media and cultural studies

KeyWorks

REVISED EDITION

Meenakshi Gigi Durham
Douglas M. Kellner

Blackwell Publishing

16

On the Audience Commodity and its Work

Dallas W. Smythe

> Obviously communications and their equipment, and labor and its equipment are inseparable except in the mind. Both complexes are useful and marketable, therefore commodities, whatever the theoretical assumptions may be.
>
> – M. M. Knight, letter to author, 23 Jan. 1978

To suggest that the mass media audience is a commodity and that audiences "work" is to raise many questions which unsettle established ways of thinking. As most audience "work" centers in the home, all the other functions of the family become involved in considering the implications of the proposition. Marital relations, child care and development, leisure time activities, consumer expenditure, decision making – all these functions are somehow involved with audience work. Beyond these, for possible consideration, are the relations of family life and of audience work to alcoholism, drug and tranquilizer addiction, crime and violence – all of which in one way or another focus on the family. In raising these issues in the context of the North American capitalist core, I cannot answer many of the significant questions which are generated. Indeed, so complex and unanalyzed are the issues I shall be discussing that it may be as much as can be done on this occasion to try to pose the "right" questions. Traditional behavioral research (and its popular handmaiden, market research) is simply tangential, self-interested, and irrelevant to the complex dialectical processes of contradictions which are working before our eyes. In order to analyze our largely commoditized society, we must beware thinking of people and commodities as disconnected things and see them as relationships in a social process.

What is the principal product of the mass media? To answer this central question one needs tools – theories. There may be two modes of theory: subjective, idealist concepts, or objective and realistic concepts. Until now, all theory relevant to our

---

From Dallas W. Smythe, "On the audience commodity and its work." In *Dependency Road: Communications, Capitalism, Consciousness, and Canada*, pp. 22–51. Norwood, NJ: Ablex, 1981.

principal question has been subjective and idealist. My argument is that this is so and that an objective and realistic theory is needed. Before entering into explanation of such a realistic theory, it is necessary to state why theory concerning the mass media and their principal product has been subjective and idealist. It is easy to see why conventional, bourgeois theory about communication is idealist. The entire literature – bourgeois and Marxist alike – about mass communications has defined the principal product of the mass media as "messages," "information," "images," "meaning," "entertainment," "education," "orientation," "manipulation," etc. *All* these concepts are subjective mental entities; all deal with superficial appearances, divorced from real life processes. The concepts of entertainment, education, orientation, and manipulation do not even refer to any aspects of mass media content but to its *effects, or purpose.*

Of course, this is not to say that abstract, subjective processes are not real. Much of the work that audience power does for advertisers takes place in the heads of audience members. My argument, however, is that there is a material base of work which people must do under monopoly capitalism. Food, clothing, etc., must be bought, and it is this aspect of audience work which "pays off" for the advertiser. At the same time, with inadequate income to meet the demands on the family budget, sacrifices must be made in order that the values of family life may be achieved. Parents postpone some expenditures on their own needs in order that the children or grandma may receive dental care. There is a dialectical tension between the work for advertisers and the effort necessary to put into practice the values which people believe are necessary to make a home, a community, and a nation of which they can be proud. Practical consciousness (awareness of what it means to live – to put it briefly) is objectively and realistically powerfully affected by the outcome of this dialectical contradictory process. (See chapter 11 [Smythe, 1981].)

Naturally, the general literature about economics has, for the past century, had opportunity to recognize and analyze the significance of the mass media, advertising, audiences, and Consciousness Industry. None of it deals with the role of the markets for audiences, produced by the mass media, bought and used by advertisers. It is not surprising that this is true of neoclassical marginal utility economists whose interest concerns imaginary competitive models which correspond to nothing significant in the real world of oligopolistic reality. Those in the Keynesian tradition do notice advertising but only in subjective psychological terms as aimed at "control of the buyer's consciousness" (Chamberlin, 1931, pp. 113–34). But having noticed it they then disregard it. Some bourgeois economists, increasingly since the 1960s, have shown interest in developing theories of taste and buying behavior, joining in management's interest in market research or in efforts to enforce antimonopoly laws. Without exception, they ignore the role of demand management by monopoly capitalism and the role of the mass media in producing the marketing agent (the audience) for it. Instead they treat advertising expenditures in relation to firm profitability in purely statistical terms as if nothing real was being purchased or used.[1] Among institutional economists, J. K. Galbraith alone has pursued the matter of demand management by giant corporations by means of advertising but stops short at the brink of discovering the audience market:

> The present disposition of conventional economic theory to write off annual outlays of tens of billions of dollars of advertising and similar sales costs by the industrial system as without purpose or consequence is, to say the least, drastic. No other legal economic activity is subject to similar rejection. The discovery that sales and advertising expenditures have an organic role in the system will not, accordingly, seem wholly implausible. (Galbraith, 1967, p. 205)

Unfortunately he does not explore that "organic role," nor describe and analyze the relation of mass media, audiences, and advertisers to each other (Smythe, 1980).

How does it happen that Marxists have not pursued a materialist, realistic theory of communications? Marxists from Marx down to about 1920, and including Lenin, could hardly be expected to recognize and deal with the demand-management function of advertising and mass communication on behalf of monopoly capitalism because it was hardly evident until after World War I. In the period of newspaper and magazine development before the 1880s, the press was mostly supported by money and influence from political parties – not advertisers. The press which politicians subsidized thus seemed to influence audiences toward the point of view of the subsidizer through the editorial content (everything but the relatively insignificant advertisements). Because the only market substantially involved in the sale of newspapers and magazines was that in which people bought them, it was easy for them to fall into a psychological, subjective answer to the question, what does the press produce. It produced newspapers and magazines and sold them; no organized market for the production and sale of audiences then existed. So for Marxists the press was lumped together with educational and other high culture institutions of the state as part of its "superstructure," while productive *work* took place at the base – the "infrastructure" – where people were paid for working. After 1920, Marxists continued to assume that the principal product of the mass media is influence.

Gramsci, the Frankfurt School (Adorno, Horkheimer, Lowenthal, Marcuse, Habermas), Raymond Williams, Poulantzas, Althusser, and Marxists concerned particularly with the problems of countries peripheral to the capitalist core (e.g., Samir Amin, Clive Y. Thomas) – none addresses the Consciousness Industry from the standpoint of its historical-materialist role in making monopoly capitalism function through demand management (advertising, marketing, and mass media).[2] Baran and Sweezy in *Monopoly Capital* (1966) do indeed emphasize the importance of demand management by monopoly capitalism but they unfortunately stop short of analyzing realistically *how* it takes place, contenting themselves with a manipulative assumption about the mass media and advertising. The same blind spot afflicts communications scholars who take a more or less Marxist view of communications (Nordenstreng, Enzensberger, Hamelink, Schiller, Murdock, Golding, and me until recently). Because they do not take account of how the mass media under monopoly capitalism produce audiences to market commodities, candidates, and issues to themselves, theory and practice regarding the production of ideology continues on a subjective, unrealistic, and essentially ahistorical basis. *Why* they continue to suffer this blind spot it is not my present task to determine.[3]

The answer given in chapter 1 [Smythe, 1981] to the question, what is the principal function which the commercial mass media perform for the capitalist system was essentially to set an agenda for the production of consciousness with two mutually reinforcing objectives: (1) to mass market the mass-produced consumer goods and services generated by monopoly capitalism by using audience power to accomplish this end; (2) to mass market legitimacy of the state and its strategic and tactical policies and actions, such as election of government officers, military thrusts against states which show signs of moving toward socialism (Vietnam, Korea, Cuba, Chile, Dominican Republic, etc.), and policies against youthful dissent ("Middle America"). The answer to the question, what is the principal product of the commercial mass media in monopoly capitalism was simple: audience power. *This* is the concrete product which is used to accomplish the economic and political tasks which are the reason for the existence of the commercial mass media. Let us consider this strange commodity, audience power.

Because audience power is produced, sold, purchased and consumed, it commands a price and is a commodity. Like other "labor power" it involves "work." So at the outset let us consider what we mean by *work*. By common usage under capitalism, *work* may be defined as whatever one does for which one receives pay (wages, salaries, etc.). (Let us defer for the moment the fact that audience members do not get paid for the use of their audience power.) As such it has come to be regarded generally as doing something which you would prefer not to do, something unpleasant, alienating, and frustrating. It also is thought of as something linked with a job, a factory, an office, or a store. It was not always this way. At its base, work is doing something creative, something distinctively human – for the capacity to work is one of the things which distinguishes human beings from other animals. "By changing the world they live in through labor, human beings *at the same time* alter their own nature, for the lives of people *are influenced both by what they* produce and how they produce" (Rinehart, 1975; emphasis added).

It seems that with other animals (e.g., beavers, ants, bees) work skills are programmed through the genes, whereas with human beings, they are learned after birth – i.e., are social products. This fact conceals a secret which explains both the unlimited creativity of which human beings are capable in their work and their alienation in the processes of work under capitalism. The secret is that for human beings, work involves both thinking and the application or testing of ideas in practice. The link between thinking and practice (or theory and practice) – that *thinking may be joined to, or separated from, practice* – is basic to the power struggle between capital and labor. (Parenthetically, it is the grasp of this fact which gives the thought of Mao Zedong and the Chinese people the basis of their amazing accomplishments.) (Mao Zedong, 1968) The revolutionary success of capitalism as a system rests on the division of labor and its command of capital to multiply the "productivity" of work using ever more sophisticated machines, at the human cost of effectively denying the creative process by fragmenting workers' practice and divorcing it from the interaction of thought and practice. This is the practical effect of "scientific management" (see Smythe, 1981).

Let us pose and answer some questions which should serve to identify and describe the audience commodity more precisely:

What do advertisers buy with their advertising expenditures? As hardnosed businessmen they are not paying for advertising for nothing, nor from altruism. What they buy are the services of audiences with predictable specifications which will pay attention in predictable numbers and at particular times to particular means of communication (television, radio, newspapers, magazines, billboards, and third-class mail) in particular market areas.[4] As collectivities these audiences are commodities. As commodities they are dealt with in markets by producers and buyers (the latter being advertisers). Such markets establish prices in the familiar mode of monopoly capitalism. Both these markets and the audience commodities traded in are specialized. The audience commodities bear specifications known in the business as "the demographics." The specifications for the audience commodities include age, sex, income level, family composition, urban or rural location, ethnic character, ownership of home, automobile, credit card status, social class, and, in the case of hobby and fan magazines, a dedication to photography, model electric trains, sports cars, philately, do-it-yourself crafts, foreign travel, kinky sex, etc.

Are audiences homogeneous? By no means, although all of them have the common features of being produced by mass media and priced and sold in oligopolistic markets to advertisers for whom they perform services which earn their keep, i.e., keep advertisers advertising because the expenditure is productive from the advertisers' standpoint. Audiences produced for sale to advertisers fall into two groups: those produced in connection with marketing consumers' goods and those for producers' goods. The latter are typically produced by trade or business media (magazines, newspapers, or direct mail). The buyers of producers' goods are typically institutions (government, in the case of the "military sales effort," or private corporations) which presumably buy on specifications of objective qualities. Moreover, such advertising is a relatively small part of the total; hence, the following analysis disregards this category of audience. The second and strategically most important class of audiences is produced for advertisers marketing consumers' goods. Again, these audiences fall into two classes: The first of these are for producers of what Julian L. Simon (1970, p. 71) calls *homogenous package goods* (HPG) which have certain common features:

> (1) Slight or no objective physical difference between the brands, (2) Low unit cost, (3) Short time period between repeated purchases, (4) Large total dollar volume for each product industry, (5) Except for liquor, heavy use of television as an advertising medium, and (6) Large proportions of sales spent for advertising.

In the HPG category are soft drinks, gum, candy, soaps, cleaners, waxes, etc., tobacco products, beer, wine, liquor, gasoline, patent drugs, perfumes, cosmetics, deodorants, razor blades, etc., as well as fast foods and restaurants. The second subclass of audiences for consumers' goods is that for durable consumer goods. Here are automobiles, snowmobiles, clothes, boats, shoes, hobby equipment (e.g., cameras, sports equipment, household tools), household appliances, etc. Although objective qualitative characteristics are ascertainable, annual style changes dominate them. It is the consumer goods advertisers whose audiences are produced by the mass media to generate the "demand" which can increase GNP.

How are advertisers assured that they are getting what they pay for when they buy audience power? After all, the skeptic asks, how does the advertiser know that I am in his audience? And even if I am in the room when the television set is on, why does he think that I am paying attention to the commercials (I may time my visits to the refrigerator or toilet to coincide with the appearance of the commercials)? The answer is simple. The advertiser is assured that he/she gets the audience power that is paid for in just the same way that an insurance company profits by insuring your life. You may drop dead the day after taking out the policy, or you may pay premiums for 50 years. The insurance company "gambles" on the probability of your living a certain number of years. Probability, working with large numbers, removes the risk from the gamble. Similarly with advertising, the assurance lies in the law of large numbers and the experience with audience probabilities which yields the basis for prediction on which the price of audience power is based. So it matters not if some audience members withdraw their attention; that is expected and discounted in advance by the advertiser.

As to the statistical basis of the experience and prediction of audience size: that is the specialized business of a subindustry sector of the Consciousness Industry which checks to determine audience size. The behavior of the members of the audience under the impact of advertising and the other content of the mass media is the object of market research by a large number of independent market research agencies as well as by similar staffs in advertising agencies, in the corporations which advertise, and in media enterprises. The raw data for their demographic and psychographic research are gathered by intensive interview studies and extrapolated to estimates of total audiences, using reports from A. C. Nielsen and a host of competitors who specialize in rapid assessment of the delivered audience commodity. Scientific sampling yields results as reliable for audiences as it does for grain, sugar, and other basic commodities which also can be "graded" only on the basis of probability and experience.

What institutions produce the commodity which advertisers buy with their advertising expenditures? There seem to be two levels to the answer to this question. The first, immediate level is the media enterprises and the family which is the nexus of audiences. Media enterprises include those which operate commercial television and radio stations (and networks of such stations), newspapers, magazines and which produce billboard and third-class mail advertising. The second, deeper level is that of the factor supply services for the media. Feeding these media enterprises with what might be thought of as the producers' goods which support the commercial media "side" of the production process are all the advertising agencies, talent agencies, package program producers, specialist firms in producing commercial announcements, film producers, the wire services (AP, UPI, Reuters, Canadian Press, etc.), "syndicators" of news columns, writers' agents, book publishers, motion picture producers and distributors.

But powerful institutions feed the audience production process from the family or audience side as well. Here the role of the educational institutions, especially at the primary and secondary levels, is important. Preparation of children for their role in audiences in those institutions is both explicit in classroom experience which "educates" children as to how media and business function (e.g., classes in business English or other vocational skills related to salesmanship, advertising, etc.) and implicit in the submissiveness to authority which the schools impart. Obviously, underlying both the media side and the audience side of the process of producing audiences is the electronics-photography industry complex which conceives, produces, and markets both the "software" (package programs, wire service copy, for example) and the hardware (high-speed presses, porto-pak television cameras, home receivers for television, radio, etc.).

How are prices for audience power determined? Monopoly and oligopoly characterize the supply of audiences produced by the newspaper industry. Single newspaper ownership is practically universal in American and Canadian urban areas, and the only effective ceiling on audience prices demanded by newspaper publishers is the opportunity cost to the advertiser of using alternative media (direct mail, billboards, radio and television). Cross-ownership of radio and television stations by newspaper publishers is so common as to inhibit intermedia competition in the sale of audience power. Moreover oligopolistic price setting is supported by long-established trade associations for each of the media. Prices are differentiated according to types of demand for audience power. Basic to newspaper pricing is the separation of "national" from "retail" advertisers, with the former being charged substantially higher rates than the latter. A separate price schedule governs sales to "classified" advertisers. Within the retail category, different prices are commonly charged for different classes of advertisers, e.g., on "business pages" – main financial pages, notices of dividends, corporate meetings, etc. – or listings of restaurants, amusements, books, resorts, etc. Quantity reductions are commonly granted for larger spaces; frequency discounts, for multiple exposures over time. The levels of rates are set on the basis of ability to pay (Simon, 1970, pp. 146–7). Magazine prices for audiences are classified as "national" for magazines producing nationwide audiences, and "local," for magazines with more limited geographic scope.

The markets for radio and television audiences, except for the relatively small proportion served only by single stations, display more competition for the advertisers' expenditures than do those of newspapers. For television audiences, the competition between networks is intense. Audiences for television (and radio before radio networks atrophied after television was innovated) command different prices according to whether they are priced as a network package or the product of a single station. They were originally priced differently if they were sold as produced by a "sponsored program," or as spot announcements *between* programs. By the 1970s, few "sponsored" programs were broadcast (mostly soap operas and one-time "specials" in prime time); the great bulk of audience time on both television and radio is now sold via spot announcements – mostly those sold by networks, but some directly by stations through "station representatives" to advertisers.

Erik Barnouw (1978, pp. 69–70) describes the television market for audience power in terms analogous to markets for spot and future transactions in commodities like wheat or copper:

A central point was that a sale designated a particular *program* – not merely a time period. The advertiser had taken the position that he must have program settings suitable to his messages and purposes, and the networks had accepted this as reasonable. From this flowed many consequences.

One was the disappearance of fixed prices. The rate card became virtually obsolete. A slot in a program that had, at the moment, a top Nielsen or Arbitron rating could be sold for a higher price than a slot in a program with a lower rating. Thus the business gravitated toward endless bargaining. Prices fluctuated as on a stock market.

A sharp rise in ratings brought a rise in asking price. When NBC decided in 1970 to schedule a series around the comedian Flip Wilson – then a relatively unknown quantity – network time salesmen began by selling 30-second slots for about $35,000 each. As the program won unexpected success and climbing ratings, the asking price went to $40,000, $45,000, $50,000 and beyond. On a single broadcast, one slot might have been sold at the lowest, earliest price; others at later prices. On some series, ratings and prices went down instead of up.

The buying and selling was generally done in clusters or packages. In view of the staggering number of spots involved, this seemed inevitable. For the sponsor it was also a way to hedge his bets. Unexpected failures could be balanced by unexpected successes. There was a safety in this "scatter" buying.

In the bargaining process, a sponsor might indicate through his advertising agency that he was ready to invest $1,400,000 in time purchases for Mouthwash X; the network was asked to provide a suggested list of available slots. Some would be rejected as unsuitable, others accepted. Eventually there would be agreement on a spectrum of spots, and on a package price. A specific dollar value would be assigned to each spot; this was essential because a program cancellation would require the network to make a refund, or provide a comparable spot. The spots in a package might have wildly diverse price tags, reflecting their ratings and other bargaining factors. They might include 30-second slots in a football bowl game at $90,000 each; in a popular mystery series at $ 55,000 each; in an evening news series at $18,000 each; in a documentary prime time special at $14,000 each; and in an early morning show at $4,000 each.

A documentary special, even in prime time, was likely to go at a "bargain price" unless some sensational element was involved. A special could not have a track record, so its ratings could only be guessed at. And most sponsors were in any case reluctant to consider a slot in what might prove controversial; some flatly refused to take the risk.

To see that audience power is literally a commodity, consider the following packages of audience power available in the Vancouver, British Columbia, area for local television advertisers in May 1978:

For One 30-Second Spot on Bulk Basis
(Dollar cost per 1,000 persons)

	M*A*S*H (prime time)	Hockey Night in Canada (prime time)	Batman (Saturday AM)
Total viewers	2.32	1.99	0.96
Adults, total	3.00	2.29	—
Men	5.84	3.45	—
Women	5.13	5.98	7.35
Teenagers	25.39	42.44	3.85
Children	50.78	50.78	1.89

If the demographic and psychographic characteristics of women in these audiences in this market fitted the demand-management needs of an advertiser, M*A*S*H would be a better buy than either of the other programs. Similarly, if the advertiser's marketing strategy was aimed at children, the best buy of the three would be the Batman program on Saturday morning.

These audience power markets establish prices in the familiar oligopolistic mode of monopoly capitalism. And an advertiser's power in the audience market has been a significant factor in building monopoly corporate empires. A sympathetic expert on advertising, Julian Simon (1970, pp. 222–3) says:

> At the corporate level, advertising sometimes has led to increased concentration by diversification because of multiproduct volume discounts on advertising time and space. For example, the FTC record revealed that Procter & Gamble could buy television time for 5 percent less than could the Clorox Company and this was an admitted motivation in Procter & Gamble's purchase. . . . Blake and Blum (1965) have compiled their relevant data on these volume discounts and provide compelling analysis to show that they must have been an important reason for firms that advertise heavily to seek mergers and reduce the cost of advertising.
>
> This effect is illustrated by a recent trade-paper story: "The proposed Cadbury-Schweppes merger, which sees economies in advertising and overseas expansion as its chief benefits, will create (if the Board of Trade permits) the United Kingdom's fourth largest food group, with estimated sales of $600,000,000. Savings would come from the group buying of television time, which accounts for at least 75 percent of the companies' joint budget in that medium. In 1968, the two companies put out $13,650,000 for advertising, the second largest in the country. . . ." (*Advertising Age*, March 3, 1969, p. 26)

Simon also points out that the better the advertiser's ability to measure the productivity of his purchased audience power, the more sensitive the advertiser will be to rate changes. And he uses as example, the case of mail order advertisers who buy magazine audience power:

> Mail order advertisers have an almost perfect measure of the effect of their advertising, and they receive sharp discounts below the rates paid by general advertisers. (Simon, 1970, p. 146)

Who pays how much for the production of audience power? On the surface it seems as if the exchange of audience power for commercial media content is equal or perhaps is even tilted in favour of the audience. You audience members contribute your unpaid work time and in exchange you receive the program material and the explicit advertisements. What better way to spend those "leisure hours" anyway? Especially if, as audience research suggests, television audience behavior since the mid-1960s increasingly tends to treat television as aural-visual wallpaper: the set is left on and audience members either attend to it or drift between the television room and adjacent (or remote) rooms, "glimpsing" the television set in passing and monitoring it auditorily all the while (Lyle, 1972, p. 23). Is there inconsistency between the concept of audience power as a commodity and such disrespectful behavior? Of course not. Is the tendency of workers on the production line to skimp or sabotage their work processes inconsistent with the fact that they have sold their labor power to the boss?

If we would understand the full audience contribution to producing their own audience power in a capitalist system, we must start by asking what value the system places on that audience power. And we shall find (in the next two chapters) that it is of vital importance to the system which could not survive without it. But, and the contradiction is significant, the system gets it "dirt-cheap."

Regarding television and radio broadcasting, advertisers spent in Canada in 1976 about $417 million on television and $279 million on radio.[5] For the 6,684,000 Canadian households with television sets in 1976 (and they were 97 percent of all households), advertisers spent $62 per household. Assuming a 23-hour week for television viewing per household (a very conservative figure), advertisers paid 5.2 cents an hour for the audience power of the average television household in 1976. Similarly, the 6,918,000 Canadian households with radio (100 percent saturation) cost the advertisers an average of $40 per household per annum. Assuming 18 hours per week of radio listening per household, this equaled 4.2 cents per household per hour of radio listening. Even without sophisticated productivity analysis of these costs, it is evident that the productivity of audience power need not be very high for all the individuals in the audience in order for it to be profitable for advertisers to recoup the costs – to them – of putting audience power to work.

From the standpoint of the audience, however, it bears much heavier costs than the advertisers. For what? For the privilege of working without pay as audience members, marketing consumer goods and services to themselves. And these heavier costs ignore the hidden costs they incur through commodity purchases. Table 16.1 compares the direct cost to audiences in Canada and the United States of commercial television and radio programming. It shows that, in 1976, Canadian audience members paid $2.188 billion as the direct cost of owning and operating their television receivers, whereas advertisers spent a mere $417 million. In other words, for every dollar spent by advertisers to buy media-produced television audiences, Canadian householders spent five. And whereas the depreciated investment in property, plant, and equipment of the combined over-the-air and cable television industry and the over-the-air radio broadcast industry in Canada was $645 million in 1976, the audience's depreciated investment in television and radio receivers was $3.905 billion. (Because CBC does not report investment in television and radio property separately, it is necessary to combine them.) In other words, for every dollar invested by the television-cable and radio broadcast industry in plant and equipment, Canadian householders had invested more than six dollars in their television and radio receivers.

In the United States, audience members paid $21.949 billion to own and operate their television receivers in 1976; advertisers spent $6.721 billion to buy the television audiences – a ratio of three dollars spent by the audience to one by the advertisers. A similar ratio of three to one existed between costs for radio receivers ($2.330 billion) and advertiser expenditures to buy radio audiences ($8.040 billion).

Table 16.1 Comparative cost of television and radio in Canada and the United States, 1976

	Canada		*USA*	
	TV	*Radio*	*TV*	*Radio*
Audience Costs, Direct:				
Basic Data:				
Number of receivers (000)[a]	9,895	23,400	121,000	402,000
Average purchase price (est. $)	600	80	540	72
Average useful life (est. years)	7	7	7	7
Average remaining useful life (est. years)	3.5	3.5	3.5	3.5
Interest rate on investment (est. %)	10	10	8	8
Average cost of power (est. $)	15	4	15	4
Average cost of repairs (est. $)	70	3	60	3
Annual Costs per Set ($):				
Depreciation (1/7 of price)	86	11	77	10
Interest (on 1/2 of price)	30	4	22	3
Power	15	4	15	4
Repairs	70	3	60	3
Total	201	22	174	20
Total Audience Cost (total cost per set times number of receivers/million $ per year)	1,989	515	21,054	8,040
Add cable costs for cabled households (million $ per year)[b]	199	—	895	—
Total Audience Cost (million $)	2,188	515	21,949	8,040
Advertiser Costs (million $ per year)[c]	417	279	6,721	2,330
Audience and Industry Investment:				
Depreciated audience investment (1/2 original cost, million $)	2,969	936	32,670	14,472
Depreciated investment in broadcast property, plant and equipment (million $):				
Over-air industry (except CBC)[d]	101	56	850	504
Over-air industry (including CBC)[d]	409		—	—
Cable industry	236	—	?	—
Total Cable and Over-Air (Canada)	645			
Profitability of Industry:				
Net profit before taxes (million $):				
Over-air industry[d]	60	36	1,546	158
Cable (Canada)[b]	36	—	—	—
Rate of return (%)				
Over-air industry	59	65	182	31
Cable (Canada)	15	—	—	—

[a] UNESCO *Statistical Yearbook*, 1997, pp. 996, 1016.
[b] Statistics Canada, *Cable Television*, Cat. 56, 205, 1976; United States Bureau of the Census, *Statistical Abstract*, 1978. Aspen Institute, *The Mass Media*, 1978, p. 215.
[c] For Canada, see footnote 5 (in text); for United States, Aspen Institute, *The Mass Media*, 1978, p. 203.
[d] For Canada, Statistics Canada, *Television and Radio Broadcasting*, Cat. 56, 204,1976; for United States, Federal Communications Commission, *Annual Report*, 1976, pp. 130, 141; Aspen Institute.

Curiously, although these ratios for operating costs were lower in the United States than in Canada, the ratios for depreciated investment by audiences were higher. Thus for television, audience investment was $32.670 billion, but over-the-air television depreciated investment was $850 million – a ratio of 33 to 1. And for radio broadcasting, audience investment was $14.472 billion as against $504 million by the radio broadcast networks and stations – a ratio of 33 to 1.

If one examines the basic data on audience receiver costs in Table 16.1 closely, it is evident that I have had to make rough estimates for all of them. The estimates appear to be conservative. At any event, the gross imbalance between audience costs and investment on the one hand, and expenditures by advertisers and investment by television and radio broadcast industries is obvious. Even if the real costs of depreciation, interest, power, repairs were a third less than my estimates suggest, television audiences in Canada and the United States would still be paying twice as much as advertisers.

What seems surprising from this analysis is that this preponderant investment and expense by audience members is virtually unnoticed by them and by scholars working in the mass media field. By what magicians term *misdirection*, attention is so focused on the exotic performances and lives of media stars and the showbiz glamor of program production and network and station operations that the real situation is mystified out of existence, as far as popular consciousness is concerned.

Who pays how much for the production of audience power other than via television-radio? For newspapers and magazines, advertisers pay the great bulk of the cost – typically from 70 to 90 percent. Audience subscription and newsstand purchase payments cover approximately only the delivery cost of the newspapers and magazines. "Community" and "shopping" newspapers which have no subscription price are paid for entirely by advertisers. Direct mail advertising materials are at the expense of advertisers, subsidized by heavy drains on revenues from first class mail and general tax revenues through below-cost postal rates. A similar postal subsidy for magazines and newspapers has shifted substantial portions of the costs of magazines and newspapers to the postal service in Canada and the United States since the last quarter of the nineteenth century.

What is the nature of the content of the commercial mass media under monopoly capitalism? In chapter 1 [Smythe, 1981], we considered the many ways in which there is unity between the apparently advertising and the apparently nonadvertising content of the commercial mass media. Both types have the same features. But it would be a serious error to ignore the importance of the formal difference between the "advertising" and the "program" or "editorial" content. The fiction that the advertising supports or makes possible the news, entertainment, or "educational" content has been a public relations mainstay of the commercial mass media. The professional *esprit de corps* of journalists hinges on it. And the textbooks, courses of instruction, teachers, and researchers in the mass media accept this fiction as defining the boundaries of their concerns. Either they deal with editorial content (in the case of newspapers and magazines) or program content, or they are hived off into textbooks, research, etc., about advertising. The only connection commonly made between advertising and the nonadvertising content of the media is to raise and dispel the suspicion that advertisers commonly tell the editorial departments of newspapers and magazines or the program producers of television and radio what *not* to say in the nonadvertising portions. (Of course, they seldom do this; it is not necessary, because the editorial policy of the media selects people for employment and predetermines the limits of what is "acceptable" noneditorial content.)

As a necessary consequence of the prevalence of this fiction, audience members and social scientists have come to regard the nonadvertising content as the sufficient attraction which warrants audiences spending time attending to the whole media product. So A. J. Liebling's (1961) point that the nonadvertising content is the "free lunch" does have a solid basis in public consciousness, a basis cynically reinforced by the newspapers' practice of referring to the space between the advertisements as the *holes* which must be filled with appropriately sized chunks of "news." The appropriateness of the analogy is manifest. As with the *hors d'oeuvres* or potato chips and peanuts given to the customers of the pub, bar, or cocktail lounge, the function of the free lunch is to whet the appetite. In this case, to whet the prospective audience members' appetites and thus (1) attract and keep them attending to the program, newspaper, or magazine; (2) cultivate a mood conducive to favorable reaction to the advertisers' explicit and implicit messages.

In the policy of the mass media, the characteristics of the free lunch must always be subordinated to those of the formal advertisements, because the purpose of the mass media is to produce audiences to sell to the advertisers. Therefore a program which is more arousing than the adjacent advertisements will not survive; it could survive the preliminary screening only because of faulty judgment on part of the media management and advertisers. The cost per unit of time or space of producing an explicit advertisement is many times the cost per unit of time or space of producing the free lunch (in a ratio of 8 or 10 to 1 in television) which is a rough index of the relative attention paid to the arousal qualities of the two.

There is, of course, a market for the free lunch, and this market spans not only the totally advertiser-dependent media (television and radio) but also the cinema, magazines, newspapers, and book industries. A particular commodity in the free lunch market (*Roots*, for example) will appear in more than one of these media, sometimes simultaneously (as with the book and film *China Syndrome*), often successively, in each case appropriately edited to fit the media's needs.

Qualification is necessary regarding the free lunch. On the one hand, in the case of newspapers and magazines, many readers buy the publication *because* they want the advertisements. This is especially true with classified advertisements and display advertising of products and prices by local merchants in newspapers. It is also true of most "hobby" magazines where the product information in advertisements may be as much an inducement as the free lunch to prospective readers. On the other hand, cable television, coupled with commercial television broadcasting, results in audience members paying directly for *both* the free lunch *and* the advertisements, as inescapably they will for pay-television – if and when that becomes widespread and able to preempt mass appeal free lunch programs, such as championship sports events.

By emphasizing the economic role of the free lunch in media content, I by no means wish to minimize its importance in its own right. As a social institution with the agenda-setting role which it has, the mass media free lunch puts into words and images the view of events in the local community, the region, the country, and the world which journalists produce and media entrepreneurs publish. That the mass media in Canada and the United States on occasion expose and attack corruption and otherwise critically examine the working of the present social system is undeniable. We need not expand on that here because the literature on the mass media amply celebrates these efforts. But as is demonstrated in chapter 11 [Smythe, 1981], the overwhelming tendency of the free lunch is to reaffirm the status quo and retard change.

Nor should one minimize the propaganda value of the free lunch. Its production by Consciousness Industry is a process of interpreting and homogenizing the entire cultural heritage in current commoditized terms. (A sign over a Hollywood publicity agent's desk reads, "You never lose money by underestimating the level of popular taste.") As and when bourgeois literature, drama, art, and music, and traditional folk cultural materials (e.g., Calypso music) provide profitable opportunities, it all becomes raw material for commercial media free lunch and advertising content. The ideological basis of it all is possessive individualism with the corollaries described in Chapter 1. Beginnings are being made in the exploration of the concrete reality of how the process works (Dorfman and Mattelart, 1975; Schiller, 1969, 1973, 1976; Kellner, 1979; Gitlin, 1979). The range and subtlety of the propaganda is evidenced by the following testimony before a United States congressional subcommittee, "On Winning the Cold War," by Dr. Joseph Klapper. Although it is an evaluation of a form of propaganda addressed to foreigners, it is equally applicable to domestic media content:

> Now, of course the broadcasting of popular music is not likely to have an immediate effect on the audience's political attitude, but this kind of communication nevertheless provides a sort of entryway of Western ideas and Western concepts, even though these concepts may not be explicitly and completely stated at any one particular moment in the communication. In addition, and simply because the communication does fill a need which the audience enjoys having filled, it probably serves to build up a certain credibility and respect for the source of that communication. . . . And this building of source credibility is one of the numerous possible preparatory steps toward the eventual clinching moment of persuasion. (U.S. Congress, House, 1967, pp. 64–5)

The free lunch thus provides material which, taken jointly with the explicit advertising, gives the audience material to work on.

What is the nature of the service performed for the advertiser by the members of the purchased audience? In economic terms, the audience commodity is a nondurable producer's good which is bought and used in the marketing of the advertiser's product. The work which audience members perform for the advertiser to whom they have been sold is learning to buy goods and to spend their income accordingly. Sometimes, it is to buy any of the class of goods (e.g., an aircraft manufacturer is selling air transport in general, or the dairy industry, all brands of milk) but most often it is a particular "brand" of consumer goods. In short, they work to create the demand for advertised goods which is the purpose of the monopoly-capitalist advertisers. Audience members may resist, but the advertiser's expectations are realized sufficiently that the results perpetuate the system of demand management.

People in audiences, we should remember, have had a rich history of education for their work as audience members. As children, teenagers, and adults they have observed old and new models of particular brands of products on the street, in homes of friends, at school, at the job front, etc. Much time will have been spent in discussing the "good" and "bad" features of brands of commodities in hundreds of contexts. A constant process of direct experience with commodities goes on and blends into all aspects of people's lives all the time. Advertisers get this huge volume of audience work (creation of consumer consciousness) as a bonus even before a specific media free-lunch-advertising program appears on the tube face and initiates a new episode in audience work (See Smythe, 1981).

While people do their work as audience members they are simultaneously reproducing their own labor power. In this respect, we may avoid the trap of a manipulation-explanation by noting that if such labor power is, in fact, loyally attached to the monopoly-capitalist system, this would be welcome to the advertisers whose existence depends on the maintenance of that system. But in reproducing their labor power, workers respond to other realistic conditions which may on occasion surprise and disappoint the advertisers.

The nature of audience work may best be approached through successive approximations. At a superficial level it looks like this: "Customers do not buy things. They buy tools to solve problems," according to Professor T. N. Levitt (1976, p. 73) of Harvard Business School. The nature of the work done by audience power thus seems to be to use the advertising free lunch combination of sensory stimuli to determine whether s/he (1) has the "problem" the advertiser is posing (e.g., loneliness, sleeplessness, prospective economic insecurity for loved ones after the breadwinner's death, etc.), (2) is aware that there is a class of commodities which, if purchased and used will "solve" that problem (e.g., shampoo, nonprescription sleeping drugs, life insurance) and that people like him/her use this class of commodity for this purpose, (3) ought to add brand ZX of that class of commodities to the mental or physical shopping list for the next trip to the store. This is the advertisers' rational basis. For audience members, however, their work is not so rational.

There is an *ever-increasing* number of decisions forced on audience members by new commodities and their related advertising. In addition to the many thousands of different items stocked by a typical supermarket at any one time, more than a thousand new consumer commodities appear each year. Literally millions of possible comparative choices face the audience member who goes shopping. As a long line of books stretching back to the 1920s has argued (for example, Chase and Schlink, 1927), the consumer is totally unable to *know* either the craftsman's sense of quality or the "scientific" basis of quality as built into consumers goods by modern mass production techniques. Imagine yourself entering a toilet-goods section of a modern department store in which every product was in a similar glass container and the containers bore only the chemical description of the contents and the price. Unless you were a very experienced chemist specializing in cosmetics and other toiletries (and even then you would have to do a lot of thinking), how could you know which was a "best buy," or even what the product was intended to do: be it a shampoo, deodorant, skin-care cream, or what? Lacking the product brand name, the shape and symbolic decoration of the package, you would be helpless.[6]

It must be assumed that when most people go shopping, even for H.P.G., there is real necessity moving them. The refrigerator needs restocking. Soap is needed for washing, and so on. And that they are increasingly aware of the squeeze of increasing cost of living versus inadequate income. The recent appearance of "no-name brand" commodities is a response of monopoly capitalism to consumer resistance to the usual brand pricing practice. In the 1950s there was a flurry of "discount stores" where "standard" brand merchandise (acquired from bankrupt stores, from usual sources, or from thieves) was sold at substantial discounts. This was a tactical response of the system to consumer resistance. And with the artificial prosperity of the Vietnam war period these stores disappeared. It is probable that "no-name brand" merchandise is a similar, temporary tactical concession. In any event, "no-name brands" amount in fact to new "house brands" with, for the present, reduced prices.

Your work, as audience member, has to do with how your life's problems interact with the advertising-free-lunch experience. But how? How, in light of that experience do you decide whether you really have the "problem" to which the advertiser has sought to sensitize you? And if the answer to this question be affirmative, how do you decide that the class of commodities which have been produced to cope with that problem will really serve their advertised purpose? And if the answer to that question be affirmative, how do you decide whether to buy brand A, B, or n? *The process contains a monstrous contradiction. It is totally rational from the advertisers' perspective and totally irrational from the audience members'.*

Faced with the necessity to make some decisions as to what classes and what brands of commodities to put on the shopping list (if only to preserve a shred of self-respect as one capable of making one's own decisions), it seems that Staffen B. Linder (1970, p. 59) may be correct in saying that the most important way by which consumers can cope with commodities and advertising is to limit the time spent per purchase in thinking about what to buy:

> Reduced time for reflection previous to a decision would apparently entail a growing irrationality. However, since it is extremely rational to consider less and less per decision there exists a rationale of irrationality.

"Impulse purchasing" has increasingly become the practice of Consciousness Industry, as market researchers have studied the effect of store layout, shelf-level display, and commodity package design and artwork on customers pushing their basket-carts through supermarket aisles. Studies of eye-blink rates indicate that a semihypnotic condition of the customer results in impulse purchases for which no rationale can be remembered when the customer returns home. "Consumers" produced and delivered by Consciousness Industry are in the position of trying to cope with a giant con game. They know that they do not really have all the problems which advertisers press them to solve by buying their products. Placed in a time- and income-spending bind, the impossibility of making rational shopping decisions forces consumers to "take a chance." The lottery is perhaps the best model for explaining what happens at the moment of truth when the customer reaches for the package from the shelf. And it is perhaps significant that lotteries, so long excluded from socially sanctioned practice, have recently become legal and generally used in North America. For consumers accustomed to taking a chance on a $9.99 item on the supermarket shelf, the option of a statistically sheer random "chance" to win a million dollars can be very attractive and compelling. Yet the rationale of irrationality (Linder's) is unsatisfactory as an explanation of audience work. It may serve as a first approximation to an explanation. But we must dig deeper into the process of which audience work is a part.

How can audience power be "work" when it takes place in "free" or "leisure" time? What becomes of the labor theory of value if audiences are working? Is it not true that what people do when not working at the job front (where they are paid money for their work) is their free or leisure time *by definition*? Is it not true that "you can do as you please" in this "free" time? Have not "modern" household appliances relieved women of household work?

At the outset it is important to note that the idea of such free or leisure time is a hand-me-down from the upper classes in bourgeois society. It derives from the upper-class notion of leisure for the enjoyment of "official culture" (see chapter 9 [Smythe, 1981]). At the height of imperialist power toward the end of the nineteenth century, it took the form of emulating the *conspicuous* consumption of the rich and powerful, as Veblen so bitingly revealed in *The Theory of the Leisure Class* (1899). As transformed by monopoly capitalism, it meant the imitation of *expensive* consumption, for, as Veblen also pointed out, the policy of monopoly capitalism was to be "a competition in publicity and scarcity" (Smythe, 1981). David Riesman (1950) and Stuart Ewen (1976) focused on the illusory semblance of reality in such "leisure" and "free time."

It is necessary to state clearly that just as people are rarely totally controlled by Consciousness Industry, so marketed commodities rarely have absolutely no use value. Repeatedly, in different ways I emphasize that most people embody a dialectical tension: they feel it necessary to cooperate with the monopoly-capitalist system in a variety of ways and for a variety of reasons; yet at the same time, as human beings they resist such cooperation in a variety of ways, for a variety of reasons. An analogous internal dialectical tension seems to exist *within* most commodities under capitalism. The gas-guzzling, overpowered, dangerous private automobile *also* transports you from home to work and back again; when suitably "hotted up," it may even lure into a lasting relationship a commoditized person of the opposite sex, just as the advertisements promise. The relative strength of the repressive and emancipatory ingredients in a commodity obviously differs greatly as between different commodities, e.g., an adulterated drug as against ordinary packaged milk. As we shall see in chapter 10 [Smythe, 1981], this dialectical conflict within commodities exists within producer goods as well as consumer goods, which is the reason that the term *technology*, with its assumed neutral quality, is dangerously misleading. For most people in the core area today, leisure or free time, like technology, are propaganda devices which obscure and confuse the real contradictions between the respects in which people cooperate with and resist the monopoly-capitalist system and its commodities.

Except for those people who have been so rich that they did not have to work, all people have always had to work – one way or another – when not at the job in order to prepare themselves to work *tomorrow*. *Before* the mass production of consumer goods – roughly before 1875 – in capitalist core countries, people's work to prepare themselves to work tomorrow (e.g., to reproduce their labor power) was done under conditions of cottage industry. For example they baked their own bread using flour which they might have ground themselves and yeast which they cultured for themselves. But with the mass production of consumer goods, their work to reproduce their labor power depends on buying and using consumer goods *in end-product form*. They have become dependent on factory-baked bread. And if sophisticated durable goods, e.g., vacuum cleaners, have relieved them of the necessity to sweep with brooms, it has required them to spend time buying filters and other equipment and arranging for maintenance of such equipment by "service men." And the endless proliferation of new commodities which clamor for their place in household consumption (e.g., electric can openers, electric carving knives, power lawn mowers, etc.) demands so much of so-called free time to buy, use, and maintain them that the idea of "free time" has become ridiculous. Consider what has happened to the time available to workers and the way it is used in the past century.

In 1850, under conditions of cottage industry, i.e., unbranded consumer goods, the average work week of employed men was about 70 hours per week in the United States.[7] The average worker could devote about 42 hours per week to such cottage industry types of reproduction of his labor power. By 1960, the time spent on the job was about 39.5 hours per week – an apparent reduction in time spent on the job of about 30 hours per week (to which should be added 2.5 hours as a generous estimate of the weekly equivalent of paid vacations).

Advertisers and home economists regularly argued that the apparent reduction in "work" hours created new leisure time for workers and housewives between 1910 and 1940, as Stuart Ewen's *Captains of Consciousness* (1976) demonstrated. Consumer durable goods like washing machines, vacuum cleaners, etc., were said to *free* housekeepers from work. Some time was indeed freed from drudgery in this way, but the illusion that most people had large blocks of free time was a myth created by Consciousness Industry. Upon close inspection, as we shall argue, leisure time for most people is work time. As Marylee Stephenson (1977, p. 32) puts it: "over 90 percent of 51 percent of the adult population is engaged in . . . wageless labor (known as housework) for their entire adult life. . . ."

In fact, the meaning of the almost 30 hours per week by which the *job* work week shrank between 1850 and 1960 was transformed doubly by monopoly capitalism. One transformation removed huge chunks of people's time from their discretion by metropolitan sprawl and by the nature of unpaid work which workers were obligated to perform. For example, recently travel time to and from the job has been estimated at 8.5 hours per week; "moonlighting" employment at a minimum of one hour per week; repair work around the home at another five hours per week; and men's work on household chores and shopping at another 2.3 hours per week. As I write this the postman drops through the slot a piece of direct mail advertising for a *Do-It-Yourself* manual. It tells me that owning this manual:

> . . . is like having the experts at your side . . . but without having to pay for them! You can save the expense of countless calls for cabinetmaker, carpenter, decorator, electrician, heating expert, locksmith, mason, painter, paper-hanger, plasterer, plumber, roofer, rug cleaner, tile layer.

And it lists more than 50 "projects you can build for your home or garden" with the manual.

A total of 16.8 hours per week of the roughly 32 hours of time suposedly "freed" as a result of "modernization" is thus anything but free. A further 7 hours of the 32 hours of "freed" time disappears when a correction for part-time female employment is made in the reported hours per week in 1960.[8]

A second transformation involved the pressure placed by the system on the remaining hours of the week. If sleeping is estimated at 8 hours a day, the remainder of the 168 hours in the week after subtracting sleeping time and the unfree work time identified earlier was 42 hours in 1850 and 49 hours in 1960. The apparent increase in "free" time has thus shrunk to 7 hours per week (instead of about 30 hours). We lack systematic information about the use of this increased free time for both dates. We do know that certain types of activities were common to both dates: personal care, making love, visiting with relatives and friends, preparing and eating meals, attending union, church, and other associative institutions, including saloons. We also know that in 1960 (but not in 1850) there was a vast array of *branded* consumer goods and services pressed on workers through advertising, retail establishment displays, and peer group influence. Attendance at spectator sports and participation in such activities as little leagues, bowling, camping, and "pleasure driving" of the automobile or snowmobile – all promoted for the sake of equipment and energy sales by the Consciousness Industry – now takes time that was devoted to noncommercial activities in 1850. In-house time must now be devoted to deciding whether to buy and to use (by whom, where, under what conditions, and why) an endless proliferation of goods for personal care, household furnishings, clothing, music reproduction equipment, etc. And thus far we have not mentioned mass media *use*, although it should be noted that workers are guided in all income and time expenditures by the mass media – through the blend of explicit advertising and advertising implicit in the program content.

Let us now introduce mass media use as it relates to the seven hours of "free" time thus far identified (ignoring the pressures on the audience to use its time and income referred to in the preceding paragraph). How much time do most people spend as part of the audience product of the mass media – their time which is sold by the media to advertisers? David Blank, economist for the Columbia Broadcasting System, found in 1970 that the average person watched television for 3.3 hours per day (23 hours per week) on an annual basis, listened to radio for 2.5 hours per day (18 hours per week), and read newspapers and magazines for 1 hour per day

(7 hours per week) (Blank, 1970). Recent years show similar magnitudes. If we look at the audience product in terms of families rather than individuals, we find that in 1973 advertisers in the United States purchased television audiences for an average of a little more than 43 hours per home per week.[9] By industry usage, this lumps together specialized audience commodities sold independently as "housewives," "children," and "families." In the prime time evening hours (7:00 PM to 11:00 PM), the television audience commodity consisted of a daily average of 83.8 million people, with an average of two persons viewing per home. Women were a significantly higher proportion of this prime time audience than men (42 percent as against 32 percent; children were 16 percent; teenagers 10 percent).

Let us sum up these figures. Television, radio, and newspapers plus magazines take up 48 hours per week, for the average American! And they have only seven hours more free time than in 1850! Obviously some doubling up takes place. So let us estimate that half of the radio listening takes place while traveling to or from work; perhaps another quarter while doing the personal care chores at the beginning and end of the day. As for television, perhaps a fourth of it (on average) is glimpsed while preparing meals, eating, washing dishes, or doing other household tasks or repair/construction work. Estimate half of newspaper and magazine reading as taking place while traveling between home and job, while eating, etc. Our reduced exclusive audience time with the four commercial media is now down to 22 hours per week. Obviously more doubling takes place between audience time and other activities, and the reader is invited to make more precise estimates based on (perhaps) some empirical research. On television broadcasts of commercial sports events in the United States one sees some spectators *in the stadia* who are simultaneously watching the live event and portable television sets (for the "instant replay" in stadia not blessed with huge overhead television screens for that purpose), or listening to the radio (for the sportscaster's instant comments on the play just completed).

Perhaps the only conclusion to be drawn at this time on this point is that there is no free time devoid of audience activity which is not preempted by other activities which are market-related (including sleep which is necessary if you are to be fit to meet your market tests on the morrow). In *any* society, sleep and other nonwork activities are necessary to restore and maintain life and labor power. Work itself is not intrinsically oppressive. It is the inclusion in so-called leisure time of commodity-producing work under monopoly capitalism which creates the contradiction between oppressive liberating activity in time for which people are not paid.

The bitter reality for most Canadians and Americans is that the commodity rat race – as they call it – makes a mockery of free time and leisure, both during their years at the job and after retirement.

What time is *not* work time in the mature capitalist core area? For the great majority of the population – all except those who are so rich that they can afford to have their shopping done by servants – 24 hours a day is work time. Modern machinery requires maintenance when idle between shifts. The human body requires rest, time for reflection, time for the cultivation of the arts (see chapter 9 [Smythe, 1981), time for the subtleties of raising children, time for community activities, etc. But the pressures for audience-oriented work exerted by Consciousness Industry are relentless. George Allen, famous American football coach, tells his players, "Nobody should work all the time. Leisure time is the five or six hours you sleep at night. You can combine two good things at once, sleep and leisure" (quoted in Terkel, 1974, p. 389).

How does the view that all the time of most of the people in the capitalist core countries is work time relate to Karl Marx's theory of labor power? As Bill Livant puts it, the power of the concept of surplus value ". . . rests wholly on the way Marx solved the great value problems of classical political economy, by *splitting the notion of labour in two*, into labour in productive use and labour power (the capacity to labor)."[10]

Labor in productive use in the production of commodities-in-general was Marx's concern in the three volumes of *Capital* (except for vol. 1, chap. 6) and scattered passages in the *Grundrisse*. It is clear from those exceptions that Marx assumed that labor power is produced by the laborer and by his or her immediate family, i.e., under the conditions of handicraft production prevailing when he wrote. In a word, labor power was "home made" (in the absence of dominant brand name commodities, mass advertising, and the mass media which monopoly capitalism had not yet invented). In Marx's period and in his analysis, the principal aspect of capitalist production was the alienation of workers from the means of producing commodities-in-general. Today and for some time past, the principal aspect of capitalist production has been the alienation of workers from the means of producing and reproducing themselves.

The prevailing Western Marxist view today still holds the incorrect assumption that the laborer is an *independent* commodity producer of labor power *which is his to sell*. But

> What often escapes attention is that just because the labourer sells it (his or her labour power) does not mean that he or she produces it. We are misled by fixating on the true fact that a human must eat and sleep into thinking that therefore the seller of labour power must also be the producer. Again the error of two combines into one (Livant, 1975b).
>
> Livant goes on to say that a Marxist view: . . . sees leisure time correctly as time of production, reproduction and repair of labour power. This production, reproduction and repair are activities. They are things people must do. As such they require labour power. To be sure, this latter labour power you do not have to sell directly to capital. But you do have to use it to produce labour power in the form you do have to sell.

(Chapters 3 and 4 [Smythe, 1981] discuss just how the contradictions within capitalism produced monopoly capitalism, Consciousness Industry, and the mass media.)

Under capitalism your labor power becomes a personal possession. It seems that you can do what you want with it. If you work at a job where you are paid, you sell it. Away from the job, it seems that your work is something you do not sell. But there is common misunderstanding at this point. At the job you are not paid for all the labor time you do sell (otherwise interest, profits, and management salaries could not be paid). And away from the job, your labor time *is* sold (through the audience commodity), although you do not sell it. What is produced at the job where you get paid are commodities used for consumption or for further production. And what is produced by you away from the job is your labor power for tomorrow and for the next generation: ability to work and to live (Livant, 1975a).

The point to be pursued here is that the ruling groups cultivated "high" or bourgeois culture (in the fine arts) both for their own enjoyment and as an invaluable ideological feature of monopoly capitalism (itself dealt with in chapter 9 [Smythe, 1981]). Liberal notions about "leisure" to which a substantial amount of effort by bourgeois sociologists has been devoted (see, for example, Kaplin, 1960, 1975) perpetuate the mystification of leisure, treating it "apolitically." In fact, the system used labor unions, religious organizations, and community arts organizations (musical, painting, sculpture, literary, poetic, etc.), to turn the "high culture" from Greece on down into a means of attaching workers loyally to the system. A considerable literature about "popular culture" and "mass culture" deals with this relationship, which is also dealt with in chapter 9 [Smythe, 1981] (see, for example, Garnham, 1977). The unrelenting pressures of Consciousness Industry, however, reveal the yawning gap between high culture notions of leisure, which are the stuff of establishment propaganda regarding "national identity," and the vulgar, atomized, and capitalized exploitation of leisure as a cover for an ever-expanding range of commodity markets.

Audiences for the commercial mass media are a strange type of institution. They are more a statistical abstraction than are, for example, the audience of the live or motion picture theater because they have no possibility of simultaneously and totally interacting internally to create an audience mood or affect. Yet we know that they are far from merely being statistical abstractions. Orson Welles' "Invasion from Mars" radio broadcast precipitated mass hysteria (Cantril et al., 1940). And the record industry depends on radio stations to produce "hit parades" which mobilize fans of popular music stars to buy records on a mass scale. We are far from having a full understanding of the audience commodity, but there is no doubt that it is a qualitatively new major social institution, a collectivity, and a commodity. As Bill Livant (1979a, p. 103) says:

> Virtually everyone is organized into the complex tapestry of these audiences, whose underlying properties we are just beginning to understand. For one thing, the production, destruction, division and recombination of audiences is a vast and turbulent motion. For another, the Audience Commodity is a multipurpose capacity. It is the other side of the labour power that Marx discovered in the production of commodities-in-general, and it is as Protean in its capacities.
>
> The *first* great form of the organization of this commodity [is] the Audience Commodity as a Market. This form emerged first historically and with the greatest clarity in the United States. . . . This form is the first, *but not the last*.

We can already observe that the audience commodity has changed the social form for political party electoral behavior in the capitalist world. Murdock (1978, p. 117) refers to the changing form of social conflict in Europe:

> The expansion of consumerism was accompanied by a dampening down of industrial conflict and class struggle. The contradiction between capital and labor receded from the centre of attention and its place was taken by conflicts grounded in age, in gender, in nationality, in race, and above all in the yawning gap between the developed and underdeveloped worlds, between the colonizers and the colonized.

The rationalization by Consciousness Industry of the process of conducting elections through mass media "pseudo events" and advertising is, through the telltale demographics, evidence of the audience commodity, having been produced for the election market and paid for by the parties, at work in ways quite familiar in the North American scene. Richeri (1978) has linked the rapid transformation of the Italian political constituency system to the rapid introduction of the production of audiences by commercial television and radio stations in recent years. An analogous transformation of the electoral process took place in the United States and Canada between the mid-1930s and 1960s as political campaigning/advertising via radio broadcasting, public opinion polling, and interlocking ownership interests in radio (and later television) stations between politicians and newspaper publishers were substituted for nineteenth-century modes of mobilizing people for elections. Richard Nixon's flat statement in 1957 that political candidates must now be merchandised like any other consumer product recognized the reality. Europe, lagged by a decade or so, has now experienced the same transformation more quickly.

The work of the audience commodity poses severe problems for Marxist theory derived from Europe and based upon the analysis of competitive capitalism, nineteenth-century style. The *base* or *infrastructure* in that theory was defined as the job front where pay was received for productive work. There were two main reasons for this: (1) The factory system of nineteenth-century capitalism embodied mass production of (almost all unbranded) commodities with all the improved efficiency traceable to the Industrial Revolution. (2) The tradition in economic theory begun by the Physiocrats and running through Marx that production was closely allied to natural resources and especially agriculture. The superstructure in that theory was where the ruling class in the state inculcated ideology by its press, its educational and religious institutions, and its monopoly of force (police and military).

The clear dichotomy between base and superstructure was no longer possible under monopoly capitalism, with Consciousness Industry buying audiences comprising virtually the whole population to aid it in managing demand for its commodity output. For the audiences are engaged in production which is an essential to the capitalist system as was the production at the job front in the early nineteenth century. Perhaps the audience market even takes priority away from the job front because the former "beckons" the latter into action very directly through the mode of operation of giant integrated corporations. The superstructure (in nineteenth-century terms) is thus decisively engaged in production. And increasingly, as welfare programs of employers have engaged people at the job front in all manner of popular cultural activities and vocational training, it seems as if the old "infrastructure" has taken on in part the ideological training functions previously associated with the old "superstructure." (See chapters 3 and 4 [Smythe, 1981].) It is not clear now how Marxists will resolve the anomalies in their theory as it applies to core area monopoly capitalism, especially because current Marxist theorists do not recognize that the audience commodity even exists.

It appears, as will be argued further in chapters 11 and 12 [Smythe, 1981], that in seeming to perfect its system for managing demand through producing and consuming audiences in order to market its products, monopoly capital has produced its principal antagonist in the core area: people commodified in audience markets who are consciously seeking noncommodified group relations. A symptom may be apparent in a downward trend in television viewing in 1977 and 1979 in the United States after 30 years of rising viewing.[11]

It has long been noticed that all traditional social institutions (family, church, labor union, political party, etc.) have been stripped of much of their traditional purpose by the impact of mass-produced communications. The mysticism attached to technique (and "technology") has incorrectly assumed that the medium basically defines the audience. But as a historical analysis of the rise of the mass media will show, the opposite has been true: the availability and actions of the audience is the basic feature in the definition of the media, singly and collectively. By placing the contradiction between advertisers/media on the one hand and audiences on the other on the level of social relations we are on solid ground and can repudiate the mysticism of the technological trap by which audiences are tied to hardware, software, and technique (as in Innis, McLuhan, and others).

In order to dig deeper into the process of which audience work is a part, it is necessary to consider how we got this way. In other words, we must review some history of monopoly capitalism. This will be the burden of chapters 3 and 4 [Smythe, 1981].

Notes

1 This literature is reviewed in Simon (1970); Schmalensee (1972); also, Pollak (1978); Pessemier (1978); and Marschak (1978).

2 Raymond Williams comes closer than many Marxists to a realistic treatment of communications and may be singled out for comment. In his *Marxism and Literature* (1978) he sees the full range of "cultural industry," including entertainment, as "necessary material production." He does not include advertising in cultural industry and is vague as to what, if any, activities besides official "culture" are included in it. He criticizes the base–superstructure dichotomy in twentieth-century Marxism and shows that it derived from Plekhanov, not Marx. Williams' *Television: Technology and Cultural Form* (1975) is disappointing. Broadcasting was called into existence by "a new way of life." The innovation of broadcasting is similarly mystified. It is traced to "no more than a set of particular social decisions, in particular circumstances, which were then so widely if imperfectly ratified that it is now difficult to see them as decisions rather than as (retrospectively) inevitable results" (p. 23). By whom, why, in what circumstances, the decisions were

made he doesn't say. "Ideological control" was vaguely a purpose, again with no indication of how or who was involved. He never defines "technology" and uses the term as politically neutral. He sees broadcasting in technical terms, worldwide in scope, and advertising as ". . . a feature not of broadcasting itself but of its uses in a specific society [unnamed]" (p. 68). He does a fair critical analysis of McLuhan, not noticing that he himself had given us a line from McLuhan (". . . the means of communication preceded their content," p. 25). In reality, of course, it was the prospective audience which beckoned both the means and the content into existence. In neither book does he recognize the media as producing audiences for sale to advertisers or that advertisers use the audience power to complete the marketing of their consumer goods production. In neither does he recognize demand management by TNCs in monopoly capitalism – terms strangely lacking from his books.

3 I first addressed this criticism to Marxist theories in "Communications: Blindspot of Western Marxism" (1977). Also see Murdock, Graham, "Blindspots about Western Marxism: A Reply to Dallas Smythe" (1978) and my "Rejoinder to Graham Murdock" (Smythe, 1978), and Livant (1979a).

4 One of my critics argues that a better term for what advertisers buy would be *attention*. At our present naive stage concerning the matter, it does *seem* as if attention is indeed what is bought. But where people are paid for working on the job, should one say that what the employer buys is "labor power" or "the manual dexterity and attention necessary for tending machines?" Where I refer to audiences as being produced, purchased, and used, let it be understood that I mean "audience power," however it may turn out upon further realistic analysis to be exercised.

5 These estimates are made by applying to Canadian time sales by television and radio the same ratio which such time sales bear to total advertising expenditures on television and radio in the United States. In the United States in 1976, 77 percent of advertising expenditures on television went for network and station time ($5.198 billion), and 22 percent for production of program and advertising content; in radio 87 percent ($2.019 billion) went to network and station time and 13 percent to program and advertising content. In Canada the official statistics are nonsensical. Statistics Canada reported total advertising expenditures on television of $341.8 million; time sales of networks and stations to advertisers were given as $322.6 million. For radio, $111.1 million advertising expenditures were reported; time sales of networks and stations to advertisers (which represent only part of advertising expenditures) were given as $241.8 million. I have assumed that Canadian practice followed the United States model.

6 I am indebted to William Leiss for this hypothetical and chastening idea. See his *The Limits to Satisfaction* (1976, p. 81).

7 The following analysis of time use is based on de Grazia (1964).

8 Part-time workers (probably more female than male) amounted in 1960 to 19 percent of the employed labor force in the United States and they worked an average of 19 hours weekly. If we exclude such workers in order to get a figure comparable to the 70 hours in 1850, we consider the weekly hours worked by the average American male who worked at least 35 hours per week. We then find that they averaged 46.4 hours (as against 39.5 hours for all workers). For the sake of brevity, I omit the counterpart calculation of "free time" for women jobholders. No sexist implications are intended.

9 *Broadcasting Yearbook*, 1974, p. 69.

10 Livant (1975c); Bill Livant, University of Regina, has helped to develop the analysis of the audience commodity and I acknowledge this emphatically.

11 *Time*, 12 March 1979, p. 57.

References

Baran, P. T., and Sweezy, P. (1966) *Monopoly Capital*. New York: Monthly Review.

Barnouw, Erik (1978)*The Sponsor*. New York: Oxford University Press.

Blank, David M. (1970) "Pleasurable Pursuits – The Changing Structure of Leisure Time Spectator Activities," National Association of Business Economists, Annual Meeting, September (unpublished paper).

Cantril, Hadley, Gaudet, Hazel, and Herzog, Herta (1940) *Invasion from Mars*. Princeton: Princeton University Press.

Chamberlin, E. H. (1931) *The Theory of Monopolistic Competition*. Cambridge: Harvard University Press.

Chase, Stuart, and Schlink, F. J. (1927) *Your Money's Worth: A Study in the Waste of the Consumer's Dollar*. New York: Macmillan.

de Grazia, Sebastian (1964) *Of Time, Work and Leisure*. New York: Anchor.

Dorfman, Ariel, and Mattelart, Armand (1975) *How to Read Donald Duck: Imperialist Ideology in the Disney Comic*. New York: International General.

Ewen, Stuart (1976) *Captains of Consciousness*. New York: McGraw-Hill.

Galbraith, J. K. (1967) *The New Industrial State*. Boston: Houghton Mifflin.

Garnham, Nicholas (1977) "Towards a Political Economy of Culture," *NUQ*, Summer, pp. 341–57.

Citlin, Todd (1979) "Prime Time Ideology: The Hegemonic Process in Television Entertainment," *Social Problems,* vol. 26, no. 3, pp. 257–66.

Kaplin, Max (1960) *Leisure in America: A Social Inquiry*. New York: Wiley.

—— (1975) *Leisure: Theory and Policy*. New York: Wiley.

Kellner, Douglas (1979) "TV, Ideology and Emancipatory Popular Culture," *Socialist Review*, vol. 9, no. 3, May–June, pp. 13–53.

Leiss, William (1976) *The Limits to Satisfaction: An Essay on the Problems of Needs and Commodities*. Toronto: University of Toronto Press.

Levitt, T. N. (1976) "The Industrialization of Service," *Harvard Business Review*, September–October, pp. 63–74.

Liebling, A. J. (1961) *The Press*. New York: Ballantine.

Linder, Staffen B. (1970) *The Harried Leisure Class*. New York: Columbia University Press.

Livant, Bill (1975a) "The Communication Commodity," University of Regina, 25 December (unpublished paper).

—— (1975b) "More on the Production of Damaged Labour Power," 1 April (unpublished paper).

—— (1975c) "Notes on the Development of the Production of Labour Power" (unpublished paper).

Lyle, Jack (1972) "Television in Daily Life: Patterns of Use," in Rubenstein, E. A., Comstock, G. H., and Murray, J. P. (eds.), *Television and Social Behaviour*, vol. IV, pp. 1–32. Rockville, MD., National Institute of Mental Health.

Mao Zedong (1968) *Four Essays on Philosophy*. Beijing: Foreign Language Press.

Marschak, T. A. (1978) "On the Study of Taste-Changing Policies," *American Economic Review*, vol. 68, no. 2, pp. 386–91.

Murdock, Graham (1978) "Blindspots about Western Marxism: A Reply to Dallas Smythe," *Canadian Journal of Political and Social Theory*, vol. 2, no. 2, pp. 109–19.

Pessemier, Edgar A. (1978) "Stochastic Properties of Changing Preferences," *American Economic Review*, vol. 68, no. 2, pp. 380–5.

Pollak, Robert A. (1978) "Endogenous Taste in Demand and Welfare Analysis," *American Economic Review*, vol. 68, no. 2, pp. 374–9.

Richeri, Giuseppe (1978) "Italy: A Democratization of the Media," paper at Congress of International Association for Mass Communication Research, Warsaw, Poland.

Riesman, David (1950) *The Lonely Crowd*. New Haven: Yale University Press.

Rinchart, James W. (1975) *The Tyranny of Work*. Don Mills, Ontario: General Publishing.

Schiller, Herbert I. (1969) *Mass Communications and American Empire*. New York: A. M. Kelley.

—— (1973) *The Mind Managers*. Boston: Beacon Press.

Schiller, Herbert, I., and Phillips, J. D. (1976) *Superstate*. Urbana: University of Illinois Press.

Schmalensee, R. (1972) *The Economics of Advertising*. Amsterdam: North Holland.

Simon, Julian L. (1970) *Issues in the Economics of Advertising*. Urbana: University of Illinois Press.

Smythe, Dallas W. (1977) "Communications: Blindspot of Western Marxism," *Canadian Journal of Political and Social Theory*, vol. 1, no. 3, pp. 1–28.

—— (1978) "Rejoinder to Graham Murdock," *Canadian Journal of Political and Social Theory*, vol. 2, no. 2, pp. 120–7.

—— (1980) "Communications: Blindspot of Economics," in Melody, W. (ed.), *Culture, Communication and Dependency: The Tradition of H. A. Innis*. Norwood, NJ: Ablex.

—— (1981) *Dependency Road: Communications, Capitalism, Consciousness Canada*. Norwood, NJ: Ablex.

Stephenson, Marylee (1977) "Never Done, Never Noticed: Women's Work in Canada," *This Magazine*, vol. 11, no. 6, pp. 31–3.

Terkel, Louis (1974) *Working*. New York: Pantheon.

US Congress (1967) House of Representatives. Subcommittee on International Organizations and Movements. Committee on Foreign Affairs, Report no. 5, *Winning the Cold War: The United States Ideological Offensive*. 90th Congress, 1st Session, House of Representatives.

Veblen, Thorstein (1927 [1899]) *The Theory of the Leisure Class*. New York: Macmillan.

Williams, Raymond (1975) *Television: Technology and Cultural Form*. New York: Schocken Books.

—— (1978) *Marxism and Literature*. Oxford: Oxford University Press.