Innovators, Bullshitters or Aristocrats: Towards an Explanation of Unproductive Work

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Innovators, Bullshitters or Aristocrats: Towards an Explanation of Unproductive Work

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This article is dedicated to David Graeber, who passed away on September 2nd just after the time of writing. Graeber’s work forms a basis for this article, and his activism, which influenced the Occupy movement, was a genuinely radicalising factor for many comrades, including myself. This article partly serves as an attempt to reconcile some of the ideas in Graeber’s book Bullshit Jobs with modern political economy, which naturally focuses on questions of productive labour and economic exploitation. Graeber challenges us to also think of the growing forms of unproductive work, and the very real forms of dependency and abuse this can engender in many workplaces.

Introduction

Theories which seek to explain the inadequacy of leftist and socialist traditions are the most cherished tradition of leftism and socialism. A common point of criticism is the fact that many wage-labourers are not engaged in “classic” productive work of the kind many Marxists are familiar with, which is to say industrial production in which the labor force, using the means of production, transforms inputs, resulting in a mass of commodities of a greater value than the prior input.

Industrial productive workers have consistently constituted a minority within any capitalist society. Such workers are the locus of value production in that they multiply usable values. There are also other forms of labour in the world which are or have been essential to the functioning of production, but which do not produce surplus values themselves, such as subsistence agriculture, or reproductive labour: the caring labours performed primarily by subjugated women, deeply necessary to reproduce both workers and the working day.

The utility of such forms of labour, and the basis of their exploitation by capitalism, can be explained by their connection to the locus of value creation. In this sense, they cohere to known laws of production. However, what has become increasingly identifiable over the course of the 20th century are forms of labour which are seemingly disconnected from the locus of value creation entirely. Labour that is, as far as one can tell, entirely unproductive.

I will be tracking the development and expansion of these forms of unproductive labour in the work of three authors. The Frankfurt school philosopher Jürgen Habermas calls this Reflexive Labour, the anarchist anthropologist David Graeber calls it Bullshit Jobs, and imperialism theorist Zak Cope might call it a symptom of Labour Aristocracy.
These three authors, in examining similar phenomena, draw wildly different conclusions. Habermas, ever the optimist, believes that the existence of new forms of labour which negate crisis mean late capitalist societies can continue to improve as the state is transformed through engagement in the public sphere by a revived civil society. Graeber is reluctant to draw conclusions, and tentatively points towards Universal Basic Income as a means of separating work from wages. Cope argues that we must throw away the dominant tendencies of Leftism in the Imperial Core, and locates his hopes within the most marginalised sections of the working class, as well as in the workers and farmers of the periphery. I will attempt to draw my own conclusions around how marxists might engage with the theories described, as well as what the implications of reflexive labour might be for the workers' movement.

**Habermas and Reflexive Labour**

Central to much of Jürgen Habermas' thought in *Legitimation Crisis* is the idea that Capitalism has transformed since the time of Marx to such a degree that it constitutes a new mode of production, and with it, new relations of production and class hierarchies. Habermas borrows from the historical materialism of Marx and Engels, positing that instead of a trajectory through modes of production from Feudalism, to Capitalism, to Lower Communism, there has instead been a trajectory from feudal “Traditional Society,” to “Liberal Capitalism,” to a “Late” or “Advanced” Capitalism.¹

This distinct mode of production came into place in four stages. The state, as the most conscious and forward-thinking sector of capitalist societies, secures the conditions of its continued existence in property and contract law, rescuing the market from self-defeating side-effects, promoting market competitiveness, and securing national sovereignty. The state then undergoes *market-complementing* actions, increasing the size and competitiveness of markets. These actions give way to *market-replacing* actions, such as regulations, price adjustments, stimulus, and other subversions of free-market principles which affect the organising principles of society, creating new “classes” such as the public service. Finally the state compensates for the dysfunctions of the earlier Liberal Capitalist period, responding to any organised aggrieved section of society such as unions, minorities, or failing industries, taking charge of the consequences of unregulated industry and propping up unprofitable sectors through subsidies.²

A society which has undergone this change should possess three characteristics. The market-replacing actions of the state lead to new forms of surplus value accumulation, such as new forms of labour, new forms of reinvestment, and new social classes. A “politicised”³ wage structure develops in which capitalists, unions, and the state collaborate to determine wage

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² Jürgen Habermas. *Legitimation Crisis* (Boston: Beacon Press, 1975.), 53-4
³ Habermas uses “political” to mean socially-determined, he does not consider wage labour or class relations inherently “political.”
levels, a process which further changes class dynamics by promoting collaborationism. Finally the contradictions between the new society and the old “liberal capitalism” produce a legitimation crisis which creates demands around “use-values.”

But why would a capitalist class allow these radical state reforms to take place? Habermas calls the constellation of class relations described by Marx “improbable,” which is to say that the market allocation of wages was inefficient, illogical, and unstable. A “political” (class-collaborationist) system of wage allocation was a natural solution more likely to avoid the classical overproduction crisis which Marx described in Capital’s third volume.

Proving that late-capitalism had evolved mechanisms to avoid an overproduction crisis is essential to Habermas. To do so he attempts to prove that the Tendency of the Rate of Profit to Fall (TRPF) has been offset by mechanisms which not only delay crises (something Marx accounted for as countervailing tendencies), but prevent it entirely. A basic knowledge of Marx’s crisis theory is necessary before understanding Habermas’ supposed negation: technology leads to more and more efficient means of production, which leads to greater outputs of use-values per unit of capital invested. This technological progress also means that labour is automated in order for businesses to stay competitive, leading to an increase in the Organic Composition of Capital (OCC). Since living labour-time is the locus of value creation, the lack thereof leads to a decline in the rate of profit. Marx considered this development of crisis theory to be his greatest innovation in part because it proved the long-term instability of capitalist productivity, imposing a hard limit on any optimistic projections of capitalist futures. Any theorist who wishes to propose non-revolutionary solutions to crises, without refuting each of Marx’s theories in-detail, would therefore have to disprove the TRPF and provide evidence of ongoing countervailing tendencies.

In Legitimation Crisis Habermas proposes several countervailing tendencies, but the two most relevant to us are the creation of masses of public service workers, and the creation of reflexive labour jobs.

Habermas believed that the increasingly massive state bureaucracies of advanced capitalism would themselves delay or negate the TRPF by steering markets away from crisis; buying up commodities at above-market rates, employing workers in an ever-expanding bureaucracy, and effectively compensating for any market failure through social spending.

This might appear to be one of the more dated components of Habermas' thought as it is clear to any modern reader that the meteoric rise in public spending and public sector growth he

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4 Habermas doesn’t mean use-values as they appear in Marxian value theory, rather he uses this to mean anything of utility in state society. Ibid. 55
5 Ibid. 52
6 Sensat. Habermas and Marxism, 59
7 Roman Rozdolski. The Making of Marx’s “Capital” (London: Pluto, 1989), 381
8 Sensat. Habermas and Marxism, 65
describes was short-lived. Figures from most western countries show a consistent rise in social spending around the time Habermas was writing, with most countries plateauing in the late 1970s, and some (particularly late-adopters of neoliberal policy such as Sweden) declining.\(^9\) However in dollar terms the change is less dramatic than might be imagined, and many states, including the UK and US, soon resumed the general trend towards increased spending.

Spending generally increased under Neoliberalism, but privatisation actually leads to reduced efficiency\(^10\) and there has been a corresponding decrease in social outcomes per dollar spent. The missing value has instead gone to an increasingly thick layer of parasitic companies which exist to milk government contracts – job-searching or temping agencies, call centres, pension providers and the like – all fulfilling roles once performed by the state, and each with their own attendant armies of managers and administrators.

While Habermas did not account for these changes, this does not in itself invalidate his argument that public spending would constitute a countervailing tendency against the TRPF. However when we consider a groundbreaking study by Esteban Ezequiel Maito, which measured the rate of profit across fourteen countries, correctly adjusted for growth in turnover speed,\(^11\) we can see that the fall in the rate of profit accelerated precisely when social spending was being expanded in the west, and this acceleration halted precisely when social spending plateaued.

Habermas’ other key countervailing tendency is reflexive labour, defined as “labour applied to itself with the goal of increasing the productivity of labour.”\(^12\) This begins as a collective property of mankind – naturally occurring human ingenuity, or inventions brought about by necessity and chance. Habermas argues that Marx considered ingenuity to be a background phenomenon, like air or land, and not a fundamental part of production. This is arguable, but for Habermas it is clear that invention is a process that can be forced to occur in a predictable and controllable fashion, but only by an “advanced” capitalist state, as in liberal capitalism there was no systematically utiliseable, productivity-increasing innovations.\(^13\) In advanced capitalism, the state can incorporate teaching, science, engineering, and management innovations into the production process by funding research institutes, schooling, and think-tanks. In neoliberal capitalism of the last few decades, we would call much of this reflexive labour force the tech or information industry, and the degree to which this form of labour has become uncoupled from the state will become important later.

In terms of the specific way in which these reflexive labourers affect productivity, Habermas is


\(^12\) Habermas. *Legitimation Crisis*, 56

\(^13\) Sensat. *Habermas and Marxism*, 61
somewhat contradictory. It is important to understand that increases in productivity typically lead to lower profitability in the long term. Capitalists must continuously invest into fixed capital in order to remain competitive. This increases the Organic Composition of Capital (OCC) and thus reduces the rate of profit. These functions can be expressed as an equation to find an annual rate of profit:

\[ r = \frac{s}{v} \frac{c}{v} + 1 \]

In this equation we can see that a reduction in the value of wages relative to the means of production will bring about a reduction in the rate of profit. In Habermas' model the combined efforts of reflexive labourers act simultaneously to add to the output of direct producers (increasing \( s \)), as well as additional labourers themselves (increasing \( v \)), effectively reducing the value composition of capital (which correlates with the aforementioned organic composition) and increasing productivity. While it would certainly be fortuitous for capitalists if this were the case, as productivity could be increased endlessly with no downside, it makes little sense while profitability decline continues to persist. Instead, one or the other must be true. Since reflexive labourers are still living wage-labourers, they add to the overall wages invested in production, increasing the value composition, and reducing the surplus value produced per unit of labour time in the short term. This has the effect of increasing long-term profitability, at the cost of short-term profitability.

The capitalist alone has little incentive to engage in this process as it increases the number of labourers involved without any short-term increases to profitability. It’s for this reason that Habermas is correct when he says that there are no productivity-increasing innovations that are intrinsically part of capitalism as Marx described it. It’s strange then that Habermas believes that the advanced capitalist state is so much more forward thinking than its captains of industry, as if government bureaucrats read enough Marx to understand the value of counteracting the TRPF in anything but the most crude and superficial terms, such as a decline in GDP.

It’s difficult to think of a critique of Habermas’ work more encompassing than to point out the anti-marxist orientation of his worldview. This is not to say that Habermas is an anticommunist – he is no cold warrior – but his work is typified by a dogged determination to come to conclusions
contrary to Marx no matter how improbable. This was noticed as early as 1971 by Habermas’ contemporary, Göran Therborn, who notes:

“In Habermas’s academic oration there is no room for any workers, still less for a revolutionary proletariat. The ‘emancipatory interest’ (to use a term of Habermas’s) which guided Horkheimer and which he regarded as the ‘only concern’ of the critical theorist, was ‘to accelerate a development which should lead to a society without exploitation’. It was clear from the context that this development was the proletarian socialist revolution. Habermas’s interest in emancipation produces merely ‘self-reflection’.”

Habermas’ distinctly anti-revolutionary development of Frankfurt school critical theory contrasts poorly with the useful contributions of other Frankfurt school writer like Walter Benjamin, in that it is “pure negation,” his objective being to insubstantiate a collection of sociological orthodoxies (mostly Marxist ones) without any real regard for developing an alternative theory of comparable coherence. He achieves this by criticising an imagined, dogmatic, ultra-orthodox Marx. For example when Habermas explains that social relations have lost a supposedly Marxian pre-determinative quality through the “politicisation” of the labour market, he neglects to mention that Marx described states suspending the laws of the “apolitical” labour market for economic gain several times. Most of the characteristics of Habermas’ “advanced” capitalism either existed long before Habermas said they should, or have ceased to exist since *Legitimation Crisis* was published.

All this said, the concept of a class of reflexive labourers who exist as a countervailing tendency to the TRPF is an interesting one, albeit a revelation undercut and distorted by Habermas’ anti-Marxian analytic framework which necessarily ignores the colonial underpinnings of his “advanced” capitalism. That such higher-order intellectual labourers can exist is predicated on imperialist superprofits, as we will see. So too is the impact of anticommunism itself in the formation of this class under-emphasised by Habermas, as the rise of such workers was inexorably connected to the west’s herculean crusade against Soviet communism. This is easier to see in the context of a modern information economy built on the infrastructure (internet, satellite and wireless communications) of the cold war.

The greatest mistake of Habermas’ *Legitimation Crisis* was that he failed to situate his new epoch on a fluid historical continuum: his “advanced” capitalism would be superseded by later forms eerily similar to the supposedly obsolete “liberal” capitalism of the 19th century, and his reflexive labourers, once the heralds of a new crisis-free capitalism, would be subsumed into the logic of the neoliberal decades.

**Graeber and Bullshit Jobs**

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15 Sensat. *Habermas and Marxism*, 65
While Habermas is single-mindedly concerned with negating the theories of others, in *Bullshit Jobs* anarchist anthropologist David Graeber is equally single-minded in his determination to prove, without doubt, the existence of the titular phenomenon, with less emphasis on why it exists or its implications.

Graeber’s research—pages upon pages of testimonies from wage-labourers across the western world—draws an undeniable conclusion: roughly a third to half\(^\text{17}\) of all wage-labourers in developed countries are engaged in *bullshit jobs*: defined as “a form of paid employment that is so completely pointless, unnecessary or pernicious that even the employee cannot justify its existence even though, as part of the conditions of employment, the employee feels obliged to pretend that this is not the case.”\(^\text{18}\) This definition is based on the subjective experience of the worker rather than their ostensible role, as Graeber believes that workers are generally able to judge whether or not they are performing socially-necessary labour. It is difficult to establish whether a bullshit job is producing anything in terms of use values, but by definition it must be doing so at so low a rate, or in such low quantities, that the worker doesn’t notice any social utility in their actions. Furthermore, bullshit jobs pay quite well compared to actually productive labour,\(^\text{19}\) meaning that the rate of exploitation is low, or even in the negative.

In addition to jobs which are entirely pointless, Graeber suggests that most jobs are undergoing a process of *bullshitisation*, or a decline in the time spent performing socially-necessary labour. He uses the example of british nursing, wherein nurses reported that up to 80% of their time is spent doing paperwork at the expense of their primary care duties. Likewise, in many office jobs the time spent doing primary duties is declining, with one study showing a decline in hours spent performing primary duties from 49% of total working hours in 2015, to 39% in 2016.\(^\text{20}\) Even in workplaces where workers self-report that their work produces real use values, there is an overwhelming trend towards an “inverted pyramid” structure wherein the workers who perform the most clearly necessary labours (direct production, cleaners, maintenance workers, logistical staff etc.) are increasingly understaffed, underpaid, and subject to “scientifically” precise productivity quotas, while the top of the pyramid (management, administrators, those designing the aforementioned quotas) are multiplying exponentially.\(^\text{21}\) To have such a high ratio of management and clerical staff to labourers makes little sense, as the multitudes involved are above and beyond that which would be necessary to reproduce class relations within the workplace, or to administer scientific management techniques.

It is easy to challenge Graeber’s claims by pointing out that alienation of the worker from the act of production, the segregation of the processes of production into a series of discrete, repetitive

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\(^{17}\) David Graeber, *Bullshit Jobs* (New York: Simon and Schuster, 2018), 6

\(^{18}\) Ibid. 9-10

\(^{19}\) Ibid. 14

\(^{20}\) Ibid. 24

\(^{21}\) Ibid. 18
motions, could account for workers under-reporting their output of use values, as this would prevent workers from seeing the end result of any action. However, while I believe that while this is a factor to consider, I do not think it accounts for all of Graeber’s revelations. Alienation of the worker from production, such as it extends outside the bounds of an individual workplace, typically applies more so when looking “up” the chain of production rather than down. To give one example, congolese cobalt miners have at least a loose understanding that the resource they produce will end up in batteries for consumer electronics. By contrast it is doubtful that workers engaged in final assembly of those batteries would know where the cobalt hydroxide comes from, in part because that information is deliberately obscured. For this reason I believe self-reportage is an appropriate means of gauging the degree to which workers are actually producing values.

From this perspective, the revelations in the first half of Bullshit Jobs, which is to say the parts that are wholly based in worker testimony, are relatively incontrovertible. What follows in the latter half of the book is much less clear-cut, as Graeber avoids making any definitive arguments as to why bullshit jobs exist, or at least, avoids making any sweeping political-economic claim as to their origin. To be fair, Graeber warns his readers many times that his work is light on conclusions.

As such it is more productive to talk about the dominant recurring themes in Graeber’s broad discussion of tendencies which correlate with bullshitisation, rather than misrepresenting the book as a series of discrete arguments around causation. These themes include privatisation, financialisation, infecdation, and informationisation.

This first tendency, in which social-democratic self-conscious make-work programs give way to much more inefficient neoliberal job-creation programs, is a perfect illustration of something I referred to earlier while discussing Habermas’ optimistic treatment of the public sector: neoliberalism is an extension of the goals of social democracy with added inefficiency. As Graeber says:

“For much of the twentieth century state socialist regimes dedicated to full employment created bogus jobs as a matter of public policy, and their social democratic rivals in Europe and elsewhere at least colluded in featherbedding and overstaffing in the public sector or with government contractors, when they weren’t establishing self-conscious make-work programs...the new neoliberal age was supposed to be all about efficiency. But if patterns of employment are anything to go by, this seems to be exactly the opposite of what actually

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22 Karl Marx, Economic & Philosophic Manuscripts of 1844 (Moscow: Progress Publishers, 1959), 74
24 Graeber, Bullshit Jobs, 2,4,17,147
The mass of public sector jobs that Habermas described as something which could forestall or even negate the worst excesses of capitalism, would likely have been bullshit jobs themselves, and indeed these inflated state bureaucracies are one key source of bullshitisation today. However, such public sector bureaucracies are a lesser factor than their privatised counterparts. Most aspects of the public sector, if not privatised outright, at least outsource much of their function to private contractors, or else are subject to budgetary responsibility rules that mean that many state functions are subject to the same profit motive as private industry. These privatised replacements for what once functioned as public services run at higher costs, and also tend to employ far more managerial and administrative staff. From 1975 to 2005 the number of administrators and managers at privatised institutions in Britain increased at more than twice the rate it did in public ones, an expansion of 135% vs. 66%.

Once again, neoliberalism proves to be less of a process by which states shrink and more of a gradual process of states expanding so as to support a thick layer of parasites: companies which milk government contracts by finding the least efficient means of dealing with public issues. Graeber’s examples of various FIRE sector (Finance, Insurance, Real-Estate) worker testimonies illustrate the link between privatisation, bullshitisation and financialisation well. As states privatised their huge public sectors largely for ideological reasons, privatisation emerged as an alternative means of fulfilling some of the state’s functions in terms of stimulus and job creation. By fulfilling government functions through contracts, the state gained a means of ongoing, direct stimulation of the economy by allowing companies to milk tax dollars directly. In return, corporations fulfilled the state’s political goals of reducing unemployment to acceptable levels. Many of the financial functions of the state were also given over in the great sell-off, and now the finance sector is primarily concerned with “colluding with government to create, and then trade and manipulate, various forms of debt.” Having been given the means to create debt, “it creates money (by making loans) and then moves it around in often extremely complicated ways, extracting another small cut with every transaction.”

This process naturally creates many banking jobs, as the companies intentionally mistrain employees to milk the cash cow. Most bank employees can’t figure out why their particular species of bank exists. Furthermore banks create a level of fear and paranoia as employees are under enormous pressure not to ask too many questions. Banks add nothing in terms of use values, but they deal in huge quantities of exchange values, much like a state does, and it is the necessity of collusion with the state to produce these exchange values that causes much of

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25 Ibid. 147
26 Ibid. 160
27 Ibid. 162
28 Ibid. 165-6
29 Ibid. 151
30 Ibid. 167
31 Ibid. 168
Graeber’s bullshitisation. To give one example JP Morgan Chase & Co. derives two thirds of its profit from fees and penalties, which is to say speculating off of debts which are enforceable through law.\textsuperscript{32} The right to trade in penalties cannot simply be bought, it requires a huge amount of political capital first.

The necessity of accruing political capital to facilitate collusion between the state and finance capital is one factor leading to infeudation. Graeber believes that the entanglement of the economic and political since the 1970s has led to a neo-feudal dynamic in many corporate structures. The purpose here is to loot, steal, or extract rent from what little productive labour is being done, in order to create an entourage of followers which can create political favour.\textsuperscript{33} Graeber here goes so far as to offer a general theory of infeudation:

“In any political-economic system based on appropriation and distribution of goods, rather than on actually making, moving or maintaining them, and therefore, where a substantial portion of the population is engaged in funnelling resources up and down the system, that portion of the population will tend to organise itself into an elaborately ranked hierarchy of multiple tiers (at least three, and sometimes ten, twelve, or even more). As a corollary, I would add that within these hierarchies, the line between retainers and subordinates will often become blurred, since obeisance to superiors is often a key part of the job description. Most of the important players are lords and vassals at the same time."\textsuperscript{34}

This hierarchical structure is not only the result of financial-political elites but also a century of managerial ideologies starting with the “scientific” management of the early 1900s. Under feudlism, workers with specialised knowledge had basic rights to collectively regulate their own affairs. The alienation of production brought about by Industrial Capitalism changed this, and managerialism, later known as taylorism, pushed this further. Under financialised capitalism the map has completely become the territory to the point that efficiency is not measured by outputs, but rather, by how much effort is put into efficiency. Thus an efficiency industry, or information sector can grow, which is by its nature hugely inefficient, but which can effectively monopolise the measuring of efficiency. As Graeber says:

“Efficiency has come to mean vesting more and more power to managers, supervisors, and other presumed “efficiency experts” so that actual producers have almost zero autonomy.”

But who are the “actual producers” in Graeber’s view? Much of the remainder of Bullshit Jobs is spent on a series of comparatively unconvincing, disjointed theses: a latent cultural memory of a protestant/puritan work ethic is the cause of our collective fetishisation of employment, the real locus of value creation is in caring work, and the only way Graeber can imagine uncoupling those in Bullshit Jobs from their dependency upon bosses is the uninspired phantasm of the Universal Basic Income. It is his claims around caring work which I find most condescending as

\begin{itemize}
\item \textsuperscript{32} Ibid. 177
\item \textsuperscript{33} Ibid. 176-7
\item \textsuperscript{34} Ibid. 181
\end{itemize}
a former care worker: it was clear to me even then that washing the elderly was no locus of value creation, rather I existed to assist a multinational in milking pensions in return for labour better provided by an adequate healthcare system.

Much of the problem for anyone trying to apply lessons from *Bullshit Jobs* to political economy is the fact that bullshit jobs themselves are a series of several discrete categories of work that have been collated together by reason of *social* similarities in their subjective experience of work. Some examples only fit Graeber’s definition of bullshit jobs because the worker is morally opposed to their own labour (such as the bank worker opposed to usury). Once again, this isn’t really a criticism of Graeber as he did not set out to write a work of political economy, and in fact he divides bullshit jobs into several sub-categories based on some social similarities, or roles which make sense in the context of his feudal analogy. Nonetheless in order to draw any political economic conclusions from *Bullshit Jobs* we must devise our own system of sub-categories.

- **Alienated direct producers**: as discussed previously, at least some people who feel they produce nothing useful are probably engaged in the direct production of use values but can’t see or enjoy the end result of their labour.

- **Indirect producers**: these people include banking, real-estate, or advertising employees whose roles serve a clear purpose in capitalist society, but which are lumped in with other bullshit jobs simply because worker testimonies suggest those roles shouldn’t exist in a just society. Such roles produce no use values, but they exist to siphon exchange value away from the state and public through the transfer of debt. These finance workers “generate” this exchange value, and so a cut is taken from them by their bosses. This means that they are subject to a rate of exploitation.

- **Exploitors**: At least some managers are necessary to reproduce capitalist class relations in the workplace effectively. As representatives of the bosses’ interests they are expected to meaningfully combat inefficiencies and curb workers’ economic power in return for their pay. Marx refers to this as “the exploitation of the labourer by capital...effected by the exploitation of the labourer by the labourer.”

- **Reflexive-unproductive labourers**: These comprise the bulk of those in “bullshit jobs” and are either the vestiges of the first state-sponsored institutes, or more likely, their privatised progeny. These are think-tank employees, university administrators, management consultants, data analysts, supervisors-of-supervisors and the like. They are the “efficiency experts” Graeber described earlier, but as many worker testimonies appear to suggest, they actually reduce the efficiency of the systems they are a part of, and when working in conjunction with productive labourers, tend to reduce productivity.

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35 Ibid. 199
There is a massive disconnect between the ostensible reasons for their hiring, and their actual effect on the economy: in theory they fit perfectly with Habermas’ definition of “labour applied to itself with the goal of increasing the productivity of labour,” but the economic impossibility of such a form of labour explains why in practice they do the opposite. Such workers decrease overall productivity, but decrease the Organic Composition of Capital, leading to a lesser rate of profit decline. In isolation, only a small portion of their labour is socially-necessary, and so they are a drain on individual businesses, but on a macroeconomic level they correlate strongly with economic stability, for reasons that policy makers don’t fully understand beyond a general appreciation for the necessity of informationalization and higher employment figures. As such, these jobs are implemented through political and economic pressures, in heavily subsidised or speculative industries like tech, or else they are employed in firms intended to improve the efficiency of the state.

Once we prune away some of the socially similar but economically different aspects of bullshitisation, we can see that *Bullshit Jobs* is in part the synthesis of Habermas’ earlier theories on reflexive labour with its antithesis: the redundancy and economic impossibility of reflexive labour as it actually came to exist in the world. Bullshitisation, therefore, is the oversized socio-political impact of the much more specific economic factors of reflexive labour and informationalisation generally.

To see the shadow of reflexive labour within Graeber’s theory shows that Habermas’ theory of how capitalism might avert economic and political crisis was correct in a way, but not at all in the way he imagined: far from the armies of enlightened, state-employed scientists, teachers, and engineers who would force indefinite productivity, we instead got armies of privately-employed overskilled peons, paid to shift money and paperwork hither and fro. Graeber seems to understand the irony of how the hopes and fears of the contradictions of the social-democratic era led us here: in discussing Keynes he says:

> “Automation did in fact, lead to mass unemployment. We have simply stopped the gap by adding dummy jobs that are effectively made up.”

The victory of this reflexive-unproductive labour, hollow though it may be, was to address key contradictions of the social democratic and neoliberal eras. Both have their origin in a classic overproduction crisis caused by the Tendency of the Rate of Profit to Fall, and Graeber acknowledges this briefly through discussion of a short story by Stanislaw Lem. I have already discussed how a decline in the Organic Composition of Capital is the key factor in initiating an overproduction crisis, but this can be interpreted in several ways. Social-Democratic reformers have typically concluded that the key symptom of an overproduction crisis is unemployment and wage reductions, which in turn lead to reduced consumer spending and shrinking markets for

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37 Ibid. 265
38 Ibid. 259-61
goods, and so this is the cause for the correlation between an increase in OCC and the exacerbation of the TRPF. This analysis would suggest that governments stepping in to subsidise wages and stimulate consumer spending is enough to end a crisis, and indeed this is what governments of all stripes have done in the current crisis.\textsuperscript{39} However this does not strike at the root of the issue: the cause of an overproduction crisis is the over-productivity of labour as a result of the \textit{full sum} of investments into productive forces, and short of actively underdeveloping those forces, the problem can only be relocated through asset sell-offs and growing monopolies. In the long term, the output of increasingly productive forms of labour will always outstrip demand, no matter how much consumer spending is stimulated. A much more direct means of retarding the development of crises is to both reduce overall productivity and artificially deflate the OCC, which is exactly what reflexive-unproductive labour achieves. This was able to effectively solve several economic and political anxieties of the social democratic era: it reduced the likelihood of overproduction crisis, it reduced unemployment, and it secured a large consumer base in the developed countries.

To situate the role of reflexive-unproductive labour within the context of an overproduction crisis does leave one question remaining: if there is a considerable decline in the production of use values in the developed world, does this indicate a shift in the locus of value creation, or even an invalidation of Marx’s theory of value? Both Habermas and Graeber suggest that their theories invalidate materialist economics in whole or in part, for curiously similar reasons. To Habermas, the incorporation of reflexive labour from an aspect of system environment (a factor external to the mode of production) into a peculiar aspect of production disproves Marx’s theory of value because it represents an institutionalisation of indirect production.\textsuperscript{40} Graeber makes a very similar claim around a form of indirect labour, in this case reproductive labour, saying that the locus of value creation has shifted into caring labour precisely because it is impossible to quantify, automate, or incorporate into materialist economic theory.\textsuperscript{41} Habermas claims to invalidate Marx’s theory of value, but he doesn’t challenge Marx’s definitions of value, whereas Graeber proposes an entirely new definition of value, saying that it is that which we feel is valuable, or which we care about – really just a phenomenological definition.\textsuperscript{42}

Both authors argue against an imagined, dogmatic, inflexible Marx, and since neither works through a Marxist lens it does not feel particularly productive to be too invested in these debates around the theory of value. Suffice to say that it is a mistake to think that we are \textit{forced} to look beyond Marxism, or even Marx’s own writings, to uncover terms flexible enough to explain the phenomena described. While it is true that Marx and many orthodox Marxists did not dedicate significant time to analysing reproductive and indirect labour, it is a mistake to say that in saying these forms of labour are not a locus of value creation we diminish their importance. Reproductive labour can simultaneously be the most widespread and fundamental form of

\textsuperscript{40} Sensat. \textit{Habermas and Marxism}, 62
\textsuperscript{41} Graeber, \textit{Bullshit Jobs}, 202-3
\textsuperscript{42} Ibid. 205
labour in the world, and still not be a locus of value creation for the capitalist. Likewise
intellectual or emotional forms of indirect labour can be socially valued and can affect use value
creation, or can be loaned out by capitalists for a profit, but this doesn’t mean they are a locus of
value creation. In addition, Marx thought it entirely possible for more abstract forms of value,
sometimes called *locum tenens* or placeholders, to be used in place of the production of use
values.43

Habemas and Graeber, taken together, have traced the development of a growing strata in
developed nations which are neither the owners of capital nor engaged in any form of
production or socially-necessary service. But in displacing a great deal of our understanding of
where use-values come from they have not sufficiently proven where their new locus of value
production is. Graeber comes the closest, actually charting the rise of the information sector
(identified as a key source of bullshitisation) against the fall of several other sectors, most
notably agriculture and manufacturing.44 Such industrial sectors are clearly going somewhere
assuming the reader eats food and wears clothes.

This is a failure of both authors, they do not see economies and class societies as entities which
stretch beyond national boundaries. The locus of global value production has always stretched
across borders, and contrary to the mythology of social democracy it has been located partly in
the global south long before the neoliberal wave of outsourcing, which as Graeber correctly
points out, can sometimes be overemphasized. Conventionally productive labour is certainly
still present in the developed world, and in some settler-colonial nations such as New Zealand it
is present in a much higher proportion than imperial financial hubs like the UK, but it is important
to note that this proportion is declining through the trends Graeber described. To understand the
link between reflexive-unproductive labour and the bulk of global production, however, we must
shift our attention to the colonised world.

**Zak Cope and Labour Aristocracy**

The theory of *labour aristocracy* has been a part of the communist movement since it was first
formulated by Engels in 1845.46 The concept was revived by Lenin in 1916,47 and became part
of the political orthodoxy of the third international. The theory has always been controversial,
and the vast majority of western socialist parties have come to reject or de-emphasise the
theory for a number of reasons. Of the writers associated with updating the theory of labour
aristocracy, Zak Cope stands out as a modern innovator, while Charles Post stands out as a

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43 Marx, *Capital Vol. I*, 931
44 Graeber, *Bullshit Jobs*, 148-149
45 Ibid.
46 Friedrich Engels, *Condition of the Working Class in England*, (Moscow: Institute of Marxism-Leninism,
1969), 14
47 Vladimir Ilyich Lenin, *Imperialism, the Highest Stage of Capitalism*, retrieved from
https://www.marxists.org/archive/lenin/works/1916/imp-hsc/, ch. 8
prominent and commonly-cited critic of the concept. The back-and-forth of criticism between the two in the early 2010s, as well as Cope's recent book The Wealth of (Some) Nations: Imperialism and the Mechanics of Value Transfer, will inform my discussion of how reflexive-unproductive labour fits into the global system of capitalism.

A labour aristocracy is what Lenin describes as “a section of the proletariat [which] allows itself to be led by men bought by, or at least paid by, the bourgeoisie.” It does this as a symptom of a specific stage in the development of capitalism. Lenin gives five prerequisite stages in his definition of imperialism:

“(1) the concentration of production and capital has developed to such a high stage that it has created monopolies which play a decisive role in economic life; (2) the merging of bank capital with industrial capital, and the creation, on the basis of this “finance capital”, of a financial oligarchy; (3) the export of capital as distinguished from the export of commodities acquires exceptional importance; (4) the formation of international monopolist capitalist associations which share the world among themselves, and (5) the territorial division of the whole world among the biggest capitalist powers is completed.”

At the summit of these stages, imperialist monopoly capitalism allows for super-profits: profits well above what the developed nations' companies might extract from their own workers. This is achieved through a number of methods of investment from core to periphery, such as predatory lending, exporting capital overseas in return for commodities, and exploiting the unevenness of development and labour markets. Lenin believed that these super-profits were the basis for the “bribe” paid to workers in the imperialist countries, but he believed that the number of workers won over by this was “an insignificant minority of the proletariat and of the toiling masses” which was nonetheless able to constitute a base for reformist parties.

There are some empirical issues with using Lenin’s model of imperialism in the present day, mainly the emphasis on exported capital. Post notes that this emphasis is misplaced (only 1.5% of total global investment is in the global south), however modern theorists of imperialism have generally accounted for Lenin’s error by reframing the issue as one of overall capital flows from global south to metropole.

From the outset, labour aristocracy has been theorised as a response to one question: how can we explain the relative uselessness of the leftist parties of the developed world? As Post notes, it is not a forgone conclusion that leftists in the developed world are more or less reformist than

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48 Ibid.
49 Ibid. ch. 7
50 Ibid. ch. 4
in the underdeveloped world—the relative power and vote share of reformist parties is actually quite consistent globally\textsuperscript{53}—the debate is therefore about qualitative differences in the character of western parties.

These deficiencies aren’t our focus and this is for the best. Professor Amiya Kumar Bagchi notes that the Post-Cope debate (itself characteristic of broader debates about labour aristocracy) is largely bogged-down in proving which theorist said what. Rather than focusing on explaining reformism, he says:

\textit{“I think the real issue is how the working class in advanced capitalist countries has been incorporated as a conscious or unconscious participant in the maintenance of the highly unequal internal socio-political order and the inequitable international order that has grown up under the actually existing capitalism.”}\textsuperscript{54}

This is the basis to which Cope returns in \textit{The Wealth of (Some) Nations}. To Cope, there are four main mechanisms by which imperialism extracts wealth:

- \textit{Value Transfer:} this is the most direct and obvious way in which imperialism redirects profits, and can be broken down into \textit{direct} (military and political intervention) and \textit{indirect} (passive and market forces) Global Transfer of Value (GTV). Cope gives seven more concrete examples: brain drain, illicit capital flows, trade barriers and tariffs, flooding countries with goods at below market rates, debt repayment, unfavourable terms of trade, and trade-related intellectual property rights.\textsuperscript{55}

- \textit{Colonial Tribute:} the historically imposed and racially maintained differences in the mode of production within colonised nations. This includes: semi-feudalism wherein small farmers and rural workers have their wealth appropriated by money-lenders and landowners, neo-colonialism wherein the national workforce is exploited by foreign buyers and investors, and bureaucratic capitalism wherein value is expropriated by state bureaucrats. These modes of production prevent the development of a more efficient national bourgeoisie oriented around domestic consumption, and produces wage differentials that can be further exploited.\textsuperscript{56}

- \textit{Monopoly Rents:} this is the difference between the price (not cost) of production and the actual market price where that is not set by the average rate of profit, but by cartels and corporations dominating the production and sale of commodities. Modern monopsonies


\textsuperscript{56} Ibid. 22-32
overwhelmingly control prices in the global north, and also force labour prices down further in the periphery.\textsuperscript{57}

- \textit{Unequal Exchange}: productive labour is bought and sold in international trade for divergent sums. Capitalists are afforded additional profits and opportunities by their possession of economic, military, and technological monopolies. Western workers are afforded higher wages through “institutionally different” rates of exploitation. This is done through the transfer of value from low OCC industries to high\textsuperscript{58} on the national level, but on the international level this is determined by wage differentials.\textsuperscript{59}

Combining the visible value transfer (national account balances, primary and secondary income, capital transfers) of $326 billion,\textsuperscript{60} illicit value transfers (invoicing manipulation, tax evasion and state corruption) of $970 billion,\textsuperscript{61} transfer pricing revenues (corporations boosting earnings by reporting high taxable profits in low-tax countries) of $1.1 trillion,\textsuperscript{62} and disguised value transfer (a complex product of unequal exchange) of $2.8 trillion,\textsuperscript{63} Cope arrives at a total South-North transfer of $5.2 trillion annually. This is equivalent to 75\% of the total share of transfers in developed countries’ profits.\textsuperscript{64}

In order to demonstrate the connection between this looted wealth and reflexive labour, there must be proof that (1) there are no factors which negate this value transfer and (2) there is a specific mechanism by which imperialist value transfer allows for a greater proportion of unproductive jobs in the west.

A commonly cited factor which might negate imperialist value transfer is the idea that western workers are \textit{more productive}. This is problematic for several reasons: firstly, speaking purely in terms of inputs, one hour of socially-necessary labour time is the same in capital-intensive and labour intensive industries,\textsuperscript{65} secondly, there is no correlation between high wages and productivity,\textsuperscript{66} and thirdly, global south workers are sometimes involved in higher productivity industries.\textsuperscript{67}

If anything, Cope doesn’t go far enough in this last line of argument, as there is some evidence that, taken holistically, industry in the global south is more capital intensive, more productive,

\textsuperscript{57} Ibid. 33-46
\textsuperscript{58} An earlier version of Cope’s thesis held that this was also the basis for \textit{international} unequal exchange, but as Post noted, there is no uniform difference in OCC between north and south. It’s fortunate that Cope discarded this theory as it would have made my work a lot harder!
\textsuperscript{59} Ibid. 47-58
\textsuperscript{60} Ibid. 76
\textsuperscript{61} Ibid.
\textsuperscript{62} Ibid. 77
\textsuperscript{63} Ibid. 81
\textsuperscript{64} Ibid. 112
\textsuperscript{65} Ibid. 62
\textsuperscript{66} Ibid. 63
\textsuperscript{67} Ibid. 62
subject to a higher starting rate of profit, and subject to a greater rate of profit decline. An
aforementioned study by Esteban Ezequiel Maito⁶⁸ shows that underdeveloped economies had
an average rate of profit of 45% per unit of capital invested in 1954, 23% higher than developed
countries. This gap narrowed to 10.5% in 2009 indicating a greater rate of profit decline in the
global south. Such data is typical of comparisons between high OCC industries and low OCC
industries. Cope is right in saying that the gap in productivity is low now, but this was not always
the case, indeed it is the result of centuries of vastly higher productivity differences.

Finally it remains for us to prove the link between unproductive work practices in the west and
imperial value transfers. While Graeber earlier suggested that bullshitisation doesn’t fit with
conventional economic wisdom that capitalists maximise profit everywhere (ie. demand a rate of
surplus value production from each economic sector), this is not a position held by any political
economist. Cope says that, on the contrary, “a negative rate of surplus value can and does
apply in some regions of the world where workers are able to purchase with their wages more
abstract labour than they themselves contribute with their labour-power.”⁶⁹ In other words, the
cost of reproduction is highly subsidised in the west by the production of cheap consumer goods
by workers in the global south, and even those produced by western industry rely on dead
labour produced in the same way.

The sectors of many economies in which a negative rate of surplus value exists is even larger
when we consider that the wages of workers in the unproductive sectors of employment must
be paid out of the exploitation of productive sector workers.⁷⁰ To Cope however, unproductive
workers are not directly exploiting productive workers, their wages are still paid according to the
value of their labour-power and they deliver to the individual capitalist revenues in excess of the
same. The key distinction between productive and unproductive workers is that the latter cannot
add value simply by working more (surplus labour), there is a finite amount of “necessary
labour,” and it would be pointless to do more than this.⁷¹ Here we see echoes of Graeber’s
bullshitisation: the bullshit quota is the amount of unproductive labour time beyond the
necessary labour, done with the false expectation of creating a surplus.

Tracking the rise of reflexive-unproductive labour

We have now gathered the materials necessary to put together a more unified, if hardly
comprehensive, picture of the development of reflexive-unproductive labour as a single
historical arc:

1. The genesis of reflexive-unproductive labour lies in the development of “scientific”
managerialism in the late 19th century, which replaced earlier intermediaries between

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⁶⁸ Maito, *The historical transience of capital.*
⁶⁹ Cope, *The Wealth of (Some) Nations,* 63 [emphasis Cope’s]
⁷⁰ Ibid. 65
⁷¹ Ibid. 66
capital and labour (foremen, guilds etc.) and led to the belief that productive labour could
be “streamlined,” typically by allowing for better interfacing between living and dead
labour (organised allocation and storage of tools and machinery, greater alienation of the
worker from production, and decreased logistical inefficiencies). Small numbers of
scientific managers, using techniques like taylorism, made small improvements to worker
productivity, and increased business competitiveness. They did not stay on as
permanent employees of the firms they advised, as the cost of their ongoing wages
would have outweighed their benefit to the capitalists. Nonetheless the idea of “labour
adding to the productivity of labour” was born. Colonial wealth extraction allowed for the
widespread adoption of these managers in the west with a subsidised wage cost.

2. With the onset of the Great Depression, an increasing number of western states become
conscious of the propensity for capital-intensive economies to collapse. State
bureaucracies and social spending initiatives massively expand in an attempt to
subsidise western wages and consumption. Reflexive labourers as described by
Habermas emerge as a state-sponsored effort to increase profitability endlessly through
increasing productivity and providing new technologies and intellectual properties in
pursuit of imperialist goals. Unions are partially incorporated into the wage-setting
process, and this deepens the price differentials required for unequal exchange with the
remaining colonies.

3. In the late 60s and 70s, western countries faced their greatest decline in the rate of profit
aside from the height of the depression. The blame for this is levied at the “inefficient”
state bureaucracies by the late 1970s, however in many ways it is because the state had
become too effective at increasing productivity in capital-intensive industries, combined
with a growing lack of penetration into more profitable colonial economies. Neoliberalism
temporarily halts the increases to state spending, and privatises the state-backed
reflexive industries. Foreign economies are re-engineered into highly profitable,
capital-intensive manufacturing and agricultural hubs, and this funds the further
financialisation and informationalization of western economies. Greater inefficiency and
privatisation of reflexive labour, enabled by increasingly subsidised wages, forces a
lower OCC in western economies.

4. From the early 1980s to 2008, the average rate of profit stabilised across core countries
and in fact increased in many areas at a rate not seen since the Second World War.
During this time capital-intensive industries such as manufacturing, mining, and oil
extraction were outsourced to the global south. Reflexive labourers had now transformed
into reflexive-unproductive labourers in that there were few actual increases to
productivity in this time. Reflexive labour evolved slowly, through informationalization,
into pointless busy-work, while still ostensibly seeking to improve the efficiency and
productivity of the state and productive enterprise. Such workers increasingly came to
work for multinationals that fed off state contracts (performing state functions
inefficiently), managed debt, or were involved in imperial transfer. Such workers evolved
several uses: as a “market of last resort,” as a countervailing tendency on the TRPF, and as a means of perpetuating wage differentials to facilitate unequal exchange with foreign markets.

5. By the late 2010s, reflexive-unproductive workers came to constitute a large proportion of developed countries’ workforces. Informationalisation became so extensive that previously socially-necessary labour-time in unproductive industries was being replaced by redundant labour-time with “reflexive” intentions (such as Graeber’s NHS nurses spending more time on productivity-enhancing paperwork than on nursing). The ostensible intent behind this socially-unnecessary labour is the same as reflexive labour—to use labour to increase labour productivity—but the sheer impossibility of doing so produces a new phenomenon: bullshitisation.

Conclusions

As we have seen, the work of Habermas is useful in understanding the idealistic origins of reflexive-unproductive labour. Innovations by the capitalist class are seldom the result of capitalists or state employees understanding the true nature of the systems they are involved in. The valorisation of capital, in which the role of labour in value creation is hidden in favour of a narrative of capital expanding upon itself, means that capitalist solutions to crisis are rarely carefully engineered, but are more of a matter of trial-and-error tinkering with various inputs until the most superficial of metrics (such as GDP) seem to improve. Capitalist solutions to crisis do often work, but only through a total subversion of the original intentions of the tinkerer. We should remember that the success of neoliberalism in combating the TRPF was not in ending state inefficiency and spending, but rather in increasing both.

Graeber too is an important part of our understanding, as he reorients the discussion around the subjective experience of the workers involved in a complex macroeconomic process. It is only when we narrow our focus down to the smallest, human connectors in a complex system, that we can see the total negation of the initial system logic. Whether or not we can explain these subjective experiences is irrelevant: they exist, and so our understandings have to evolve to account for them.

Finally, Cope shows that in the end the problem can only be resolved by uncovering deeper structural injustices, loosely patched-over by a western-centric form of political economy. Graeber’s worker testimonies are only inexplicable to a form of political economy which is built around a myth of western workers’ productivity. These inconsistencies between the subjective experience of western workers, and the objective frames of analysis used by political economists, exposes deeper failings in the latter to account for global value transfer.

It would be wrong to think that in saying reflexive-unproductive workers in the imperial core are indirectly parasitic I am drawing a moral conclusion. As Professor Bagchi noted, the question is
more about how western workers have unknowingly bought a stake in imperialism as a result of the deception inherent in hidden revenues. This complicates the question of radicalising workers in the imperial core, but the ultimate interest of all workers remains in the development of emancipatory systems globally. It is furthermore clear from the work of Graeber that those engaged in reflexive-unproductive work are hardly more free from class relations. Even if such workers are subject to a negative rate of exploitation, or have their cost of reproduction subsidised by vastly less fortunate workers in the global south, they are still subject to dependency upon their bosses and managers, and it is difficult to see what other options are open to them. Exposing hidden imperialist revenues is therefore a crucial part of radicalising workers in the core who unknowingly have a stake in imperialist transfer of value.

The dialectic of capitalist historical progression is the dialectic between the tendency of the rate of profit to fall, and countervailing tendencies hastily thrown up to slow the inevitable. Unless we understand the often bizarre and counterintuitive state of affairs engendered by these countervailing tendencies, we will be unable to consistently analyse the capitalist system, or indeed combat its worst excesses, as the imperialist global system falls into ever-greater states of contradiction. Our task is complex, and requires a mode of thought able to adapt to an ever-changing system, no matter how challenging that may be to our biases.

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