

## Modes of production and modes of consumption: preliminary reflections

Marxist historiography on transition has tended to focus on modes of production: on whether primary producers pay a rent to an exploiting class, but maintain direct access to their means of subsistence—that is, part of their production—or whether they are paid a wage by the exploiting class, who then receive all of that which is produced by the primary producers. There is obviously much more that can be said about modes of production, but the key point is that this theoretical approach and its empirical consequences have to do with, as the term implies, production rather than consumption. What is already implicit, however, as will be clear from my brief description, is that different modes of production can also imply different modes of consumption: the ideal-type of the feudal mode of production implies non-market access to all or most consumption needs on the part of all or most of the population, while the capitalist mode of production implies the need for mediation through a market. Approaches to historical change that focus on modes of production tend to focus on exploitation, coercion, and the social structures and institutions that enable or engage in such exploitation and coercion. An almost inevitable corollary has tended to be a relative lack of attention given to the ways in which factors that on the face of it lie beyond the ambit of legal and social structures and are more to be located within the realms of ideology and culture might contribute, in different ways, to shaping the agency of those involved in a particular mode of production both by affecting the patterns of production, and, equally, by affecting patterns of consumption, and might thus also contribute to those processes of exploitation and coercion that are at the core of either mode of production.

While a focus on exploitation and coercion certainly reveals power structures that control our lives, it can lead to disregarding individual agency, both as a form of resistance to, and as a means of enabling and acquiescing with, those power structures. I wish to suggest that in fact the most pernicious thing about capitalism is indeed choice and agency: that we, as capitalist consumers, choose (however unwittingly) to reinforce and reproduce this system through our consumption choices. Of course, there are certain coercive elements at a quite basic level; and there are many almost-coercive, but more accurately persuasive elements at a higher level. But the creation of an aspirational society does not take place through coercion in any institutional form in the sense of laws and constraints; if there is any coercion, it is cultural.

It is an odd fact that most left theories that adopt a mode-of-production perspective thus tacitly also, by largely ignoring consumption, tend to adopt the view that supply creates demand. In our present society it is indeed the case that supply create demand; but how this occurs needs some further thought, because in fact it is counter-intuitive that this should be the case and it is not automatic that it is indeed the case; that supply creates demand is specific to a specific **mode of consumption**, which I shall call the ‘aspirational’ mode of consumption. The way in which supply creates demand is as follows: supply, by which is meant the forces of capital that control production, and in whose interests it is that there be an ever-expanding demand for the results of that production, creates demand by creating aspiration. The forces of capital produce the possibility of aspiration to status that is achieved by particular kinds of consumption; the status need have nothing to do with power, and indeed is most often simply a status of having achieved a particular kind of culture.

Thus I want to reintroduce culture into the equation. If corporate capitalism controls and profits from cultural production, that cultural production itself also, by creating aspirations, reproduces corporate capitalism. It is this constant creation of aspiration that allows for constant consumption, which requires constantly expanding production and in turn enables the profits

and growth upon which capital is based.<sup>1</sup> I am talking, of course, about rather less elevated levels of culture than postmodern art; but advertising and fashion are fundamentally influenced also by such art, and the iCulture is perhaps the biggest influence on consumption in the developed world today.

The aspirational mode of consumption is predicated also, however, on a notion of freedom: freedom to consume in a manner that can alter social and cultural status. In a society in which status is circumscribed, and in which therefore there is a lack of freedom to consume in a different manner because that would imply a change of status, which threatens the social hierarchy, an aspirational mode of consumption is not possible. It becomes possible only with the crumbling of rigid notions of hierarchy, it is not a coincidence that the myth of the 'self-made man' is the most beloved myth of the most crassly consumer-capitalist country today. There is of course also a positive aspect to this; but it is not the case that the aspirational mode of consumption brings with it the end of hierarchy. Rather, even those at the highest rung of the hierarchy are also caught up in the cycle of aspirations. Status differences are now not to be maintained simply by maintaining a more or less stable form of consumption; in order to retain one's status rank, one has always to keep changing what one consumes. Thus the aspirational mode of consumption is also inevitably a wasteful one, or if one wishes to view it in a positive sense, potentially a culture of recycling. The end of religiously-ordained hierarchies is crucial for the rise of the aspirational mode of consumption; within such hierarchies it is not possible to aspire beyond a certain extent, and thus constant aspirational consumption is impossible; the corollary of this is inevitably also that constantly expanding profits from constantly expanding production—in a word, capitalism—is also not possible.<sup>2</sup>

Thus to understand the growth of capitalism from a historical perspective, but also even for other purposes, thinking about modes of consumption and the cultural factors that influence such modes of consumption, is crucial. It is the beginnings of a consumer ideology that enable the growth of capitalism, just as it is the expansion of that ideology that keep it alive. (I should make it clear that by consumer ideology I mean not just the ideology of the consumers, but an ideology of consumerism or of ever-expanding consumption, which is an ideology of consumers and producers alike.)

Although presently my thinking is still very abstract, I propose that there are two primary modes of consumption to be found in history, which are in turn usefully subdivided into further categories under each primary mode of consumption. Below I attempt to set these out schematically, in the hope that this might be of some use in formulating a framework for historical analysis that can take into account modes of consumption and modes of production alike (and perhaps, following Karatani, modes of exchange also).

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<sup>1</sup> How all of this relates to speculative financial capitalism is unclear to me; but it remains the fact that at least some aspects of financial capitalism is also, ultimately, tied to consumption: sub-prime mortgages are for houses, after all; and derivatives and futures are also about tangible commodities; and insofar as a large percentage of wealth is in fact hypothetical and in the form of assets that are other people's debts, consumption is crucial, because it is as a result of consumption—partly for subsistence, but also aspirational consumption—that those debts come into being.

<sup>2</sup> Adopting this perspective is also, I want to suggest, a means of hope. To the extent that capitalism is a fact of individual agency and choice, and to the extent that that individual agency and choice are themselves influenced by culture, an education towards a different culture is a possibility and a hope. This may sound even more utopian than a class revolution; but it has at least the hope that it may not need violence; that it may be more embracing; that it may ultimately lead not just to material equality, but to a greater level of consideration for the human and natural environment. In fact, it might even be the case that there is such a cultural shift taking place, in some circles at least, at the moment.

### Mode of consumption I: self-subsistent

This is almost certainly, for most of the period covered by any sort of historical record anyway, more an ideal-type than a really-existing mode of consumption in a more or less pure form, but it is nevertheless a useful point to start. In a society in which most people meet most of their consumption needs from their own production, we may say that this mode of consumption prevails. Such a mode of consumption is compatible with both the feudal mode of production and the tributary mode of production,<sup>3</sup> insofar as these modes are based on the existence of a majority of the population that is the producing class and can potentially be largely self-subsistent, even if the exploiting class's mode of consumption does not fall into this category. This mode of consumption may also come in two forms, therefore: I(a), which is coercive, and I(b), which is not.

In the case of I(a), producers are coerced to produce; their consumption is of what they have been coerced to produce, and that is also what fulfils the consumption needs of those who coerce. Note that this can be a hybrid system: thus it could be the case that landlords and fullholding peasants consume without needing the market for many of their needs, and even wage labourers, if housed and fed, may not consume over the market for the most part; but the market fulfils other functions in terms of determining rents, and determining access to the means of subsistence, even if not direct inputs. We should note that they when tenants needed to pay money rents, they were dependent on the market in order to retain access to their non-market consumption; but that is something that does not affect the mode of consumption as such and is compatible with a self-subsistent mode of consumption. Arguably, in much of England and Germany in the sixteenth and seventeenth centuries, a good proportion of the agrarian population (tenants and wage labourers) fell under this category of mode of consumption; however, there existed in both case simultaneously also a large population of persons dependent on exchange to survive. The matter is further complicated when we consider the problem of social reproduction as opposed to solely biological reproduction: to what extent were, for example, fullholding servile peasants in Brandenburg or Bavaria in the eighteenth century, or large tenant farmers in England in the same period, dependent on the market for markers of status that enabled their social reproduction, even if they could be independent of the market for their immediate consumption needs (biological reproduction)?

In the case of I(b), producers consume what they produce, but are not coerced to render surpluses. This mode of consumption would have been found, I suggest, in societies that existed before tributary agrarian empires, as well as in small communes or communities of various sorts; it is also compatible with the peasant mode of production.

Mode of production I is, as already stated, to a certain extent an ideal type: in most societies, at least some things have needed to be acquired through exchange of some sort. This mode of consumption is also less interesting for historical analysis because in fact, already by around the ninth century in much of western Europe and many other regions of Eurasia, exchange was, if not necessarily fundamental to the social reproduction of most people, nevertheless arguably an integral aspect of most household economies in some manner, even if only in order to procure a small amount of coin as a portion of the rent due. In all increasingly complex economies—including some that functioned under a tributary mode of production—some form of hybrid between a self-subsistent and an exchange mode of consumption was, for

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<sup>3</sup> I continue to differentiate between landlord-based and tax-based modes of production, though I do not wish to be dogmatic about it. I suspect that given the differences of scale and structure, there may have been differences in modes of consumption, in how elite consumption patterns might have affected production and consumption at other social levels, and in the opportunities available for social mobility, in turn affecting and possibly affected by consumption patterns; but these are all at the moment purely speculative ideas.

at least a large minority if not a majority of the population, arguably more common than a purely self-subsistent mode of consumption.

### Mode of consumption II: exchange-based

This is a mode of consumption in which most people meet most of their consumption needs through some form of exchange. I would divide this into two main forms: II(a): non-market exchange, and II(b): market exchange. Both are characterised by most people needing to engage in exchange of some sort for their subsistence, though the nature of exchange varies. In both cases, this mode of consumption implies some degree of specialisation of production among most people, as well as, most likely, varying levels of access to the means of production *of primary subsistence commodities*.

II(a) could take the form of barter, or mediated exchange, depending on the mode of production. This could include gift exchange and tribute. It is unlikely that II(a) can be what applies for most consumers on a large scale within either the tributary, or the feudal, or the capitalist mode of production, since in all these cases, the producer must render surplus, but does not necessarily receive subsistence in return. Exceptions however, could be artisans in the tributary or feudal modes of production, who are maintained by the state or lord, and have to produce for the state or lord, but in return are housed and fed. And, of course, the state or lord itself consumes through tribute or 'gift'. It seems to me that both these modes of production coexist with a combination of modes of consumption I(a) and II(a) simultaneously.

II(b) requires market dependence: most people need to purchase most of their needs on the market. II(b) in turn has, I suggest, two forms II(b)(i), which is characterised by market-dependence but not by the need to keep expanding consumption; and II(b)(ii), which is characterised by market-dependence *and* a need to keep expanding consumption.

In the case of II(b)(i), it is theoretically possible to envisage the existence of societies in which most or all producers are highly specialised, and thus dependent on exchange for their consumption needs; and also in which this exchange is mediated by the market; this may be coupled with a situation in which most exploiters are also dependent on the market to fulfil consumption needs, since they extract surpluses solely in coin. Nevertheless, there is no compulsion to increase consumption: because of cultural factors, it might in fact be appropriate for consumption levels to remain roughly stagnant. On the basis of my preliminary surveys of the literature so far, I think it would be fair to say that such a mode of consumption could probably be found for a significant proportion of the population in e.g. Jiangnan in the seventeenth and eighteenth centuries, Gujarat and the Coromandel coast in the same period, and in Europe, in the Dutch Republic. Whether or not it is this mode of consumption that prevailed in England and Germany until about 1700, I do not know, but I think that is the most likely conclusion. (In each of these examples cited, however, it seems to me likely that in fact what obtained was some sort of mix between II(b)(i) and I(a), since it is as yet unclear precisely what the balance of the population operating under either mode of consumption was; the matter is, as stated above, further complicated by the fact that social reproduction may have been market-dependent even if biological reproduction was not.)

Insofar as capitalism requires constant growth, and therefore constantly expanding consumption, the prerequisite for capitalism is mode of consumption II(b)(ii): a market-dependent and 'aspirational' mode of consumption, that requires constantly expanding and changing consumption habits of all classes. That such a mode of consumption exists today in developed economies (and many developing economies as well) would hardly be disputed by most scholars, I believe, even if this is not how they would describe it; I have attempted to

sketch a brief outline of some salient features of this mode of consumption above. The questions most pertinent for historical analysis are therefore: how does such a mode of consumption come into being, especially in periods in which the creation and propagation of aspirations had to take place without any of the modern electronic (or even earlier, non-electronic printed) mass media? and how does it relate to transitions between modes of production?

To my mind, the mode of consumption II(b)(ii) is associated with a capitalist mode of production, but to what extent does either of these need to be prevalent in order for the other to rise to dominance? A further question has to do with the nature of a capitalist mode of production itself: is it genuinely capitalist if it is the case that the majority of the population is the proletariat that must perform wage labour in order to live (primary producers who are paid and who turn over their production to the owners of capital), but it is also the case that there is no compulsion towards constant growth in profits, production, productivity, or consumption? In other words: what sort of mode of production is it when coupled with mode of consumption II(b)(i)? If the socio-economic system is characterised by the existence of a class that owns the means of production and pays wages to a class that owns nothing apart from its labour, does this mean that we are dealing with capitalism, if there is not *also* a compulsion for constant profit-*maximisation* (as opposed to maintaining a constant average rate of profit)? In other words, if we have a high-level equilibrium system that is characterised by market dependence and the numerical predominance of a proletarian class (wage labourers with no direct access to the means of production, and nothing to sell but their labour), but one in which both *production* and *consumption* needs can and do remain stagnant and mode of consumption II(b)(ii) does not prevail: is this a capitalist society? My definition is perhaps too strict, but I would argue it is not: fundamental for my definition of capitalism is a compulsion not just for profit, but for constant growth. For this reason I believe capitalism must ultimately be predicated on mode of consumption II(b)(ii).