

Production, Consumption ... Prosumption?

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There always has been, and there continues to be, a great propensity and temptation for modern social theorists to offer “grand narratives” that cover great stretches of social history. Classic examples include Marx on pre-capitalist, capitalist and ultimately socialist/communist societies; Weber on increasing rationalization, and Durkheim on the movement from mechanical solidarity. Even a radical contemporary thinker like Jean Baudrillard falls prey to this in various parts of his work, especially in his discussion of the transition from producer to consumer society (Baudrillard, 1970/1997). However, it is much harder, if not impossible, to produce such grand narratives¹ in light of the highly convincing postmodern critique of them (Lyotard, 1979/1984). Indeed, that critique makes it doubly surprising that a theorist as closely associated with postmodern social theory as Jean Baudrillard could produce such grand narratives. However, it is true that the producer-consumer grand narrative mentioned above was produced *before* Baudrillard moved in the direction of postmodern theory (although it is also the case that he continued to produce such grand narratives in his more postmodern work such as the transition from symbolic exchange to economic exchange [Baudrillard, 1973/1975] and the orders of simulacra- counterfeits, industrial serial production, generation by models and the code, and the fractal or viral stage [Baudrillard, 1983; 1990/1993]).

¹ See my ruminations on such problems in the Appendix to Ritzer (2007).

The point of this background is to allow us to deal better with the central issue in this essay- the emergence of a new type of society- “prosumer (briefly, the prosumer produces at least part of what he/she consumes²) society”- beyond the two- producer and consumer society- detailed by Baudrillard and others. Before going further, I should make it clear here why I am using the term “society” rather than the more familiar term “capitalism”. In part, this is due to the fact that it is certainly possible to think of production and consumption (and even, as we will see, prosumption) occurring in a *non*-capitalist economy (e.g. in precapitalist or socialist societies). More importantly, we will discuss the relevance of capitalism to all of this in due course, but it is important to defer it until later (and use the term society at least until then) because it raises some interesting issues as far as all three types of “society”, especially prosumer society, are concerned.

It is tempting to continue the pattern of creating grand narratives, this time adding a new third stage to the model (from producer to consumer to prosumer society), but as pointed out above, the postmodern critique is persuasive on this. More importantly, when the temptation to produce such a grand narrative is resisted, it becomes possible to see that it is, in any case, quite inaccurate to look at this history in this way.³ It is not that in the past consumption replaced production. For example, in writing about consumer society (Baudrillard, 1970/1997: 18) says, “this does not mean that our society is not finally, objectively and decisively a society of production.” Production continued important in the era that came to dominated by consumption, and the latter was not absent in the epoch dominated by production (as McKendrick [1983] points out, the consumer

² This, and related terms (e.g. prosumption), will be defined and discussed in greater detail below.

³ In fact, what will be portrayed here is better seen as a Foucauldian “genealogy” (Foucault, 1979) than the kind of modern history he and others critique. At the close of this essay there will a discussion of the characteristics of a genealogy and how the argument to be presented here fits that model.

revolution occurred in concert with the Industrial Revolution; the latter could not have happened without the former). And, it is not now the case that prosumption is replacing consumption (and/or production); neither production nor consumption is about to disappear in the era of the dominance of prosumption. Thus, shedding the lens of a grand narrative allows us to develop a far more accurate and nuanced picture of both the recent history and the current state of society, especially the economy, and the *co-existence* of production, consumption, and prosumption. In fact, it can be argued that three have always co-existed and that what has varied is their relative importance in the overall economy and society.

Thus, the propensity to choose *any* one of these to define an age has *always* been misguided. It is a modernist pretension to think one is able to find and to define the “center” of an epoch. That, like much else, is debunked by postmodern (and poststructural) theory, in this case the idea of “decentering” (Derrida, 1967/1974). However, in order to advance the argument, we need to examine, at least briefly, earlier thinking on producer and consumer society that tended to center on one or the other. With that background, we can turn to a discussion of the newly emergent prosumer society and a clarification of what exactly that is and what it is that defines it.⁴ The contemporary world is *not* defined by the preeminence of prosumption, but rather with its emergence as a phenomenon that is now growing significant enough to rival production and consumption in importance. It is the coexistence of these three, and *not* the predominance of any one of them, that defines our age.⁵ Thus, we need to focus on their

⁴ Bear in mind, as pointed out above, that while we use the term “society”, none of the societies- producer, consumer, prosumer- are in the argument being made here really “societies”, but rather they are all aspects of the same society.

⁵ Indeed, it could be argued that they have long, if not always, co-existed,

interrelationship rather than how and why one has superseded the others. However, this does not preclude one of them from increasing in importance, or even becoming more important, than the others, at least for a given time and in a given place. In that regard, a pretty strong case can be made that it is presumption that is on the ascendancy today, especially in the developed world.

From the beginning of the Industrial Revolution, and for about two centuries thereafter, the economy of the West, if not Western society in its entirety, was said to be defined by production. In that period when one thought about the economy, one almost always focused on production. One might not have used the term “producer” before society in that period, but that is certainly what most observers had in mind when they thought about the “center” of society. The best example of this, is of course, to be found in the work of Karl Marx who, although he fully understood that production always involved consumption, clearly believed that in the capitalism of his day it was production that was preeminent.

Production predominated for almost two centuries, but a rather dramatic shift began to take place, especially in the United States, with the close of World War II. For one thing, the war, in the U.S. in particular, meant a focus on production, especially of war materiel, and there was, as a result, comparatively little for its citizens to consume. However, the relative absence of consumer goods did not destroy, and may have even encouraged, a longing for them. For another, the production of consumer goods (e.g. refrigerators, automobiles) boomed after the war, and it was met by, and served to satisfy, at least to some degree, consumer demand. Furthermore, this process fed on itself as the

success of the post-war economy in terms of the mass-production of consumer goods led to ever-increasing consumer interest and demand (Cohen, 2003).

Beginning largely in the 1960s⁶, production, especially in the U.S., began a long decline as reflected in the problems in heavy industry devoted to the manufacture of consumer goods (e.g. steel, tires, etc) and the emergence of the “rustbelt” in the Midwest. Production was still seen as king, but the pendulum was swinging in the direction of the centrality of consumption as reflected in the birth and expansion of the many “cathedrals of consumption” in the 1950s and 1960s- Disneyland, indoor shopping malls, fast-food restaurants, and many more (Ritzer, 2005). Of course, there was much more to the expansion of consumption in this period and we also need to consider the changes and increases in the objects of consumption, the subjects of consumption (the consumers), consumption processes, as well as the kinds of consumption sites mentioned above (Ritzer, Goodman and Wiedenhof, 2001). And this far from exhausts expansion in this area since there was also growth in marketing, advertising, branding and the like.

Things began to grow worse for American heavy industry beginning with the oil crisis of 1973, the resulting rise- led by the Japanese automobile industry- of the small car, and the beginning of the painful decline of the American automobile industry- a decline that continues to this day. Of course, Americans continued to consume, in fact at an accelerating rate, but it was increasingly likely to be products produced elsewhere, including and perhaps especially Japanese products, automobiles and soon electronics of all types. On the other hand, the various elements associated with consumption continued their relentless expansion. For example, America’s cathedrals of consumption proliferated and new ones- Wal-Mart, Mall of America, the reinvented Las Vegas Strip-

⁶ There were certainly other industries (e.g. textiles) that had begun to decline long before this.

emerged. As the 20th century moved toward its conclusion, the cathedrals of consumption, as well as the goods and services sold there and the consumers who bought them, had to a large degree replaced the factory at the heart of the American economy and, more generally, American society.⁷

It was not an American, but the French social theorist mentioned above- Jean Baudrillard- who very early on (1970) recognized this trend, especially but not exclusively in the U.S., and presciently labeled it the “consumer society” (Baudrillard, 1970/1998).⁸ Coming from a Marxian tradition, Baudrillard had early in his career accorded central importance to production. However, as he was moving toward a break with Marxian theory and its focus on production, Baudrillard came to recognize the increasing centrality of consumption. He saw us living in age of affluence in which we are surrounded by consumer objects. And he contended that “consumption is laying hold of the whole of life” (Baudrillard, 1970/1997: 10). He even recognized the importance of the cathedrals of consumption (or, using one of Marx’s less well-known concepts, the “means of consumption”), although he accorded undue significance to the Parisian drugstore which was to be far outstripped by many American cathedrals of consumption (e.g. the fully enclosed indoor shopping mall). Also, of note is Baudrillard’s early recognition of the importance of the growth in credit (especially the U.S.) to the rise of the consumer society, an importance that was to increase greatly in the coming decades (Ritzer, 1995; Manning, 2000).

⁷ In a more specific and general (not restricted to the U.S.) dating, Slater (1997: 10) argues that: “The 1980s...heralded the subordination of production to consumption...”

⁸ Of course, John Galbraith (1958), among others, had anticipated this idea in his work on the “affluent society”. In fact, Baudrillard cites and draws on Galbraith’s work as well as Veblen’s even earlier (1899) thinking on consumption, especially conspicuous consumption.

Many have since written about consumer society, while others have used the term “consumer culture” to describe much the same phenomenon (e.g. Featherstone, 1991; Slater, 1997; Goodman, 2004). Instead of focusing on the structure of consumer society, the notion of consumer culture draws our attention to such phenomena as the norms, values, and meanings associated with a society dominated by consumption. Whether it is called consumer society, consumer culture, or even consumer capitalism is less significant than the fact that all of these ideas call our attention to the increasing importance of consumption, especially relative to production.

Thus, it could be argued that Americans (and others in most developed countries) have, for roughly the last half century, or less, been living in a society in which consumption is increasingly central. However, production, although of declining importance compared to consumption, continues to play a key role in the American economy and society. Especially in the US, however, it is hard to ignore both the decline of production (the auto industry has followed steel and tires into decline) and the dramatic increase in the importance of, and accorded to, consumption. Manifestations of this are everywhere. For example, the U.S. stock market is highly sensitive to the consumer confidence index. Or, after 9/11, both the Mayor of New York and the President of the United States were so fearful that people would stop consuming and thereby undercut the economy that they both urged Americans to go out and shop; it had seemingly become the “public duty” of Americans to consume and not to allow anything, even a cataclysm, to stand in the way of their shopping.

Thus, it seems clear that those in the developed world, especially Americans, have been living in an era, a society, and a culture defined more by consumption than

production. But, just as consumption has seemed to achieve ascendancy, another dramatic change has been taking place and there are signs that consumer society is beginning to be supplanted in importance by what might be called “prosumer society.”

Prosumer Society

While it will be shown below that it has much earlier roots (the term is generally attributed to Alvin Toffler (1980) who devoted considerable attention to it in *The Third Wave*), the idea of the prosumer is most closely associated with recent developments on the Internet (described by Prahalad and Ramaswamy, nd) as “the ultimate self-service technology”), especially what is called Web 2.0 (e.g. Wikipedia, Facebook). It is asserted, quite correctly, by Beer and Burrows (2007; as well as Keen, 2007; Tapscott and Williams, 2006) that there is a convergence taking place between consumption and production, between the consumer and the producer (as well as between “audience and author...expert and amateur” etc (Keen, 2007:2).), in Web 2.0 (Beer and Burrows, 2007). That is, the producers of much that exists on Web 2.0 are simultaneously the consumers of what is produced and there is a fluid relationship between production/consumption and producers/consumers. In terms of the latter, this is the emergence of the “prosumer”.

What is missing in such analyses is a sense that such developments in Web 2.0 are but part of a far larger trend toward the increasing integration of production/consumption and the producer/consumer. I would argue that this is *not* a new phenomenon. Indeed, the clear distinctions implied by these dichotomies are a relatively recent product of the Industrial Revolution and that if one looks back further in history, such distinctions were

rarely clear-cut.⁹ On the farm, for example, those who were (and still are) the producers of food (the farmers) were also the consumers of much of what they produced. In the Industrial Revolution and with the emergence of the factory, a separation between home and workplace did emerge and that expanded with the development of large-scale bureaucracies and blackcoated (Lockwood, 1958), and later white collar, work. However, even in this period and in these contexts, there was much overlap between production/consumption and producer/consumer. As Marx (and many others) recognized, and as pointed out above, *all* industrial production simultaneously involved consumption. For example, in the production of automobiles an enormous range of things are consumed including raw materials, the workers' labor-time,¹⁰ and energy of various types.

Beyond the fact that the (relatively) clear separation between production and consumption was a largely historical aberration associated with the Industrial Revolution, there is the fact that recent trends have tended to further reduce whatever separation between the two continues to exist, at least in the developed West. For example, the rise of the modern fast food restaurant, especially with the arrival in 1955 of the pioneer in this area- McDonald's, led to the trend toward putting the consumer to work (creating a prosumer) long before the Internet, let alone Web 2.0, was a gleam in the eye of computer experts. As with much else, McDonald's had precursors in this development (e.g. supermarkets, early fast food restaurants [including the McDonald brothers original restaurant in California] and early chains [e.g. A&W Root Beer]), but it was McDonald's that truly revolutionized this, as well as much else about the contemporary world as it relates to consumption (and production).

⁹ To his credit, Toffler (1980) certainly recognizes this.

¹⁰ It could be argued in these terms is that what is new is the consumption of the labor-time of not just workers, but consumers.

The “diner” at a fast food restaurant, the consumer of fast food, is also, at least to some degree, a producer of that meal. Among other things, diners are expected to serve as their own waiters carrying their meals to their tables or back to their cars, sandwich makers (by adding fixings like tomatoes, lettuce, and onions in some chains), salad makers (by creating their own salad at the salad bar), and bus persons (by disposing of their own debris after the meal is finished).

This trend toward putting the consumer to work has accelerated since the birth of the fast food restaurant in the mid-1950s. Among the examples are:

- Pumping one’s own gasoline at the filling station
- Serving as a bank teller at the ATM machine
- Working at the checkout counter at the supermarket by scanning one’s own food, bagging it, and paying for it by credit card.
- Doing work at the airport formerly done by agents by using electronic kiosks to check in and to obtain our own boarding passes
- Checking into hotels at electronic kiosks without any assistance from those who work at the registration desk
- Co-creating a variety of experiences such as moving oneself through Disney World or serving as an “actor” in the theatre “staged” by Starbucks designed to create the image of an old-fashioned coffee house (Ritzer, 2008).

Medicine is increasingly characterized by do-it-yourself technologies that allow patients to perform tasks without recompense formerly performed by paid medical

professionals. These include blood pressure monitors, blood glucose monitors, pregnancy tests, and the like. Then there is the plethora of websites now available that allow people to serve as amateur diagnosticians. With this information they can also treat themselves (or at least think they can) and if they decide to see a physician, they are more likely to be co-creators (more on this idea later) of medical services by demanding specific treatments and medications. Patients (consumers of health services) have increasingly become experts on medicine, especially their own health (Clark, et al, 2003). It could be argued that in many ways they are in a better position to know more about their own medical condition (or at least think they do) than physicians and, perhaps, to treat it themselves.

This trend is also manifest in the entertainment industry. On the existence of this in the media (especially TV), for example, it is argued that it is part of a “major fundamental role reversal, a reordering of the centuries old relationship between who’s onstage and who’s watching, a devaluing of professionalism and a new premium on amateurism. There’s been a kind of perverse democratization of mass media” (Shales, 2007: M7).¹¹ One example is the spread of radio and television shows in which the performers are increasingly likely to be members of the audience (the audience, the consumers).¹² In this category we can include all sorts of radio talk shows where those who call in (the members of the audience) perform (and are sometimes insulted and embarrassed) for no pay. The best-known of these are political in nature (e.g. the Rush Limbaugh Show), but increasingly ubiquitous are the call-in shows on sports radio. While they usually cannot

¹¹ Interestingly, Shales traces this development in the mass media, but it had- as he recognizes- other, often indigenous, roots long before the advent of the Internet.

¹² As Shales (2007) points out, this is not new, although it has expended greatly in recent years. An example from early years of TV is “Ted Mack’s Amateur Hour”. Then were the many quiz shows that once reigned supreme on network television before being brought low by scandal. The latter have revived (e.g. “Are You Smarter Than a 5th Grader”) in the era of reality TV.

do it from the comfort of their homes, those who participate on television talk shows (most famously, the Jerry Springer Show and the Oprah Winfrey show {Illouz, 2003}) also perform without pay.

Then there is more recent proliferation of television shows, the so-called “reality shows”, in which members of the audience become long-term performers, perhaps for an entire season. It is far easier and much cheaper to find a format that allows the audience to be the performers (e.g. “American Idol”, “Survivor”, “So You think You Can Dance”, “The Apprentice”, “Supernanny”) than it is to find the creative people (writers, directors, actors) needed for a successful dramatic or comedic television series. Reality shows lead not only to lower costs but higher profits on network TV which is embattled because of competition from both cable television and the Internet. Thus, dramatic and comedic series have declined dramatically in recent years with numerous reality shows taking their place. While an actor, especially one who is famous, requires a high salary, reality show performers “work” for little or nothing (although they may hope that their involvement will lead eventually to highly paid work and great fame [as it has in a few cases]).

Yet another example is in the realm of pornography. Today, the once-booming “professional” porn industry finds itself in difficulty because of competition from amateurs. Why pay a “professional” performer when numerous amateurs are eager to bare as much- or more- for no pay on such successful videos as “Girls Gone Wild” and “Guys Gone Wild”? Why pay to have access to a professional pornography website when one can find every conceivable form of pornography on amateur websites at no cost? The consumers of pornography are increasingly themselves also its producers. They may

either photograph or video themselves, or use “friends” to do the “work”. In fact, today’s consumers of porn seem to prefer that which is labeled as being amateur.

Cell phones now allow “amateurs” to photograph dramatic events (e.g. the 2007 bridge collapse in Minneapolis) and then send them to TV stations like CNN that almost immediately show them on air. Eyewitnesses are also interviewed on air, perhaps via their own cell phones, often as events are transpiring before their eyes. Amateurs are increasingly playing the roles of photographer and reporter. This is beginning to expand with the arrival of third generation (3G) cell phones that have the capability of receiving and sending videos. This means that the layperson can become the broadcaster of streaming video of breaking news events further eroding the difference between journalists and amateurs in the news field (Gralnick, 2006). Furthermore, this trend may mean that “amateurs” can cut out middlemen like CNN and become their own broadcasters via the worldwide web.

Then there is a wide range of subtler and less material examples of prosumption. Through open-source software (e.g. Linux), consumers co-create that software. Consumers get advanced versions of various products and their work with, and feedback on, them leads to changes in them. Consumer choices play a key role in the production of products (BMWs, Dell computers) customized to their needs and interests. All sorts of consumption “experiences” (the so-called “experience economy”) are being co-produced by the consumers of them. Brands are similarly co-produced as is the ongoing relationship between consumers and those brands (e.g. in brand communities”).

Much of what transpires on Web 2.0 in terms of content generated by the user (the consumer) needs to be seen in this context and as among the latest developments in this long-term trend. For example,

- It is the users who generate the text on Wikipedia and who constantly edit, revise and comment on it.
- It is the users who create the videos, text and interaction on You Tube, MySpace and Facebook.
- Blogs (weblogs, personal blogs) and the comments on them are produced by those who consume them.
- It is consumers rather than retailers who create the market on eBay, craigslist, etc.
- It is the users (the mostly “amateur” photographers) who download the photographs on flickr.
- It is the consumers who not only do all the work involved in ordering products on sites like Amazon.com., but they also do things like writing the “reviews” that appear there.
- It is the users of online maps who are increasingly creating them on what is known to insiders as “GeoWeb” as Google, Microsoft, Yahoo have created tools that are now accessible to, and usable by, those with little or no technical skill (Helft, 2007).

What of Capitalism?

Thus, the point is that what is taking place on the web is not an isolated example, but part of a larger trend toward putting consumers to work for little or no economic reward (to them). While there are certainly reasons for this that are idiosyncratic to the Internet and the computer, there is also a set of more general reasons involved, not the least of which is that entrepreneurs have found, or hope to find, new ways of growing wealthy by exploiting the talents, abilities and interests of the consumer. This, of course, is part of the trend, especially in the West, away from a capitalism dominated by production to one that is increasingly dominated by consumption and services provided to, and increasingly by, consumers.¹³ With profits from the making of things less and less possible in the West, entrepreneurs have turned their attention to the provision of services. Services are often profitable, but the big problem in the service industries (e.g. fast food) is the unreliability of the humans who do paid work in it. Thus, it makes sense to not only reduce the latter's role in these industries by putting consumers to work but also to create services in which the consumers do the work, again for no pay. If the work of consumers proves unreliable, they have only themselves to blame.

Paralleling the preceding discussion, we *could* discuss here whether we have moved from producer to consumer to prosumer *capitalism*. However, it is clear that such a grand narrative would be rejected out of hand. What we can become involved in here is the debate over whether prosumption, especially as it exists on Web 2.0, is capitalistic or is a reducible to a new form of, or direction, in capitalism. There is little difficulty of thinking of most of what occurred over the last few centuries in the realm of production

¹³ Although there are conflicts and contradictions between capitalism and consumption such as the rationality of the former and the hedonism of the latter (Bell, 1976).

or consumption as being primarily capitalistic, but is the same as true, or even more true, of prosumption?

Some aspects of Web 2.0 (e.g. Amazon.com) were, from the beginning, oriented toward making a profit. Others, however, were created for a wide range of reasons and with a very unclear sense of whether they could be profitable or even how profits could be earned from them. However, the profitability and profit potential of these web sites have become clear as they have been purchased by corporations that are experimenting with ways to make them profitable (see below).¹⁴

At their inception, the creators of most of the Web 2.0 sites had little or no idea whether they would prove profitable (many did not), or even how profits could be generated. However, there was undoubtedly some faith that profits would come as methods emerged in unanticipated ways from the sites. The goal was to create and later enhance the “value” of the site by increasing the number of subscribers, through greater publicity and visibility; through increasing what the site had to offer on the basis of what consumers contributed to it; by having the costs of development borne (largely labor costs and computer equipment) largely by the customers developing it; through branding the site; and ultimately via the creation of various revenue streams.

¹⁴ There is a whole other point here and that is that while it was clear that workers were (largely) producers in the factories spawned by the Industrial Revolution, the number and importance of such blue-collar workers has declined dramatically in the West in general, and the US and (Western) Europe in particular. The big growth is in service work of all sorts and in such work the distinction between production and consumption is no longer so clear-cut. Thus, in fast food restaurants, those who work at the counters are providing a service (giving consumers their food, taking their money, etc), but in the process they are, at least in a sense, simultaneously “producing” and “consuming”. What are they producing and consuming? One could say that they are producing expected “selves” for customers by consuming at least a part of their selves. A similar argument could be made about, say, airline attendants,¹⁴ as well as the millions of people who now work in call centers throughout the world. The point here is that in this kind of work- perhaps the paradigmatic form of work in our era especially in West (and in those areas that supply services to the West)- there is no clear distinction between production and consumption and it is not even clear that such a distinction any longer makes any sense.

The hope (and in some cases already the reality) is that Web 2.0 sites will produce profits, in some cases enormous profit. How do they, or will they, generate profits. Ads, of course, are the prime mechanism, but others include,

- Generating spin-offs (e.g. Wikia from Wikipedia)
- Using the Web 2.0 site and brand as a base for success in other domains
- Holding back part of what can be offered and charging for it
- Charging for part (e.g. craigslist charges only for job ads)
- Charging for maintenance, support and additions to the basic system
- Selling information (much of the enormous value of Facebook may be traceable to the fact that all of the data provided there by users- and continually updated- can be used to generate profit in many different ways)

Ultimately, from a capitalist point of view, Web 2.0 is all about sites creating “competitive advantages” vis-à-vis other sites. Those that do will be among the new titans of capitalism.

Various aspects of Web 2.0 are already commercial, in the process of becoming commercial, or targets for those entrepreneurs trying to figure out ways of making them commercial. Thus, for example, flickr is now owned by Yahoo and News Corporation owns MySpace. YouTube was purchased by Google in late 2006 for \$1.65 billion in Google stock and Google clearly believes that it can earn back that investment, and much more, from YouTube. Wikia is a spin-off from Wikipedia and while it offers those who

sign up free access to its open source software, it seeks to earn money by, for example, selling advertisements on its sites (www.wikia.com).

The creator of *Facebook* turned down an offer of \$1 billion from Yahoo for it; it is now valued at \$7- \$8 billion...and growing. It is thought that there will be an IPO in a few years and that it could be as large, or larger, than that of Google. Now, when all those people buy large numbers of shares of Facebook at greatly inflated prices they are doing so because they expect the shares to go up in price. For them to go up in price, Facebook must earn money and at ever-accelerating rates. If it is not now clearly capitalist, it will be soon. The shareholders that result from a future IPO will demand ever-increasing profits even if its founders and leaders have other, more less commercial and more communal, motives.

This raises another issue about capitalism and that is that success is increasingly associated with branding (Holt, 2004), with successfully creating a brand that is indelibly associated in peoples' minds with a particular product or service. That is what all of the successful entities on Web 2.0- Facebook, MySpace, YouTube, Flickr, Wikipedia, and so on- have done. Those brands are now highly valuable, not necessarily for what they are earning now but for the earnings they can generate in the future. In the new worlds of consumer and prosumer capitalism, the brand is all important whereas in earlier production-oriented capitalism the goal was to create a profitable product and that, in turn, would lead to a brand and branding. Now, the situation is largely reversed and it is the brand that comes first, the profitable product will follow (it is hoped and assumed, not without good reason) once the brand is institutionalized.

Capitalism is, of course, closely associated with exploitation.¹⁵ From the point of view of the fast food restaurant owner/chain operator, the beauty of this system is that it serves to reduce the need to hire paid (albeit poorly paid) personnel to do this work. Instead, consumers do these formerly paid tasks for no recompense (and do it not only without complaining, but seemingly finding it to be “fun”, at least at first). This serves to buttress the Marxian view of capitalism as an exploitative system that is constantly searching for new ways to ratchet up the level of exploitation. It is also consistent with the views of neo-Marxists such as Roemer (1982) who have moved away from seeing exploitation as occurring solely in a coercive production process. It can also occur, as it does in this case, as a result of the unequal possession of productive resources. That is, in the fast food restaurant (and the other entities of concern here), it is the owners, not the consumers, who possess the productive resources and it is this that gives them the ability to exploit consumers. It is almost impossible to exploit workers in U. S. fast food restaurants much more because the assembly-line nature of much of their work already maximizes what they can do (or at least comes close to it) and the fact that the minimum wage law prevents them from being paid any less than they are. However, using the consumer to do this kind of work brings a whole new type and level of exploitation to the fast food industry. While the worker does this work for little pay, the consumer does it for

¹⁵ Unlike Thrift (2005; nd), and others, I am looking at this as a form of capitalism continuous with its traditional form (and need for exploitation) and not as some new form of capitalism (e.g. “knowing capitalism”, “full palette capitalism”). While I agree with much of Thrift’s analysis and his sense of the changes taking place in capitalism, it is still the capitalist system continually adapting to changing realities, and continuing to be based on exploitation. In fact, Thrift himself talks of a crisis of profits in capitalism and the need for new sources for them. And, he argues that businesses can no longer rely on value derived from labor at work, but now need to derive it from consumers, as well. Most importantly, Thrift (nd: 36) points out that while he chooses a different direction, it is “arguable” that it all could be seen, as it is here, in a traditional Marxian sense: “capitalism as a leviathan not only making its way in the world largely unimpeded but using all manner of consumers’ own passions to take the engines a bit more.” I would add that it is not just consumers’ passions that are utilized by today’s capitalists, but also their physical labor.

absolutely *no pay at all*. Capitalism has discovered a way to exploit the labor power of a whole new population- the consumer.¹⁶ The only thing better, from the capitalist's point of view (especially in terms of low-skilled work), than a low-paid worker is someone (the consumer) who does the work for no pay at all. In Marxian terms, the worker produces a great deal of surplus value, the consumer who "works" produces *nothing but surplus value*..

In an analysis of wikinomics in general that includes much of Web 2.0 Tapscott and Williams (2006: 207) say: "calling it exploitation goes too far". But, is it?

In one of their examples, a manufacturer of high-end shoes receives design ideas from customers and the best ones are those that are produced. Those who create the winning designs receive *no* royalties, but their names will appear on the shoes based on those designs. In the case of Lego's *Mindstorm*, the customers post new applications and as result the value of Lego's product is enhanced. Those who post these applications are expected to be satisfied with the joys of knowing that they have improved *Mindstorm*. On Web 2.0 Flickr does not share its advertising revenue with the creators of the photos on the site. The same is true of much of Web 2.0.

Even Tapscott and Williams (2006: 193) recognize the need to go beyond "the culture of generosity" that prevails in the world of wikinomics, including Web 2.0. That is, people are expected to contribute to connect with others, to create an online identity for themselves, to express themselves, to gain attention, but not for heaven's sake to

¹⁶ This whole orientation toward the dominance, even encouragement, of prosumption by capitalism is very different from Toffler's far more romantic view in which he saw the prosumer as a solution to some of the problems caused by the radical distinction between production and consumption in capitalism (and socialism), as well as by the market more generally (people will have a more balanced life, be more self-reliant, work less for the market and more for themselves). In the new "trans-market" all sorts of wonders will be possible: "New religions will be born. Works of art on hitherto unimagined scale. Fantastic scientific advances. And, above all, wholly new kinds of social and political institutions." (Toffler, 1980: 305).

share in whatever profits can be wrung from their generosity. The argument is that the system will work better if stakeholders (the consumer-amateurs) are “adequately” rewarded. This is the logic of capitalism (although the capitalists’ sense of what constitutes adequate reward is severely limited) and therefore Tapscott and Williams are arguing that wkinomic systems need to be more, and more overtly, capitalistic. Once this step is taken we are back to a more traditional capitalistic system, albeit one without paid employees and their attendant costs.

Making Web 2.0 applications commercial means, of course, that various services and goods can be, and will be, sold in and through them. In other words, it means commodification, especially of things that were not previously commodified. On TV this can be amateur performances on Reality TV, while on Web 2.0 it can be the amateur performances on You Tube, the amateur photos on flickr, and peoples’ selves and lives on My Space and Facebook. While on Web 2.0 at least some of these things can be sold (e.g. job ads on Craigslist), more likely they can be used to advertise and sell all sorts of other things. Thus, it is the highly personal and detailed data that are available on millions of individuals on Facebook, MySpace, and so on that is of great potential value to corporations. Of MySpace, one News Corporation executive associated with Fox Interactive Media said: “We are blessed with a phenomenal amount of information about the likes, dislikes and life’s passions of our users... We have an opportunity to provide advertisers with a completely new paradigm” (Stone, 2007: C1). Another executive described this data as “digital gold.” At the moment these data are sorted into ten categories in order to help decide who gets which ad. Eventually, Fox wants to develop many more categories so that it can offer advertisers far more pinpointed, “hypertargets”

for their ads. That is, ads can be tailored for smaller and smaller groups and potentially for particular individuals. Of course, this means that highly detailed information about people will be publicly available and this is of great concern to both privacy advocates as well as to many of those who have become involved in these sites because, at least in part, of the promise of privacy.

Thus, there is a great deal that allows us to make the argument that we have entered the era of the predominance of prosumer capitalism just as past epochs have been dominated by producer and consumer capitalism. Another way to put this, especially if we think of prosumption in terms of it being a cultural, and not a societal, phenomenon is that it- prosumption- is what Jameson (1991) calls the “cultural logic” of contemporary capitalism. The important point here is that it is still capitalism that lies at its base and is ultimately determining.

The capitalistic trends discussed above are now so far along that they have caught the attention of academics (and practitioners) in the field of marketing who are now advising businesses to “*put your consumer to work*” (Prahalad and V. Ramaswamy, 2000). And they have created a term- “co-creation”- to describe this new relationship between management and customers (Prahalad and V. Ramaswamy, 2004a, b). However while I discussed this issue as a form of exploitation, they see it as a new way to create “value” jointly and thereby to enhance profitability. While increasingly similar products can be commoditized and thereby sold at ever lower prices (“Wal-martization”), co-created experiences cannot with the result that it is they that will command higher prices and lead to higher profits. (Prahalad and Ramswamy, 2004a: 9). Prahalad and Ramswamy (2000: 79) want business to “co-opt” the competence of consumers to increase their bottom line

(and perhaps, as well, the value to the consumer). Thus, for example, they claim that banks save 80% of their costs when customers transact business online; customers get convenience and savings in travel costs. (Of course, consumers pay for their computer, the electricity to drive it, heating and cooling of their office, and so on. In a sense, consumers, unlike workers, pay for their own means of production- another huge gain to the capitalist.) Those firms that use their customers in this way will have a “competitive advantage” over those that do not. What is left out in this literature is the exploitation involved and the fact that capitalists share little, if any, of the profits with the “co-creators”.

The entrance of marketing theory into this arena also alerts us to the fact that consumers are playing a far wider role than simply doing physical work formerly done by paid employees. We can think, for example, of branding (Holt, 2004) as a process of co-creation between marketing and advertising professionals on the one hand and those who are the objects of the advertising and marketing campaigns- the consumers- on the other. The creation of a successful brand is dependent on the affective and immaterial labor of those who consume the brands (Arvidsson, 2005). This has taken a whole new turn lately as amateurs are creating advertisements that are being used on, for example, primetime TV. As I write, Haagen Daz is running a contest (“Scoop”) to allow consumers to come up with the name for its new ice cream (www.scoop.haagendazsicecreamshoppecompany.com). Then there is “cool hunting” where scouts seek out new styles developed especially by teenagers. Those styles, created by consumers, are then designed and manufactured for a mass market. Interestingly, much cool hunting increasingly occurs online.

While these sorts of things are seen in a positive light by those in marketing because they enhance the profitability of capitalistic businesses, they can be seen more critically as an effort to transform consumers, or at least their “labor time”, into a new type of “means of production”. This constitutes a significant expansion of capitalism and it represents a whole new direction for the Marxian theory of capitalism. Marx could not have anticipated contemporary consumer capitalism, let alone prosumer capitalism, and therefore could not have included the “work” of consumers as one of the capitalists’ means of production.

In the end one is forced to conclude that while it may not in the beginning have been capitalistic, prosumption on Web 2.0 is moving seemingly inexorably in that direction. That is web sites that might have been created with grand intentions are increasingly being bought up by, or attracting the attentions of, major corporations that are seeking to acquire them because they see in them a huge source of income and profit. Thus, Wikipedia may have been founded to democratize the creation of, and access to, the encyclopedia and Facebook may have been created simply to allow people, initially college students, to better network with one another. We cannot know what the real intentions of the creators of Web 2.0 were; some may have seen huge profits down the road. But whether or not they did, more and more of them are coming to be seen and to be run as profit-making enterprises.

Furthermore, all of the earlier examples of prosumption that predate Web 2.0 were clearly part of capitalistic businesses and were developed in order to enhance profits. McDonald’s, for example, put its customers to work in order to save costs and thereby increase profits.

Is Capitalism the *Only* Factor

While the preceding section focuses on the role of the capitalism in the rise of the prosumer, the situation is far more complex than that. The most obvious fit between capitalism and prosumption lies in the cases in which the individual is *forced* to be a prosumer in order to obtain what he or she wants. Thus, for example, one cannot simply sit down on entering a McDonald's and wait to be served; one must serve oneself. Similarly, one would wait forever at an ATM or a self-service gasoline station pump to be served by a teller or an attendant. On Amazon.com not much would happen unless one entered the information needed to place an order.

However, there are many more instances in which the individual *chooses* to be a prosumer including opting for the self-checkout line at the supermarket over a line with a human checkout person, as well as most of the examples of Web 2.0 discussed here- choosing to be on Facebook, MySpace, playing Second Life, or contributing to flickr or Wikipedia. Capitalist systems are not forcing people to make these choices, although they may be oriented toward earning a profit from them now or in the future.

The fact is that many people seem to prefer and to enjoy being prosumers, even in the cases in which they are forced into this position. Being handed an empty cup and being forced to fill one's own cup- sometimes over and over- at the soda fountain at a fast food restaurant not only gives the prosumers the possibility of more soda (at no increase in price) at the same price, but also empowers them so that they can decide how much, if any ice, they want, as well as giving them the ability to create unique concoctions of

various soda flavors. On Facebook, empowerment lies in the fact that one can choose exactly how one wants to present oneself and can alter that presentation at will. In addition to modest gains and empowerment, people can gain quite materially from being a prosumer. This is clearest on ebay, but one can profit by gaining recognition as a photographer on flickr, or as a journalist on a blog, and use those successes to become a paid “professional” photographer or journalist.

Thus, we cannot ignore the gains for individuals as reasons for the rise of prosumption. Beyond that, it seems clear that most prosumers seem to enjoy their activities. Many seem to really like scanning their own groceries, using a self-serve kiosk at the airport, shopping on ebay, or scanning the relevant books and ordering them on Amazon.com. Of course, a Marxist might argue that this is all just a modern version of “false consciousness”, this time usefully manifest among prosumers rather than the proletariat in a production oriented economy. However, it is probably more likely that prosumers really do like doing these things (much of it is like the video games they like to play, if not being those games themselves) and they are not simply being manipulated into such feelings by the capitalist.

I have a different view on this. That is, if the quality of traditional services have declined precipitously, and there is every reason to believe this is the case, then frustrated consumers are led to prefer increasingly to do things themselves rather than relying on traditional service workers. If the checkout person at the supermarket is prone to chatting with customers ahead of one in line, or the baggers are slow or do a poor job of bagging one’s purchases, then one is more likely to avoid the traditional line and use the self-checkout system. One might prefer a traditional bookstore with knowledgeable owners

and employees, but in the large book chains employees usually lack such knowledge and the purchaser is left virtually alone to find books (or to serve as a prosumer by looking things up at the available computer terminals). Given the latter, large numbers of people prefer to engage fully in the presumption of the purchase of books on Amazon.com. Many more examples could be marshaled to show how weaknesses and failures in traditional systems have led people to prefer to be prosumers- surly gas station attendants, distracted bank tellers, poor service and food in traditional restaurants, long lines at traditional check-in desks at airports and hotels, and the like.

While I do not think it is reducible to only this, it could be argued that capitalistic organizations and businesses are purposely providing less and poorer quality service in order to drive people into being prosumers. If one is offered fewer checkout lines with human workers and fewer desks manned by people in hotels or at airports, then one is more likely to use the lines where one does these things oneself. If the capabilities of the service workers hired by capitalists are poor- perhaps because few, if any, capable people will work for the low wages being offered- then we are likely to see more prosumers oriented to avoiding the frustrations of dealing with such workers by doing the tasks themselves.

Thus, a complex set of factors is involved in becoming a prosumer¹⁷ including choice, coercion, enjoyment, false consciousness, manipulation, and so on. Perhaps a way of putting this is to say that there is a complex of factors arrayed on a continuum from coercion to choice and all instances of presumption can be placed somewhere on

¹⁷ One type of prosumer not dealt with here is the peasant or farmer who produces and consumes what he/she creates. However, it is likely that a complex mix of coercion and choice exists here, as well.

that continuum. The interaction of all of these factors needs to be sorted out on a case-by-case basis.

Conclusion

In spite of some of the caveats mentioned in the preceding section, we *are*, in the end, talking about prosumer capitalism and it is expanding in the contemporary world. However, given the cautionary of the postmodern critique, we need to recognize that this is not a new stage in a grand narrative in which it is replacing both producer and consumer capitalism. Rather, it is yet another development in capitalism, or captured by capitalism, that will take its place beside the producer and consumer capitalism. While it is suggested that it is prosumer capitalism that is on the ascent, the other forms will continue to exist and the relative fortunes of the three will wax and wane in the coming years. Furthermore, it is not unlikely that yet another form of capitalism will emerge and perhaps in the next few years. Indeed, there is already talk of Web 3.0 and that could well bring with it a form of capitalism that is as yet nameless. It is also possible that it could be part of, or at least an auger of, some other economic form. This is in line with the view of many supporters of Web 2.0 who point out its democratic, even socialistic, character. Indeed, we move away from the tyranny of thinking in terms of grand narratives by thinking of Web 3.0 (and 2.0) in terms of an ongoing dialectic among capitalism, socialism and democracy. This is line with the idea of refusing to clearly differentiate between and periodize producer, consumer, prosumer capitalism (society, or culture). However, it is still tempting, given the continuing strength of modernism, to think that

given the insatiability of capitalism, the democratic and socialistic aspects of prosumption, while not being eliminated, will come to be subordinated to its capitalistic elements and impulses.

In spite of the continuing temptation of a modern approach, what is offered here is closer to a poststructural/postmodern Foucauldian genealogy of production-consumption-prosumption. Drawing on the way Foucault (1975/1979) does a genealogy in *Discipline and Punish*,¹⁸ the portrayal presented here has the following characteristics of a genealogy:

- It is open-ended. There is no conclusion offered about which of the three forms discussed will emerge triumphant. Indeed, it is likely that they will continue to co-exist. It is even possible that other forms will emerge to share the stage with them
- Production, consumption and prosumption have heterogeneous trajectories. In the United States production is on the decline today, consumption remains strong, and prosumption is on the rise. Further, the nature of those trajectories varies from one society to another and from one time period to another. For example, while production is clearly declining in the U.S. in the early 21st century, it is booming in China. In terms of the time dimension, consumption, at least of modern goods and services, was virtually non-existent in China only a few decades ago, but today it, too, is booming.
- There are no laws determining the relationship among these forms as well as their different trajectories.

¹⁸ Not represented below is the idea of focusing on discourse, but in spite of his announced focus on this, Foucault himself often ignores it or, at least, does not engage in an explicit analysis of discourse.

- The development of each form is contingent on a wide range of factors and the development of one of the forms is contingent on the development of the others. To take China again, the development of production (and consumption) was contingent on the nature of the political situation- it was suppressed under Mao and freed to boom once the Maoists were out of power. Further, the growth of consumption in China was contingent on the expansion of production. The contemporary growth of prosumption there is contingent, in part, on the growth of the Internet and the willingness of the government to allow people unfettered access to it.
- The genealogy is inherently critical. Each of the forms, as well as their relationship at any given time and in any given place, is fraught with problems. To take one example, prosumption is criticized here for the exploitation of prosumers. However, there is a disinclination to see any conspiracy at the base of any of these problems. Thus, proprietors of fast food restaurants, or even 2.0 websites, are not meeting secretly to figure out new ways of creating and exploiting prosumers.
- The heart of a Foucauldian genealogy is a critical analysis of the power-knowledge linkage. In the case of prosumption, it is the proprietors who know how to set up systems that lead to prosumption and it is this knowledge that helps give them power over prosumers who are likely largely unaware of what is ensnaring them.
- It is a history of the present in the sense that the ultimate concern here is where we stand today in the relationship between production-consumption-prosumption. Where we stand, of course, is at the take-off point for presumption.

- While one of the three is likely to preeminent at any given time and in any given place, that preeminence is always contested. Thus, just as is the case with production and consumption, we can expect an increasing outcry against prosumption, especially its exploitation of consumption.

More generally, Foucauldian genealogies are aimed at contradicting a widely accepted view of society and offering a very different image of that society. Thus, for example, instead of increasing humanism Foucault sees increasing dehumanization, instead of repression of sexuality he sees an outpouring of discourse on sexuality (Foucault, 1976/1978), and so on. Here the argument is that contrary to the increasingly accepted view, it is *not* consumption, but rather prosumption, that is the major economic trend of our time. More importantly, rather than liberating people to do things on their own, prosumption is, at least in part, yet another form of control and exploitation.

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