



Total Capitalism

Colin Leys

I recently received a circular from the Local Authority of the district in London where I live, which addressed me as a ‘customer.’ I should really be inured by now to neoliberalism’s relentless penetration of the ‘life world,’ but it took me aback all the same. I don’t buy anything from my local council; on the contrary, it is supposed to represent me. I elect it, and it spends my taxes. But in the mind of the official who wrote the circular it is evidently more like a corporation with something to sell: satisfaction, perhaps.

The example is trivial, but sobering all the same. The dream of contemporary capitalism is that everything should become a terrain of profitable enterprise, including most of what has hitherto been seen as the business of government. The political rationale offered for this is that in a globalized world national competitiveness depends on maximising efficiency, including the efficiency of public services, and that competition between market actors makes for efficiency. The local government official who had learned to think of electors not as sovereign citizens but as customers was merely reflecting this doctrine. But I was struck by an analogy: the vision of society implied by seeing citizens as customers – a society totally dedicated to capitalism – is not unlike the concept of ‘total war’ developed in the early years of the first World War – ‘a war fought...between entire societies and not just between armies’ (see: Encyclopaedia Britannica online: [http://](http://www.britannica.com/eb/article-32826)

www.britannica.com/eb/article-32826).

Of course the organisational principle of total war is different in a crucial respect from that of the total capitalism advocated by neoliberals today. Under total war, ‘in all the belligerent nations, to a greater or lesser degree, civil and economic liberties, the free market, even national sovereignty, gave way to a kind of military socialism’, with a proliferation of state agencies and controls. Under total capitalism, by contrast, the free market is the supreme value to which not just national sovereignty and civil liberties, but all public and private life, are increasingly subordinated – to the point where the distinction between public and private serves increasingly as a useful fiction. Public transport, education, health care, social services, scientific research, telecommunications, broadcasting, publishing, pensions, foreign aid, land use, water, the public infrastructure, the arts, and even policy-making itself (since it is increasingly entrusted to private sector personnel seconded into government ministries): all become subject to market-driven policy-making in the name of ‘efficiency’, and are treated more and more as fields for profitable private investment rather than as means to a better society.

The privatisation of public services is of course a cardinal principle of total capitalism, and it has been accepted (sometimes reluctantly, but all too often with a sort of born-again enthusiasm) by many politicians who consider themselves progressive.

But when any public service is privatised a lethal dynamic is set in motion – lethal, that is, to social solidarity and the basic equality of citizens on both of which democracy ultimately depends – a dynamic which few politicians seem to understand (saying things like ‘it doesn’t matter who provides the service, so long as it is paid for out of taxes,’ etc.).

For a public service to be transformed into a market, several requirements need to be met. First, the service must be reconfigured into a series of discrete elements that can be priced and sold – in a word, it must be transformed into a set of commodities. Instead of hospital care we have hundreds of treatments, or ‘finished consultant episodes,’ all priced according to their varying costs, and billed for. Second, people must be induced to want to buy the service out of their own pockets, normally by cutting the funding for non-market provision, so that its quality and accessibility decline until people are ready to pay for a market-provided alternative. Third, the workforce involved in providing the service must be transformed from one working for collective aims, with a public service ethic, to one working to produce profits for owners of capital, and subject to market discipline (typically involving less job security and more hierarchy). Fourth, the risk involved for the private corporations taking over the services must be underwritten by the state, at great public expense (anyone who thinks that the opposite is true, and that the risk is being transferred to the private sector, as proponents of PPPs claim, should take a look at the empirical evidence from a growing number of countries and sectors which shows just how erroneous that claim is).

Once the process of commodification is under way a further dynamic comes into operation – the transformation of the newly-commodified services under the pressure of competition. Competitive production always involves ‘Taylorism’ – the substitution of cheaper labour for more expensive – and standardisation of the product, in the search for scale economies. But past a certain point, services – especially all personal services, or the personal aspect of any service, such as that provided by shop-floor or counter staff – cannot generate the kind of profits that capital can earn from mass-producing material goods, and capital cannot remain in any field which returns much less than the average rate of profit; so the ultimate logic of commodification is to replace the sale of services by the sale of mass-produced material goods, and to transfer to the consumer as much as possible of whatever ‘consumption work’ is still left over from the service that was formerly provided. (The phrase is taken from Ursula Huws’ pioneering work on this subject, in *The Making of a Cybertariat*, New York: Monthly Review Press, 2003.) Furniture is re-designed so that it can be collected and assembled by the consumer, automatic machines replace bank tellers, computers and email accounts replace postal services, drugs and heart monitors replace nurses, check-out machines replace supermarket check-out staff and check-in machines replace airport check-in staff; there are hotels without staff, lessons without teachers, publishing houses without editors. In every case the production and consumption process is redesigned so that whatever work can’t be done mechanically is done by the consumer.

But this process radically changes the nature of services – in some cases abolishing them entirely – and public services are no exception. A consultation with a family doctor is replaced, first by a consultation with one of a changing team of doctors, and then (when a more profitable ‘skill mix’ has been installed) by a consultation with a nurse or a nurse-assistant, and finally by a phone call to a medical call-centre, where someone answers following a computerised protocol.

This involves an obvious loss of quality, to say the least, and so public services then develop in the direction of private services, i.e. with different grades of quality and accessibility, priced according to the respective cost of each level of service provided. You can still get a ‘full-service’ service, but only if you can pay for it. This is achieved initially through the introduction of fees for ‘extras’ of various kinds, but before long these extras come to include things like school books and tuition, decent hospital food, high-quality television programmes, and so on, that were originally part of the standard service provided to everybody. What remains available to those without money for extras becomes a highly standardised, residual (‘basic’) service – or it disappears entirely as a public service, and joins the mass of other private services, in which even the most basic service must be paid for.

So what began as a public service designed to fulfil a collectively-determined social or political purpose ends up as a drive to find mass-produced goods that can be sold profitably, while the public is differentiated into a hierarchy of individuals, now as unequal in this respect as they are in most others. The collective needs and universal values which the service was originally created to serve are gradually marginalised and finally abandoned. Total capitalism seeks a totally individualised population, without collective needs or universal values; for total capitalism there is, as Mrs Thatcher put it, ‘no such thing as society, only individuals and their families,’ spending their money in markets.

But can we have democracy without society – without a modicum of equality of status and condition, secured by universal public services, and a significant degree of social solidarity based on this? It seems unlikely. And can democracy survive meaningfully when the functions of the state are in effect assumed by enormous corporations, run by a small elite of enormously rich people whose supreme principle is maximising ‘shareholder value’ (including their own share options)? Worse still, is it likely that politicians in such a situation will rise to the challenge of the looming world-wide ecological crisis, when this is driven by capitalism’s dependence on indefinitely expanding consumption? Can anyone really believe it? Yet this is where total capitalism is taking us, as fast as we allow it to do so. **R**

Colin Leys taught at Queen’s University, Kingston, and now lives in London. This article is from the introduction to *Total Capitalism: Market politics, market state*, to be published in 2007 in New Delhi by the Three Essays Collective, and in the UK and Canada by The Merlin Press.