

2

WHAT IS POLITICAL ECONOMY? DEFINITIONS AND CHARACTERISTICS

Before taking up the political economy of communication, we need to examine the general field of political economy. After defining the approach, this chapter discusses a set of its central characteristics. The next chapter addresses the major schools of thought that have provided political economy with its richness and diversity.

Beginning with the classical political economy of Adam Smith, David Ricardo, and others, the chapter proceeds to take up the criticisms leveled by conservative and Marxist theorists. In the late nineteenth century, influenced by the drive to create a science of society modeled after developments in the hard sciences, William Jevons and Alfred Marshall, among others, established the neoclassical paradigm that continues to provide a model for mainstream economics. Choosing to concentrate on describing, preferably through a set of mathematical equations, the outcomes of different combinations of productive factors (land, labor, and capital), this school of thought eliminated most of the political from political economy.¹

In the twentieth century, the neoclassical view became what Kuhn (1970) calls “normal science,” or textbook economics. Not unlike the way Newtonian mechanics came to mean physics, the neoclassical approach came to mean economics. But the process of normalizing economics was one of continuous intellectual and political ferment that itself merits a volume on the political economy of economics (Foley, 2006). The so-called Austrian and Cambridge wings of the mainstream neoclassical school debated the centrality of markets and the role of the state. Institutional, Marxian, and corporatist approaches leveled more fundamental criticisms at the paradigm’s assumptions, concepts, conclusions, and engagement (or lack of engagement) with political and social life.

¹ This does not mean that the new science of economics lacked a political theory. The explicit choice to eliminate the word *political* reflects an important view of power and government that has carried forward in debates among neoclassical economists and between defenders of the paradigm and its critics. In essence, it states that economics is not only more important than politics. As an objective science, economics can and should be disconnected from politics.

• • • The Political Economy of Communication • • •

This tension between normal science and ferment continues. On the one hand, neoclassical economics appears to have triumphed in the university and in political life. Economics journals chiefly address the puzzles that remain to be solved and the relationships that need to receive mathematical fine-tuning within the neoclassical paradigm. The ranks of government and corporate policy analysts and policy-makers are filled with some of the discipline's smartest and shrewdest practitioners. On the other hand, fundamental criticisms continue to mount about the limits of normal economics. Scholars trained in the discipline question its ability to explain even that limited sphere defined as the formal domain of economics (McCloskey, 1985, 2002; Foley, 2006). Economic policy observers complain that the traditional economic medicines do not work, or worse, make the patient sicker (Shiller, 2006). Alternatives to neoclassical orthodoxy multiply. Ranging widely over the political spectrum (from heirs to the conservative tradition of Edmund Burke, such as Michael Oakshott, to the range of institutional and neo-Marxist perspectives) and equally widely over substantive terrain (e.g. feminist, ecological, and moral economics; public choice theory applied to the family, sexuality, etc.), there is no shortage of pretenders to the throne. What all of these share is a commitment to expand the conceptual, methodological, and substantive parameters of conventional economics. It would take more than this chapter to do justice to the full weight of the debates within contemporary economics and political economy. This chapter is limited to offering a map of the territory and an analysis of the major differences between mainstream economics and the variety of political economies.

One might wonder about the appropriateness of two chapters on general political economy in a book whose focus is the political economy of communication. There are four major reasons for this. First, political economists of communication have tended to emphasize communication at the expense of political economic theory. Furthermore, an overview of political economy provides a basis from which to think about the emphases and gaps in the political economy of communication. Additionally, the chapters offer an opportunity to incorporate the thinking of those communication scholars who have reflected on the general field of political economy. Finally, an assessment of political economic theory helps us improve on the theoretical foundations of the political economy of communication.

Definitions of Political Economy

Raymond Williams suggested that when taking up a definition, one should start with basic social practices, not fully formed concepts. He called for an etymology based on social as well as intellectual history because the meaning of ideas is forged in concrete social practices (1977: 11). Offering a conceptual point of view, a dictionary of economic terms tells us that "political economy is the science of wealth" and "deals with efforts made by man [*sic.*] to supply wants and satisfy desires" (Eatwell, Milgate, and Newman, 1987: 907). But following Williams' socially grounded etymology, it is important to stress that before political economy became a science, before it served

• • • What is Political Economy? Definitions and Characteristics • • •

as the intellectual description for a system of production, distribution, and exchange, political economy meant the social custom, practice, and knowledge about how to manage, first, the household, and later, the community. Specifically, the term “economics” is rooted in the classical Greek *oikos* for house and *nomos* for law. Hence, economics initially referred to household management, a view that persisted into the work of founding influences in classical political economy, Scottish Enlightenment figures like Francis Hutcheson and, crucially, Adam Smith.² “Political” derives from the Greek term (*polos*) for the city-state, the fundamental unit of political organization in the classical period. Political economy therefore originated in the management of the family and political households. Writing fifteen years before Smith’s *Wealth of Nations*, Steuart (1967: 2) made the connection by noting that “What oeconomy is in a family, political oeconomy is in a state.”

It is also important to note that from the very beginning, political economy combined a sense of the descriptive and the prescriptive. As communication scholar Dallas Smythe describes its driving force or “meta-political economy,” it is “the body of practice and theory offered as advice by counsellors to the leaders of social organizations of varying degrees of complexity at various times and places” (Smythe, December 4, 1991). This is in keeping with the *Dictionary of Economic Terms*, which defined the original intent of political economy as a “branch of statecraft,” but which is now “regarded as a study in which moral judgments are made on particular issues” (Gilpin, 1977).

Other definitions concentrate on how the development of economics narrowed what was originally a broadly-based discipline. As early as 1913, a standard economic dictionary noted that “although the name political economy is still preserved, the science, as now understood, is not strictly *political*: i.e., it is not confined to relations between the government and the governed, but deals primarily with the industrial activities of individual men” (Palgrave, 1913: 741). Similarly, in 1948, the *Dictionary of Modern Economics* defined political economy as “the theory and practice of economic affairs” and noted that:

Originally, the term applied to broad problems of real cost, surplus, and distribution. These questions were viewed as matters of social as well as individual concerns. ... With the introduction of utility concepts in the late nineteenth century, the emphasis shifted to changes in market values and questions of equilibrium of the individual firm. Such problems no longer required a broad social outlook and there was no need to stress the political. (Horton, 1948)

At the same time, there is evidence that the transition from political economy to economics was not inevitable. This same 1948 volume notes the beginnings of a revival of interest in a more broadly defined political economy. It senses that “the emphasis is once again returning to political economy” with the “recent rise of state concern

² It is hard to pass without comment on the irony that a discipline organized for two thousand years around household management must still be pressed by feminist economists to take into account the value of household labor (Bezanson and Luxton, 2006).

• • • The Political Economy of Communication • • •

for public welfare.” This was echoed later on in a standard book on economic terms (Eatwell, Milgate, and Newman, 1987: 906). According to it, the combination of Marxists who “never abandoned the old terminology of political economy” and “by the 1960s the radical libertarian right from Chicago and the Center for the Study of Public Choice at Virginia Polytechnic” gave a renewed life to this old discipline.

Drawing on these ways of seeing political economy, which emphasize that definitions are grounded in social practice and evolve over time in intellectual and political debate, the next sections concentrate on definitions and characteristics of the field that have influenced the political economy of communication. One can think about political economy as the study of *the social relations, particularly the power relations, that mutually constitute the production, distribution, and consumption of resources*. From this vantage point the products of communication, such as newspapers, books, videos, films, and audiences, are the primary resources. This formulation has a certain practical value for students of communication because it calls attention to fundamental forces and processes at work in the marketplace. It emphasizes how a company produces a film or a magazine, how it deals with those who distribute the product and market it, and how consumers decide about what to watch, read, or listen to. Finally, it considers how consumer decisions are fed back into the process of producing new products.

But political economy takes this a step further because it asks us to concentrate on a specific set of social relations organized around *power* or the ability to control other people, processes, and things, even in the face of resistance. This would lead the political economist of communication to look at shifting forms of control along the circuit of production, distribution, and consumption. Examples include how the shrinking number of big media companies can control the diversity of content or how international marketing firms have strengthened their power in the media business by using new technologies of surveillance and measurement to produce valuable information about consumers. It would also lead us to consider the extent to which activists can use new media tools like blogging and social networking sites to resist the concentration of power in business and government.

The primary difficulty with this definition is that it assumes we can easily recognize and distinguish among producers, distributors, and consumers. But this is not always so and particularly not in some of the more interesting cases. For example, it is useful to separate film producers, those who organize and carry out the steps necessary to create a finished product, from distributors or wholesalers who find market outlets. But film-making is not so simple. Distributors are often critical to the production process because they can guarantee the financing and marketing necessary to carry on with production. Does that make our distributor in reality a producer or a producer-distributor? Similarly, notwithstanding the common-sense value of seeing audiences as consumers of media products, there is a sense in which they are producers as well. One might say that consumers produce the symbolic value (or meaning) of media products (or texts) as they consume them. Similarly, producers consume resources in the process of production. They also distribute by virtue of their reputation as producers. This suggests that while the definition is a useful starting point, it is limited by what we miss when we apply it in a too rigidly categorical or mechanistic fashion.

• • • What is Political Economy? Definitions and Characteristics • • •

A far more general and ambitious definition of political economy is *the study of control and survival in social life*. Control refers specifically to the internal organization of individual and group members, while survival takes up the means by which they produce what is needed to reproduce themselves. Control processes are broadly political in that they involve the social organization of relationships within a community. Survival processes are fundamentally economic because they concern the production of what a society needs to reproduce itself. The strength of this definition is that it gives political economy the breadth to encompass at least all of human activity and arguably all organic processes. This is in keeping with the pattern of analysis in environmental, ecological, and science studies which, among other things, aim to identify processes at work in all forms of life and to assess their differences and interrelationships (Haraway, 2003; Meadowcroft, 2005; Rosewarne, 2002). There are not many explicit examples of this view in communication and information research. James Beniger (1986: 107–9) applied information systems theory to determine fundamental processes in living systems: organization, metabolism and growth, responsiveness, adaptability, reproduction, and evolution. Addressing the complexity and social contestation of control and survival, Dallas Smythe (1991) drew on theories of complex systems or chaos theory to understand the dialectical relationship of communication and information in living systems. Gunaratne (2002a 2002b, 2004, 2005) has made new theories of living systems which draw from chaos theory the centerpiece of his research on global systems of communication and power.

There is a great deal to be said for a definition that raises basic questions about the narrowness of both political economy and communication studies. It is hard to question the claim that these disciplines have been rooted in the study of human behavior (mainly male) in the present. The result is neglect of how humans relate to the rest of life, and a neglect of social, particularly communication, practices in human orders other than contemporary capitalism.³ The drawback of the approach is that it can lead one to overlook what distinguishes human political economy from general processes of control and survival. These include the power of a goal-oriented consciousness and a reflexive subjectivity literally aware of its own awareness. It can also lead one to underestimate the overwhelming transformation, what amounts to an historical break, forged out of contemporary capitalism. By looking for common processes that transcend natural and historical differences, we can lose sight of how those processes have been transformed in the contemporary world to a point where the one species uniquely responsible for the transformation has the power to eliminate both nature and history for all species. Notwithstanding these limitations, the broad reading of political economy reminds us that whatever our specific entry point or focus of analysis, it is inextricably bound up with a long history and with a vast organic totality.

³ Communication studies suffers deeply from the view that history takes place almost exclusively in the West and began with the invention of the telegraph. This bias owes a great deal to the understandable but limiting tendency to examine the field as a set of industries (broadcasting, telecommunication, publishing) that evolved from the development of technological forms (print, broadcasting, computer communication).

Central Characteristics

Definitions are useful but they take us just so far. Another way to describe political economy is to focus on a set of central qualities that characterize the approach. These broaden the meaning of political economy beyond what is typically provided in definitions. Drawing on the work of Murdock and Golding (2005), among other scholars, this section focuses on four ideas at the cornerstone of political economy: social change and history, the social totality, moral philosophy, and praxis.

Political economy has traditionally given priority to understanding *social change and historical transformation*. For classical theorists like Adam Smith, David Ricardo, and John Stuart Mill, this meant comprehending the great capitalist revolution, the upheaval that transformed societies based primarily on agricultural labor into commercial, manufacturing, and, ultimately, industrial societies. For political economists like Karl Marx, it meant examining the dynamic forces in capitalism responsible for its growth and change. The object was to identify both cyclical patterns of short-term expansion and contraction as well as long-term transformative patterns that signal fundamental change in the system. In his introduction to the 1923 edition of John Kells Ingram's influential *History of Political Economy*, Robert Ely explains the central role of history in the mind of the political economist:

It is now universally acknowledged that societies are subject to a process of development, which is itself not arbitrary, but regular; and that no social fact can be really understood apart from its history. Hence the 'pocket formulas' in favor with the older school, which were supposed to suit all cases and solve all problems, have lost the esteem they once enjoyed, and Economics has become *historical* in its method, the several stages of social evolution being recognized as having different features, and requiring in practice a modifying intervention which ought to vary from one stage to another. (Ingram, 1923: 4–5)

Looking back over the development of economics, sound as it was, Ely's optimism about the triumph of history in the discipline was clearly misplaced. History would remain central to political economy but the neoclassical synthesis, which became mainstream economics, set history aside or at least kept it in the background. This was chiefly because history made all the more difficult the drive to turn economics into a science.⁴ Compare Ely's optimism with the view of Baran and Sweezy, who, after praising the historical sensibility of Adam Smith and his

⁴ I am indebted to Dallas Smythe for suggesting Ingram's history. Smythe notes (1991) that he read the book as a doctoral student in 1932 and that it had a significant influence on the development of his thought about the political economy of communication. The field was beginning to move away from the emphasis on history even as Ely and Ingram wrote about the triumph of historical thinking. Nevertheless, for a young economics graduate student, this book would occupy the center of a curriculum. Eric Roll's 1942 *A History of Economic Thought* appears to have played a similar part in the development of another central figure in the political economy of communication, Herbert Schiller. Today, as McCloskey (2002) notes, economic history is a marginalized subdiscipline in a field that pays more attention to building mathematically rigorous models of the present. Parker (1986) offers one of the better recent critiques of economics (mis)treatment of history.

• • • What is Political Economy? Definitions and Characteristics • • •

followers, attack contemporary economics: “Anti-historical to the core, present-day bourgeois economics scorns any effort to investigate the nature of the changes that are taking place or where they are leading” (1965: 29). For Bell, the absence of a sense of time and history is part of the general crisis in economic theory:

And finally, economic theory has to return to time (in the logical sense) and to history (in the empirical fact) in order to be responsive to the complex new social arrangements that derive from the widening of the scales and new arenas of economic and social actions. (in Bell and Kristol, 1981: 79)

One source of renewed interest in political economy is the drive to determine whether we are in the midst of an epochal transformation similar to the one that occupied the thinking of political economy’s founding figures. People experience what appears to be profound social change and wonder whether they are witnessing a fundamental rearrangement of social structures and processes that reflect the turn to one or a combination of post-industrialism, postmodernism, post-fordism, a network society or, instead, a deepening and extension of fundamental tendencies at work since the earliest days of capitalism. The answer to this question is central to how we think about social change. Moreover, the question itself suggests a turn to the historical thinking that propelled the development of a political economy approach.⁵

With its long tradition of support for historical analysis and this renewed interest in the field, political economy is well prepared to take on central questions of our time. However, in order to do so effectively, political economy needs to pay closer attention to the relationship of history to its position on social structure and social reproduction. Political economy has tended to concentrate on the production and reproduction of invariant structures. This is understandable considering the sheer power of structures like Time-Warner, Sony, Microsoft, the News Corp., AT&T, IBM, Google, etc. However, this focus has made it difficult to integrate an historical understanding because, as Connell (1987: 44) puts it, “history enters the theory as something *added on* to the basic cycle of structural reproduction.” One solution is to focus on constituting processes more than on the reproduction of structures. Again, Connell:

For history to become organic to theory, social structure must be seen as constantly *constituted* rather than constantly reproduced. And that makes sense only if theory acknowledges the constant possibility that structure will be constituted in a different way. Groups that hold power do try to reproduce the structure that gives them their privilege. But it is always an open question whether, and how, they will succeed. (1987: 44)

⁵ It was not just mainstream economics that jettisoned a concern for history. As Frederic Jamieson notes in his introduction, Jacques Attali’s *Noise*, an interesting, unconventional political economy of music, is important because it is part of the renewed interest in historiography “after a period in which ‘historicism’ has been universally denounced (Althusser) and history and historical explanation generally stigmatized as the merely ‘diachronic’ (Saussure) or as sheer mythic narrative (Lévi-Strauss)” (Attali, 1985: vii).

• • • The Political Economy of Communication • • •

The Canadian political economist Wallace Clement captures this theme in setting out a clear vision for history in political economy: “It is fundamentally historical and dynamic in the sense of seeking understanding of the social transformations, including the agents and forces of change” (2001: 406).

Political economy, from the time of its founders, has also maintained that the discipline should be firmly rooted in an analysis of the wider *social totality*. This means that political economy spans the range of problems that today tend to be situated in the compartments of several academic disciplines where those with an interest in social class go to sociology, those interested in government to political science, in the market to economics, and so on. From the time of Adam Smith, whose *Wealth of Nations* knew no disciplinary boundaries, political economy has been taken up with the mutual constitution and multiple determination of social life. Early in the development of political economy Mill described the necessity of a broad approach to social life:

For practical purposes, Political Economy is inseparably intertwined with many other branches of Social Philosophy. Except on matters of mere detail, there are perhaps no practical questions which admit being decided on economical premises alone. (Stone and Harpham, 1982: 12)

Like many political economists, Mill is interested in using political economy as one means of understanding the social whole, even while acknowledging that his own approach is interconnected with the other branches of what he calls Social Philosophy. From this perspective, political economy is not just another approach. It is also a guide to understanding the relationships that prevail among numerous approaches and to the relationships among many aspects of social life. As Heilbroner (1986: 15) put it, “the great economists were no mere intellectual fustians. They took the whole world as their subject and portrayed that world in a dozen bold attitudes – angry, desperate, hopeful.”

This view prevailed for quite some time as the generally accepted goal of political economy. By 1923, even as the name was changing to economics, general texts continued to support this broad-based view of the political. Again, Richard Ely:

As to the place of Economics in the general system of the sciences, it holds that the study of wealth cannot be isolated, except temporarily and provisionally, from the other social phenomena; that it is essential to keep in view the connections and interactions of the several sides of human life. (Ingram, 1923: 4)⁶

This concern for the social totality is reflected in otherwise fundamentally different approaches to political economy. The perspective often referred to as public choice theory (the labels positive or constitutional political economy are also used), takes its

⁶ It is also interesting that Ely would see economics as simply one part of sociology: “There is, in fact, properly speaking, but one great Science of Sociology, of which Economics forms a single chapter which must be kept in close relation to the others” (Ingram, 1923: 4). This provides a sobering reminder to those who would see the latest disciplinary status rankings, which today place economics ahead of sociology, as the last word on the subject.

• • • What is Political Economy? Definitions and Characteristics • • •

inspiration from the conservative wing of economic theory (Buchanan, 2003). Setting aside for the moment the assumptions and ideas that propel this view, this branch of political economy maintains that it can and ought to be applied to all forms of social behavior. According to Brennan and Buchanan (1985: x), public choice theory or constitutional political economy marks a return to the classical tradition that viewed economics as the study of “how markets work” with markets understood so broadly as to encompass “the coordination of individual behavior through the institutional structure.” For those who advance this view, the subject of political economy is the study of the rules governing the connection between the individual and the institution. Such rules are constituted, they contend, out of the choices made by “homo economicus, the rational, self-oriented maximizer of contemporary economy theory” (1985: 65). Hence, the entire social arena is the field of analysis for political economy. The choices that create rules governing markets in everything from the traditional private markets in goods and services, to the markets for votes, spouses, children, sex, communication, and so on are its subject matter.⁷ One of its proponents defends this view as a necessary “economic imperialism” (Lazear, 2000).

On the other side from the conservatives, there is the political economy inspired by Marxian, socialist, and institutionalist approaches. These differ from the public choice view on almost all points except this one: notwithstanding variations among theorists, they approach political economy with an eye to understanding the social totality. This view is firmly rooted in the work of Marx and carries forward among Fabian Socialists, Western Marxists, Autonomists, theorists of underdevelopment, and institutionalists who trace their lineage to Commons, Veblen, Robinson, and Galbraith. These perspectives have clashed over most central points of political economic theory, but recognize and seek to account for, in distinct ways, the relationship between the economic and the political as well as between these and the wider arena of socio-cultural institutions and practices.

First and foremost, a commitment to the social totality means understanding the connections between the political and the economic. In reaction to what were considered tendencies in Marxist theory to reduce everything to the economy, numerous works appeared in the 1970s and 1980s that aimed to correct this by arguing for the “relative autonomy” of government *vis-à-vis* the economy (Jessop, 1990). This sparked a lively debate that revived interest in the growth of the state, its relationship to social class, gender and race, and called attention to the dynamic connection between the political and the economic in political economy. The ferment is likely to continue for some time (Jessop, 2001). Nevertheless, the debate has always been about *relative*

⁷ One is struck by the near messianic zeal of the positive political economists. This is more than building a discipline; it is, in the words of Brennan and Nobel-laureate James Buchanan (1985: 150), creating a “civic religion” that will “return, in part, to the scepticism of the eighteenth century concerning politics and government.” They intend to “concentrate our attention on the *rules that constrain government* rather than on innovations that justify ever expanding political intrusions into the lives of citizens. Our normative role, as social philosophers, is to shape this civic religion, surely a challenge sufficient to us all.”

• • • The Political Economy of Communication • • •

autonomy. Although the term “relative autonomy” is slippery and can get in the way of an informed exchange of views, none of the parties to the debate seriously called for separating political from economic analysis. Most recognized that the existing division of academic labor is seriously flawed because those who have the upper hand in determining its direction accept the formal separation of the political from the economic, the need to model economics after the physical sciences, and the view that economics can be rendered free from ideological biases by eliminating political content.

Political economists who work in the institutionalist, socialist, and Marxian traditions are also concerned to identify the links between society’s political economy and the wider social and cultural field. Drawing on the work of Veblen (1934), institutional economists are interested in the relationship of acquisitiveness or greed and what he called “conspicuous consumption,” or the drive for power and status which, in their view, is fuelled not by the rationality featured in mainstream economics, but by deeply buried irrational drives.

Inspired by Marxian theory, the writers of the French Regulation School looked to identify the relationship between regimes of accumulation and associated modes of social and political regulation which encompass but extend beyond the state (Aglietta, 1979; Boyer, 2000). Their influence began to wane in the 1990s, but theorists inspired by Marx and the Italian Marxist theorist of the early twentieth century, Antonio Gramsci, continued to build a bridge between political economy and broader social and cultural forces (Jessop, 2001; Sayer, 2001). In addition to bringing the state back into our understanding of the economic, they called for closer links between culture and political economy. As Sayer (2001: 697) puts it:

One of the hallmarks and prime achievements of cultural political economy is its explorations of the “embedded” nature of economic activities – how they are set within social relations and cultural contexts that make a difference to those economic processes.

Additionally, in an effort to explain what they perceive to be transformations in the political economic order brought about by the decline of a mass production and mass consumption economy organized around large national businesses, political economists argue for the need to think about a broad social, economic, and cultural shift from a fordist to a post-fordist society built on the principle of flexible accumulation (Castree and Gregory, 2006; Fuchs, 2007; Harvey, 1989). Furthermore, world systems theorists led by Wallerstein (1991: 129) reject the narrowness that constrains current social science research and call for reversing the tendencies that have “pushed us away from holistic and systemic realities toward the individual (or its organizational equivalent: the firm, the family, the state) as the appropriate unit of analysis.” Finally, theorists of the Autonomist school argue for a political economy that examines the social totality as a set of network connections between local and global conflicts, starting not from the power of capital but from the struggles of what is called “the multitude” (Hardt and Negri, 2000, 2004).

This broadly-based effort to examine the wider social totality does not receive complete intellectual support. For example, those aligned with streams of postmodernist and

• • • What is Political Economy? Definitions and Characteristics • • •

post-structuralist thinking reject, sometimes emphatically, the idea of a social totality. Across the range of differences within these views, one finds agreement that the term *society* is an attempt to apply a unity in discourse to something fundamentally divided, disconnected, and hence indefinable. The general tendency is to argue that there is no social totality, no individual totality, and no discursive totality. According to this view, the implosions of twentieth-century life, set off in part by the power of new communication and information technologies, have broken apart totalities, taking with them measures of time and space that ultimately used to provide some degree of unity (Lyotard, 1984). We are left with the task of understanding the local, the fragmented, the parts, of what used to be thought of as the elements in a wider whole, but which are, in reality, unconnected or loosely tied pieces. By removing the ideological glue of social unity, one can comprehend the real value of these pieces and, ultimately, celebrate them in their resistance to all totalizers – including capitalism, the state, and the producers of all metanarratives.

Chapter 9 examines the relationship of this point of view to political economy. For now, it suffices to concentrate on one particular response in political economy that acknowledges the weight of the postmodern view and yet retains an understanding of the social totality. It starts with the understanding of social totality found in the work of Adam Smith and Karl Marx (particularly evident in the early work and in *The Grundrisse* (1973)) as opposed to that of classical structuralists like the sociologists Emile Durkheim and Talcott Parsons, or, philosophical structuralists such as Louis Althusser. Smith and Marx differed fundamentally, but agreed on the need to reject the essentialist view that all is reducible to the social whole, all analysis to what Durkheim called the “social fact.” Their historicity, the recognition of the contingent nature of social life, ruled out such essentialist thinking. But making use of the social totality does not require essentialism or reductionism of thought. In fact, as Marx, and his twentieth-century interpreters like Gramsci and Lukács remind us, dialectical thinking leads us to recognize that reality is comprised of both the parts and the whole, organized in the *concrete totality* of integration and contradiction that constitute social life.

David Harvey (1989), a leading proponent of this view, acknowledges the growth of a dispersed, mobile, flexible, and recombinant political economy and culture. Such developments can signal shifting identities and local resistance. But they can also mark a more tightly organized capitalism which uses its control over technologies and expertise to give it the flexibility to tolerate, resist, absorb, commodify, or ignore these resistances. Hence, the relationships among parts varies from loose to tight and the whole itself may contain numerous fissures, eruptions, and distortions. Nevertheless, according to this view, any discussion which addresses solely the parts or the whole is elliptical. This perspective rejects both the idealism of systems thinking and the positivism of conventional science that calls for direct sensory observation of each and every link in the social field. It rejects as equally essentialist, attempts to provide unassailable priority to the global or the local. Research determines the nature and extent of resistance and control, weakness and strength, etc. Defending the use of totality in the field of literary criticism, Ahmad (1992: 121) nevertheless cautions about the need “to specify and historicize the determinations

• • • The Political Economy of Communication • • •

which constitute any given field.” Nevertheless, “with sufficient knowledge of the field, it is normally possible to specify the principle ideological formations and narrative forms.”⁸ Political economy lays the groundwork for such research with its openness to a contingent, non-essentialist social totality.

Moral philosophy provides a third characteristic of a political economy approach. Moral philosophy refers to social values and to conceptions of appropriate social practices. The goal of this particular form of analysis is to clarify and make explicit the moral positions of economic and political economic perspectives, particularly because moral viewpoints are often masked in these perspectives.

When Jeffrey Sachs, a leading architect of economic reconstruction in the former Communist world, was asked about his work in the region, he began by calling it “the greatest moral challenge of our time” (Rusk, 1991: B8). When his colleague Benjamin Friedman wrote a book (1988) attacking the excesses of Ronald Reagan’s presidency, he introduced each chapter with a Biblical citation. In their overview of the political economy of communication, Golding and Murdock (1991: 18–19) maintain that what distinguishes critical political economy is that “perhaps most importantly of all, it goes beyond technical issues of efficiency to engage with basic moral questions of justice, equity and the public good.” These are examples from across the spectrum of perspectives in economics and political economy that suggest some unease with what has become the customary practice of separating science from morality. Their interest in moral philosophy reflects a central concern of some of the founding figures in political economy.

Adam Smith, who was not a professor of economics but of moral philosophy, offers a vision of how to advance the social good. It is not, as he would later argue in *The Wealth of Nations*, through selfish behavior or self-interest, but by doing good in society:

And hence it is that to feel much for others, and little for ourselves, that to restrain our selfish, and to indulge our benevolent affections, constitutes the perfection of human nature; and can alone produce among mankind that harmony of sentiments and passions in which constitutes their whole grace and propriety. (Smith, 1937, Pt. 1, Sec. 1, Chap. 5: 71)

Similarly, Thomas Malthus, son of a preacher, warns of the moral consequences of unchecked population and Karl Marx offers a political economy that would create a society based on satisfying human needs, not one founded on class power. However one responds to their specific visions and values, it is hard to deny that visions and values were central to their analyses, that the moral sphere was integral to their work. As the noted political economist Joan Robinson maintained, it would be left for later analysts to take “this branch of ethics” and turn it into a discipline “that is striving to be a science” (Robinson, 1962).

⁸ Ahmad’s (1992: 121) defense of what he calls “Totality” comes in the midst of a longer argument attacking its misuse by those who refer to singular tendencies (e.g. nationalism) within “Third World Literature” based on analysis of “the few texts that become available in the metropolitan languages.”

• • • What is Political Economy? Definitions and Characteristics • • •

There are two central points in this plea for moral philosophy. First, the moral, cultural, or spiritual domain is itself the central subject of analysis. Adam Smith chose to write *The Theory of Moral Sentiments* before his analysis of the division of labor in the marketplace because it was essential to understand the moral basis of a commercial society on the rise in Britain in the last half of the eighteenth century. He felt that it was a better work than *The Wealth of Nations* and returned to it near the end of his life because, according to Lux (1990: 98), “there was a more serious problem with unmoderated commercial motives than he was aware of earlier.” Similarly, Marx began with moral philosophical treatises that are too readily dismissed as the writings of the “young Marx,” but which form the core of understanding the values of a growing industrial society.

These people were moral visionaries in another sense. They felt that an essential element of their responsibility as social philosophers was identifying visions of a morally appropriate way of life. For them, the moral vision became the feature that distinguished reason from rationality. This can be a difficult point to understand because Western culture has tended to separate science from morality. One voice speaks the language of rationality, logic, and positivism; the other, a normative language that is generally permitted to talk back but not with the other. One is customarily permitted to go only so far as Max Weber (1946), who felt that it was acceptable to be motivated by moral concerns, but that the canons of science left no room for morality in analysis. The defense of this standpoint is that moral concerns get in the way of the objectivity essential for scientific achievement and ultimately prevent science from developing the means to address the very problems that moralists raise. Defenders of moral philosophy respond by pointing to the many problems, from climate change to world poverty, that an unreflective science has helped to create.

One of the central breaks in the transition from political economy to economics was the acceptance of the Weberian view that value neutrality defined the limits of the relationship between economics and moral philosophy. Economics could study values, although in practice this meant identifying values with preferences registered by marketplace choices. Moral comment would hold little or no explicit place in the economist’s explanation or assessment. Some would contend that the separation of moral philosophy from economics meant simply that the form went underground only to insinuate itself into economist’s assumptions and choices of ideas, concepts, and variables. For example, the decision to define human labor along with land and capital as merely a factor of production may very well make analytic sense, but it also reflects a certain moral vision, however implicit, that people are interchangeable with things or that lives are interchangeable with capital. The economist argues that such a view is limited to the economic domain and reflects economic practice. Critics respond that visions spill over into other areas of social life so that workers viewed as tools for the economist’s research purpose come to be seen more widely as mere tools and are often treated accordingly.⁹ By naturalizing specific economic practices that reduce living labor to a factor of production, economics slips a moral vision through the back door.

⁹ Rabinach (1990) argues that the identification of people with machinery, the productivist ethos, is one of the defining characteristics of modernism.

• • • The Political Economy of Communication • • •

The debate over the separation of fact and value, analysis and prescription, economics and moral philosophy continues, but there are signs of changes in the wind. As noted at the start of this section, today's leading mainstream economists are less adverse to using moral language in their economic discourse; although it is more likely that 'moral challenge' appears in speeches rather than in journal articles. They are also more likely to make use of specific moral philosophical work, particularly Rawls' theory of justice, which offers connections between moral thinking and welfare economics (Castagnera, 2002). There is certainly discomfort within the ranks of mainstream economics about the moral consequences of a system rooted in commercial values (Foley, 2006: 219–20).

Nevertheless, it is chiefly the heterodox schools of thought, rooted in political economy, that take up the moral concern. The conservative wing of public choice or constitutional political economy seeks to extend the tools of economic analysis to moral choice and aims to use economics to establish Brennan and Buchanan's (1985) civic religion. The Marxian and institutional traditions are steeped in debates over the place of moral philosophy. One of the major forms these have taken in recent years is over the challenge that structuralism, especially in the work of Althusser and Lévi-Strauss, posed to the humanistic versions of Marxian thought. Seeking to apply the logic of *Capital* to general forms of thought and action, Althusser called for eliminating the moral philosophical dimensions from the Marxian tradition. The attack continues today, although protagonists tend to take up the cause of poststructuralism and postmodernism, drawing on a Nietzschean tradition to attack the value of moral philosophy (Eagleton, 2003). Nevertheless, the moral dimension remains strong in Marxian political economy because it provides a powerful defense of democracy, equality, and the public sphere in the face of dominant private interests. This is one reason why, despite the attacks from structuralist and deconstructionist quarters, political economists of communication retain a strong position on the importance of moral philosophy (Artz, Macek, and Cloud, 2006; Murdock and Golding, 2005).

The fourth characteristic of a political economy approach is *praxis*, an idea with deep roots in the history of philosophy and one which has found several paths to communication studies, including Marxian theory, the Frankfurt School of critical thought, and the "action-research" tradition best embodied in sociology. Most generally, praxis refers to human activity and specifically to the free and creative activity by which people produce and change the world, including changing themselves. The word originates in the ancient Greek where it typically referred to the political and business activities of free men (as well as the name of a lesser known goddess of mythology). It reached some prominence in the work of Aristotle, who considered economic, political, and ethical studies as forms of practical knowledge to be distinguished from theory and poesis. Where theory sought truth and poesis the production of something, the goal of praxis was action. The term played a major role in debates about the division of knowledge in medieval and early modern philosophy.

Praxis came to occupy a central place in the work of the philosophers Kant, Hegel, and Marx. For Kant, praxis or practical reason takes primacy in the unity with theory that comprises full reason. Indeed, morality is defined as the "absolutely practical."

• • • What is Political Economy? Definitions and Characteristics • • •

Hegel also recognized the superiority of praxis to theory, but looked to a higher unity for truth to be found in freedom where the absolute spirit realizes itself in philosophy, the arts, and religion. Marx was concerned with praxis from his earliest work, a doctoral dissertation on Greek philosophy, which insisted that philosophy be made practical. His principal interest in the term was to create an alternative to alienated labor. In Marx' view, capitalism freed labor from the alienation of necessity only to replace it with a new form of alienation – the reduction of labor power to a marketable commodity. The revolutionary goal was to transform alienated labor into praxis or free, universal, self-activity.

Gramsci and Lukács made use of praxis to attack the more deterministic forms of Marxism contained in *Capital* and in Engels' re-reading of Marx. The term entered debates in communication theory through the work of the Frankfurt School and particularly that of Marcuse and Habermas, who added weight to praxis by defining it as a general form of action, of which labor was one type. Traditionally, labor occupied a central place in economic thought because human history has been forced to live in the realm of necessity that requires human labor. As the productive forces develop and offer the first historical opportunity to overcome necessity, Frankfurt theorists turned to other forms of praxis to envision what was to constitute the realm of freedom. In his critique of Marx, Habermas (1973) argued for the distinction between work, or purposive rational action, and interaction, or communicative action. Marx was understandably taken by the first because labor was central to the transformations brought about by capitalism. For Habermas, however, social praxis was made up of both work and communicative action. The latter, based on consensual norms and constitutive symbols, offered an alternative model of social life provided that it could be freed from the distortions that restrict democratic, open communication.

Praxis is important to both the epistemological and substantive premises of political economy. In brief, praxis guides a theory of knowledge to view knowing as the ongoing product of theory and practice. It rejects as partial those epistemologies which conclude that truth can only result from contemplation. Knowledge requires more than a process of honing and purifying conceptual thought. Rather it grows out of the mutual constitution of conception and execution.¹⁰ Praxis has also occupied an important place in the substantive development of political economy. After all, political economy began as the practical activity of household management and control of the *polis*. Aristotle placed it among the practical disciplines whose wisdom would guide the conduct of rulers. There is a notable tension in classical political economy between the desire to understand the sources of wealth and productivity and the need to advise elites on the appropriate labor, trade, and social welfare policies. Those

¹⁰ Marxian theory views the separation of conception from execution as a central step in the process of alienation. Braverman (1974) makes use of the distinction in pathbreaking work on the labor process in capitalism. Praxis resonates beyond Marxian theory. It is particularly prominent, in substance if not in name, in the work of the pragmatic philosophers, including Pierce, James, and Dewey. In his history of communication research, Hardt (1992) suggests that praxis can provide one bridge between Marxian and pragmatic thought.

• • • The Political Economy of Communication • • •

schooled in the Marxian tradition explicitly united the role of political economist and activist in, for example, Gramsci's conception of the organic intellectual. Writing from prison, where he was incarcerated for opposition to Italian fascism, Gramsci provided a model of the intellectual schooled in both the theoretical tools of analysis and in the common sense of practical political struggle and resistance.

The tension continues in a far different part of the intellectual universe where contemporary mainstream economists struggle over the drives to purify economics with mathematical rigor and to market their advice to businesses and governments. This is not to suggest that the problems posed by praxis are identical for the wide range of thinking that encompasses political economy and economics. More importantly, however hard one might try, it is impossible to escape the problems that praxis poses for the scholar who would work in these fields. Specifically, political economy is inextricably bound to policy studies and the political economy of communication needs to address both the strengths and the pitfalls the relationship creates.

Conclusion

This chapter set the stage for the detailed examination of the political economy of communication by presenting political economy as a broad-based and variegated approach to social analysis. It started with a set of definitions that suggested how political economy developed out of practical questions of household and community management. The history of how to think about political economy is marked by differences over whether the discipline should encompass the full range of social activity or take on a narrower, scientific remit even at the price of limiting its scope to economic phenomena presented in the form of falsifiable propositions using mathematical discourse. The chapter highlighted two definitions which have been used in communications research. One concentrates on the social relations, particularly the power relations, governing the production, distribution, and exchange of resources; the other on broad problems of control and survival.

Following this presentation and assessment of definitions, the chapter took up central characteristics which mutually constitute a political economy approach. These include social change and history, the social totality, moral philosophy, and praxis. Political economy has made use of these from its roots in the thinking of eighteenth-century Scottish Enlightenment philosophy. Their meaning has shifted as they have been tested against a changing world order and challenges from alternative intellectual currents.