

Productive, operative and coordinative labour

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The distinction between productive and unproductive labour was not developed by Adam Smith and Marx to define the class system. Rather, it was originally used to describe the rise of capitalism in England. Poulantzas, however, sought to utilize these two concepts in order to define a new class – the new petty bourgeoisie. Capitalists would be the owners of the means of production; the working class, blue-collar employees, the productive workers; and the new class, the new petty bourgeoisie, the unproductive workers. In this chapter I will discuss this attempt, showing that the categories of productive and unproductive labour, not only do not help in the characterization of social classes, but have also lost their usefulness for helping to understand contemporary capitalism.

The classical view on productive work

Productive labour was a fundamental concept in economic theory from the physiocrats up until Marx. In contemporary capitalism, the concept turned less relevant because all labour, including the services, is subordinated to capital. Marx as well as the physiocrats and Adam Smith understood productive labour in a general sense as that which produces value or accumulated value, wealth. For the physiocrats, as expressed by Quesnay, "the productive class is the one that cultivating the land causes the rebirth of the annual wealth of the nations" (1766: vol.1: 45-46). In an agricultural country such as France in the middle of the eighteenth century, only agriculture produced wealth. Adam Smith amplified this concept decisively, not only because he included industrial production within productive labour, but also because he perceived that productive labour is that which produces surplus, that which adds value to the goods produced:

There is a type of labour which adds value to the object upon which it is applied; there is another which does not have that effect. The first, since it produces value can be called productive; the second, unproductive labour (1776: 294).

Smith was already clear then that productive labour was not the same as useful labour. In referring to the labour of a sovereign and his civil and military personnel, he states: "His service, however honourable, useful or necessary, produces nothing which can later be exchanged for an equal quantity of service" (1776: 295). Thus, productive labour is that which produces exchange value. It is that work which produces wealth with which the capitalist pays wages and accumulates capital. Productive labourers are, therefore, maintained by their own labour, whereas "unproductive labourers, as well as those who do not work are maintained by revenues" (1776: 297), that is, by rents and profits received by landowners and capitalists.

So it was reasonably clear to Smith that the concept of productive labour was fundamentally related to the advance of capitalism, to what later was called economic development, to the generalization of labour which produces exchange value. Smith considered wealth to be the production of exchange value within the framework of the capitalist system. The wealth of nations would depend on the proportion of productive workers (that is, those submitted to capital) in a society. Malthus, as Marx underlines (1864: 240), is more direct. He simply states that the productive worker is the person who, in addition to producing his own wages, also produces profit for the capitalist. In his words:

The productive labourers at the same time that they obtain wealth, and the means of accumulation for themselves, furnish a large surplus to that other most important class of society which lives upon the profits of capital (Malthus, 1836: 41).

Marx continues with and deepens this line of reasoning. Rather than debating the issue of productive labour in abstract or philosophical terms, Marx is consistent with his historical method, defining wealth within the framework of the capitalist system. Wealth, therefore, is the production of commodities with exchange value, or more specifically, it is the surplus value realized by the capitalist; labour surplus value is the increase of the capitalist's wealth; it is the basis for the accumulation of capital. Thus, productive labour is simply that which produces surplus value. Marx is quite clear on this point:

Productive labour, in terms of capitalist production, is that wage labour which, exchanged against the variable portion of capital, reproduces not only this portion of capital (or the value of its own labour power) but which, in addition, produces surplus value for the capitalist. Only that wage labour which produces capital is productive (1862: 152).

Unproductive labour, on the other hand, would be that which is exchanged against revenue, rather than variable capital. Marx is also very clear on this point. The most typical type of unproductive labour would be that performed by domestic servants. While of use to the master, it does not produce surplus value; it is outside the sphere of capitalist relations. It is not exchanged for capital, but rather for revenue produced by capital, and even for wages. In Marx's words:

This also establishes in absolute terms what unproductive labour is. It is labour which is not exchanged against capital, but directly for revenue, that is, wages or profits (which naturally includes the various categories of those who participate as partners in capitalist profit, in terms of interest rent (1862: 157).

In conceptualizing productive and unproductive labour, drawing upon the classical economists, Marx had one fundamental objective: to analyze the development of capital and the increasing domain of the capitalist mode of production. The advance of productive labour was the advance of capitalist relations of production. Thus, he states, again in *Theories of Surplus Value*, that:

"these definitions are not derived from the material characteristics of labour (nor in the nature of its output nor the specific nature of labour as concrete labour), but rather in a defined social form, the social relations of production within which labour is realized" (1862: 157).

Also in *The Sixth Unpublished Chapter of Capital* (1864), Marx emphasizes the transition from the formal subordination of labour to capital to the real subsumption of labour to capital, the change from speculative, mercantile capitalism to productive, industrial capitalism. He develops the concepts of productive and unproductive labour to study this transition. It is not a coincidence that on the three occasions in which Marx looks at this question, his fundamental concern is to distinguish industrial capital from mercantile capital, production from circulation.¹

Nevertheless, Marx had another objective in utilizing the concepts of productive and unproductive labour, aside from describing the advance of industrial over mercantile capitalism and the expansion of the production of surplus value. He also wanted to use these categories to distinguish the realm of production from that of circulation. Though fundamental to Marxist thought, much confusion surrounds this distinction. There is no question that the root of the matter is that surplus value is created within the realm of production, not of circulation. Yet what is the realm of production? It is reasonable to say that the mere exchange of commodities does not produce surplus. Yet when a merchant, employing wage workers adds use value and exchange value to a commodity, storing it, transporting it and making it available to consumers, why do we not consider this labour to be producing surplus value and consequently to be productive labour? In another light, all services which help to produce material goods are commodities like any other. Yet there are passages in Marx in which sales and service in general are considered to be unproductive.² These inconsistencies are most likely explained by the fact that at the time Marx was writing, the service sector had little economic significance and was largely outside the realm of capitalism. Commerce, on the other hand, was closely tied to speculative, mercantile capital. The key historical question for Marx was to distinguish industrial capital, which is productive and creates surplus value, from speculative, mercantile capital in which profit originates from selling merchandise for a price that is different from its value. The concepts of productive and unproductive labour are useful in making this distinction.

Marx had a third objective which only appears in certain passages, yet is undeniable. He uses these categories to suggest the superiority of socialism, where there would be no unproductive labour, over capitalism. In this perspective, he abandons the use of the two concepts in order to analyze the emergence of industrial capitalism and seeks to apply them to all modes of production. The implication is that, as humanity moves to more advanced modes of production, the proportion of labour which is unproductive, which does not produce wealth, diminishes. Paul Baran (1957, Chapter II) especially emphasizes these aspects of Marx's theory. It is clearly a subsidiary aspect of the question, concerned with ideology.

Coordinative and operative labour

The concepts of productive and unproductive labour are not useful as categories to distinguish between the working class and the technobureaucracy, since in professionals' capitalism practically all workers, including professionals, have become "productive", i.e., are subject to the logic of capital and produce surplus value. However, the same cannot be said for the categories manual labour and intellectual labour. In the conventional Marxist tradition, only productive manual workers belong to the working class in the strict sense. Thus, we could conclude that productive manual workers make up the working class, whereas those productive (and also unproductive workers) who perform intellectual labour would be professionals. But this apparently obvious solution is also unsatisfactory because it is not grounded in history. Manual and intellectual labour are not historical categories, but are just descriptive categories. Rather than contrasting intellectual versus manual labour or productive versus unproductive labour, I propose that we look at the distinction between "coordinative" labour, performed by professionals, and "operative" labour, performed by workers.

I propose to use the categories of coordinative/operative labour as an alternative to those of productive/unproductive labour. These categories are specific to the technobureaucratic mode of production. They make it possible to make a clear distinction between the working and the technobureaucratic class not only in statism but also in professionals' capitalism. The advance

of technobureaucratic relations of production in contemporary capitalism may be better understood using these categories.

A basic assumption behind this argument is that organic intellectuals, as defined by Gramsci, have increased so much both in number and power as bureaucratic organizations have multiplied and become the basic structure of production, that they have become a class in themselves. Gramsci observed that "in the modern world the category of intellectuals, understood in this sense, has undergone an unprecedented expansion" (1934: 13). However, he considered them to be the organic intellectuals of the bourgeoisie. Gramsci gave considerable importance to intellectuals and was, in fact, the first great Marxist to do so. Though he never stated this, perhaps he realized that intellectuals were gaining critical mass, conscious of their own interests and taking on the status of a class within a new emerging mode of production. As long as the bourgeoisie continued to be the dominant class, intellectuals could continue to be an organic part of the bourgeoisie. Yet this organic quality is one of degree.³ For many professionals, who are the sort of intellectuals of interest here, this organic nature is total, while for others it is dubious. The allegiance of bureaucrats to the capitalist class is a decreasing function of their emergence as an autonomous class. We are witnessing the appearance of an increasing number of intellectuals who are decidedly hostile to the bourgeoisie, even though they have no other alternative but to serve this class in varying degrees, working as professionals for the state and for private business enterprises.

To establish a clear distinction between professionals and workers, the concepts of coordinative and operative work are fundamental. The technobureaucrat performs coordinative labour, the worker operative labour. Coordinative labour is that which creates, manages, or helps to manage the organization; operative labour is that which makes the organization function on the level of mechanical or manual activities in agriculture, industry and services. As with capitalism, in which productive labour creates surplus value under the capitalist's direction, with statism, both coordinative and operative labour create and expand the organization as well as assure the production of a surplus. One cannot point to operative or coordinative alone as that which creates the organization, since both are intrinsically bound together. Together they produce the bureaucratic organization, and together they collaborate to produce surplus.

Marx was aware of this kind of interaction when he talked about the collective worker, including managers, engineers and technical experts in this category. He was still thinking in terms of the capitalist system, yet a new mode of production originates through this process. Marx recognized this fact when he talked about the joint-stock companies, an advanced form of capitalism and a prime example of how the collective worker functions. In describing these companies, he states that though they "still remain trapped within the capitalist barriers" they are

the abolition of the capitalist mode of production within the capitalist mode of production itself, and hence a self-abolishing contradiction, which presents itself *prima facie* as a mere point of transition to a new form of production (1894: 571 and 569).

Coordinative labour ranges from the executive manager of the bureaucratic organization to the office clerks. Managers, engineers, technical experts, consultants, supervisors, accountants and functionaries on all levels share the work of coordination. They are high, middle and low level professionals. On the other hand, those workers whose labour only deals with production tasks for goods or services are operative workers. They do not coordinate; they operate. They could be defined in terms of the positive aspect of directly realizing the operations essential to production, or negatively by the absence of coordination tasks. Perhaps this negative criterion is the fundamental one, since coordinative workers collaborate in production, although

indirectly, whereas operative workers do not collaborate, even indirectly, in the coordination of production.

The concept of operative labour is a broad one. It includes traditional production workers, as well as a variety of activities not precisely characterized in terms of production, such as cleaners or trash collectors. Operative workers are also those who work in mass transit, water companies, sewer maintenance, those who perform manual labour in health care and entertainment or who stock shelves and bone meat in the supermarket. Naturally there are still grey areas. Teachers perform certain coordinative tasks, yet are still workers. Salesmen could be considered professionals because they carry out coordinative activity between the supplier and the buyer, yet at the same time, especially in commercial retail operations, they are the ones who carry out the suppliers' operations par excellence. These large grey areas concerning the work of the low-level professional class and the working class exist by virtue of the very nature of the technobureaucratic relation of production. The technobureaucrat is a coordinative worker who has a theoretical share of ownership of the bureaucratic organization. His coordinative labour is precisely the exercise of this ownership, expressed directly in terms of power within the bureaucratic organization and indirectly in terms of control over the means of production held by a given bureaucratic organization. However, a low level technobureaucrat has only very limited power and as such, his coordinative labour is difficult to distinguish from his operative labour.

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¹ Marx studies this question in: Item 6 in *The Sixth Unpublished Chapter of Capital* (1864), "The Two Historical Phases of the Development of Capitalist Production"; Chapter VI in Volume II of *Capital*, "The Costs of Circulation"; and Chapter IV of *Theories of Surplus Value*, where Marx contrasts his theory with that of Adam Smith and the mercantilists.

² See Paul Singer (1981) and Hunt (1979) on this question. Though a Marxist, the latter points out the inconsistencies in Marx's discussion of this issue.

³ According to Gramsci, "it should be possible to measure the 'organic' quality (organicité) of the various intellectual strata and their degree of connection with a fundamental social group..." (1934: 12)