purchaser has a productive character. Recall that in purchasing the car one pays for a number of potential services, which will have to be complemented later in the sale/purchase state with the purchase of further quasi services. One pays for better engineering, but its higher quality won't be manifest until later in one's ownership. Here one advances monies to the manufacturer for services not yet fully available, and moreover to avail oneself of them one will have to make further payments in the future; the superior engineering of a premium car requires the owner to pay extra and longer for the maintenance necessary to make use of it.

The key point here, however, is that the extra money paid for the car at the point of sale, that is, the money advanced to pay for services that are as yet only potential, makes the consumer/purchaser a coparticipant in the investment process undergirding the manufacture of the automobile; the purchaser/consumer quite literally advances part of the investment. Modern sale/purchase typically involves the purchaser/consumer in making such advances for what only later will become integral services, and that fact makes the purchaser/consumer a direct participant in the investment process itself. Note particularly the time dimension here. The firm's investment flow comes not only from the commodity services it has transferred at the point of sale, as in the conventional account. The purchaser has, in addition, made an advance for services still under the disposition of the firm, and in that sense the customer partially underwrites the firm's investment. Basically, we are dealing with payment flows that precede in time the transfer of the services.

This coinvestment in the services of the car also validates our earlier assertion that sale/purchase states act backward in time. From your standpoint as consumer, or mine, our money advance for potential services is significant only from the point of sale forward, but for our partner, the producer/seller, the stream of those advances from us and others is, has been, and will be intrinsic to its investment, producing, and selling strategies and to an appreciable extent actually underwrites them.

The importance of this phenomenon is easier to understand if we look at the dimension of the sale/purchase state that involved the purchaser/consumer in those wider relationships with the insurance, petro-

leum, and licensing institutions. To buy a car is already to initiate a set of statistically significant purchases that in an anticipatory way will fund investments in larger production runs. This phenomenon goes beyond the conventional concept of "consumer demand generating growth" in two precise senses. First, and most importantly, in that some of the monies paid for the car are advances against future services, not purchases of existing services. Second, the link between the consumer's purchase of a car and the petroleum companies' increased output is not interrupted by a bidding market in which the would-be consumer has an institutional right to buy or not to buy; the sale/purchase state bridges the purchase of the car with the requirement to buy gasoline and oil. One may shop around for a better gasoline price, but one must buy gasoline in any case.

Fifth, and finally, these advances initiate a system of operative but future liens against one's future income. Even if we paid for a car "in cash," out of savings perhaps, its use will require that we make further payments for fuel and maintenance in the future, which constitutes a lien against the exercise of our labor-power at a future date. Looked at from a broad social standpoint, from looking at the labor force as a social ensemble, in consuming modern commodities that ensemble is at the same time and by the same token creating a system of liens against its productive powers in the future, which will require payments that have to be earned in the future. In our terms, the sale/purchase state incorporates a series of continuing liens over its duration. These liens are a call against our productive powers, against the consumer today as producer tomorrow. It is the fifth dimension in which so-called final consumption is now set within productive relationships, and in that sense it is fairly called productive.

Here it is important to stress again that in examining the system of liens attendant upon sale/purchase-in-time we are dealing not with a natural but with a social phenomenon. As we recognize, it is always possible for this or that person to work, buy, and consume in ways that are deeply idiosyncratic, perhaps to "beat the system," to be a "deadbeat" or a pure parasite, to consume but never produce. But looking to the labor force as a whole, to the labor-power of a society, it is clear that the system of liens so briefly described bear against that labor force and that, in the social dimension, the system of liens is more or less seamless with the production and consumption of modern commodities. Again the social relations of consumption, especially when looked at from the temporal dimension, are significantly incorporated within wider social relations of production.

In a very real sense, in a modern economy genuinely "final" consumption is not a particularly important phenomenon. Even our private, spontaneous decision to buy an attractive purse, have an espresso, or see a film

places us within wider ensembles of productive and distributive relations of a deeply social character. It is simply an illusion, a fetish if you will, to conceive, as is so often the case still, of consumption as a private and personal sort of thing. In a modern economy, consumption normally occurs within wider, many-to-one social relationships emanating from the productive firms and tilted by them to a significant degree with a view toward their own interests.

These things will become even clearer when we go beyond viewing consumption in society as merely the aggregate of individual and firm behaviors and raise the analysis to the true social level (in chapters 5 and 6), that is, when we examine the social processes of consumption that characterize the production, reproduction, and alteration of the social labor-power as an organic whole, not merely the individuals within it, as a producer commodity.