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Chapter 4

Insolvency/autonomy: what is the meaning of autonomy in the semiocapitalist age?

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Introduction

In this short piece, I will focus my attention on a concept that is directly linked to the social and political situation emerging from the European crisis: the concept of insolvency. Apparently originating in the financial sphere, the crisis is actually, I argue, the effect of the final aggression of capitalism – in the form of financial abstraction – against the autonomisation of the productive potency of the general intellect.

In explaining this, first I retrace the history of the struggle between the autonomy of work and capital development, along with the rise of the general intellect in the age of recombinant capitalism. Then, I describe the forms of subjugation of subjectivity, the precarisation of labour and the consequent destruction of social solidarity. Finally, I outline the effects of financial capitalism and the inscription of debt into the fabric of daily life and collective psychology – and I suggest the concept of insolvency as the way to the autonomy of daily life from the slavery of precarious work and financial capitalism.

Autonomy and deregulation

Autonomy can be defined as independence of social time from the temporality of capitalism. Simultaneously, however, social

autonomy is the engine of capitalist development, and the main factor in capitalist restructuration.

In the last decades of the twentieth century, workers' autonomy from their disciplinary role provoked a social earthquake which triggered capitalist deregulation. That is, the deregulation that entered the world in the Thatcher–Reagan era can be seen as the capitalist response to autonomisation from the disciplinary order of labour. Workers demanded freedom from capitalist regulation, and then capital did the same thing, in reverse – since which, freedom from state regulation has become economic despotism over the social fabric. Workers demanded freedom from the lifetime prison of the industrial factory, and deregulation responded with the flexibilisation and fractalisation of labour. Thus, the autonomy movement in the 1970s triggered a process that evolved from the social rejection of the capitalist disciplinary rule to this special sort of capitalist revenge, in the shape of deregulation, the freedom of enterprise from the state, destruction of social protections, downsizing and externalisation of production, cuts in social spending, de-taxation and finally precarisation.

Understood like this, we see that the effect of the movement of autonomy was to trigger the destabilisation of the social framework resulting from a century of pressure on the part of the unions and of state regulation. The autonomy movement actually foreshadowed the capitalist move, but in a process of deregulation in which was inscribed the coming capitalist post-industrial development that implied the technological restructuring and globalisation of production.

There is a close relationship between rejection of work, informatisation of factories, downsizing, outsourcing of jobs and

the flexibilisation of labour, but this relationship is, nevertheless, much more complex than a simple cause-and-effect chain. Rather, the process of deregulation was inscribed in the development of new technologies, allowing capitalist corporations to unleash a process of globalisation. A similar process occurred during the same period in the media field, for example in radio.

Across Western Europe, the 1970s was a time of free and pirate radio stations. In Italy at that time, there was a state-owned monopoly, and free broadcasting was forbidden, but in 1975–76 a group of media activists began to create small free radio stations, like Radio Alice in Bologna. The traditional left (the Italian Communist party and so on) denounced those media activists, warning about the danger of weakening the public media system and opening the door to privately owned media. It appears that is precisely what transpired, and deregulation resulted in the effective transfer of the state hegemony to private hands, generally controlled by a rather small number of imperial entrepreneurs (such as Berlusconi in Italy).

Should we think today that those people of the traditional statist left were right? I would argue that they were wrong at that time: ethically, freedom of expression is better than centralised media, and materially, the end of the state-owned monopoly was inevitable anyway, because it was inscribed in the evolution of the media technology. The traditional statist left was a conservative force in that moment, and it was doomed to defeat as it desperately tried to preserve an old framework that could not endure in the new technological and cultural situation of the post-industrial transition. We could say much the same about the end of the Soviet empire and of so-called ‘real-socialism’.

The liberal democratisation of the Russian polity has seen the

destruction of socioeconomic protections and the unleashing of a human nightmare of aggressive competition, violence and corruption. But the dissolution of the socialist regime was inevitable, because that order was blocking the dynamic of societal development and because the totalitarian regime was forestalling cultural innovation. The dissolution of the communist regimes was inscribed in the social composition of collective intelligence, in the imagination created by the new global media, and in the investment of desire. This is why the democratic intelligentsia and dissident cultural forces took part in the struggle against the socialist regime, although they knew that no paradise awaited in the capitalist alternative. Now deregulation is ravaging the former soviet society, and people are experiencing exploitation and misery and humiliation, but this transition has to be seen as a progressive change insofar as it opens the way to the emergence of the social potency of the general intellect.

Deregulation does not mean only the emancipation of private enterprise from state regulation and a reduction of public spending and social protection. It also means an increasing flexibilisation of labour. As indicated, the reality of labour flexibility is the flip side of the emancipation from capitalist regulation, a point that bears repetition: the connection between the rejection of work and the flexibilisation that ensued should not be underestimated. One of the strong ideas of the movement of autonomous proletarians during the 1970s was the idea of precariousness as a good. Job precariousness is a form of (indefinite) autonomy from steady, regular work. In the 1970s, many people used to work for a few months, then take some time off, and then return to work for a while. This was possible in times of almost full employment and an egalitarian culture. That situ-

ation allowed people to work as they chose, in their own interest as opposed to that of capitalists. Quite obviously, this could not last forever, and the neoliberal offensive of the 1980s responded, aiming to reverse what was itself a *rappel de force*.

Thus it is that deregulation and labour precariousness have been simultaneously the effect and the reversal of workers' autonomy. If we want to understand what has to be done today, in the age of fully flexible precarious labour, we have to understand how it was that, in the 1980s and 1990s, the capitalist takeover of social desire could take place.

The rise and fall of the alliance of cognitive labour and recombinant capital

Over the last decades, a crucial role in the precarisation of labour has been played by the technological transformation of machinery and introduction of information technologies, together with the intellectualisation and immaterialisation of the most important cycles of production (and concomitant development of these in the so-called tertiary sector as the highest value-adding arena). The introduction of the new electronic technologies and the computerisation of the production cycle gave way to the creation of a global network of info-production: de-territorialisation, de-localisation and de-personalisation of work are the effects of this transformation. Indeed, the subject of work can be increasingly identified with the global network of info-production.

If the rejection of work practised by industrial labourers during the decades of full employment has driven capitalism towards an electronic restructuring, the technical transformation of capitalist production into digital networks has triggered

the change in the social composition of labour and the dissolution of the political force of the workers' movement. Industrial workers rejecting their role in the factory and gaining freedom from capitalist domination drove capital towards labour-saving technologies and change in the technical composition of the work process, in order to avoid and expel the well-organised industrial workers and create a new pool of labour that would be more flexible.

The cognitive immaterialisation of labour and planetary globalisation of capital are two sides of the same process. Globalisation does indeed have a material side, of course, because industrial labour does not disappear in the post-industrial age, but rather migrates towards the geographic zones where the lowest wages are paid and regulations are least well implemented. As Mario Tronti (1967: 28) foretold in the last issue of the magazine *Classe Operaia*, the most important phenomenon of the following decades would be the development of the working class on a global planetary scale. This intuition was not based on an analysis of the capital process of production, but rather on an understanding of the transformation in the social composition of labour. Globalisation and computerisation could be seen as an effect of the rejection of work in the Western capitalist countries. During the last two decades of the twentieth century, therefore, a sort of alliance between recombinant capital and cognitive work became possible.

By 'recombinant' I mean those sections of capital that are not territorialised or linked to a particular industrial application but can easily be transferred from one place to another, from one industrial application to another, from one sector of economic activity to another, and so on. Financial capital has taken a central

place in politics and in culture since the 1990s precisely because it has the essentially recombinant function of capital. Industrial capital is territorialised, embodied in machines, factories and physical products. Financial capital, on the other hand, has no territory, no material assets; it is composed of pure abstractions, figures, algorithms, signs. Financial venture capital and cognitive work were suddenly able to interweave and combine with near unlimited fluidity when the global network (Internet trading, the virtual economy) made possible the de-territorialisation of productive factors.

The alliance of cognitive labour and financial capital has produced an important and ambivalent cultural effect, namely, the ideological identification of labour and enterprise. Workers have been induced to see themselves as self-entrepreneurs, which was not entirely false in the dotcom period, when the cognitive worker could create his own enterprise, just investing his intellectual force (an idea, a project, a formula) as an asset.

Autonomy as self-organisation of cognitive labour

Due to mass participation in the cycle of financial investment, a vast process of self-organisation of cognitive producers took place in the 1990s. Cognitive workers invested their expertise, their knowledge and their creativity and found in the stock market the means to create enterprises. For several years, the entrepreneurial form became the meeting point where financial capital and highly productive cognitive labour intermingled. The libertarian and liberal ideology that dominated the (American) cyberculture of the 1990s idealised the market by presenting it as a pure environment. In this environment, as natural as the evolutionary struggle for survival among the

fittest, labour would find the necessary means to valorise itself and become enterprise.

Once left to its own dynamic, the reticular economic system was destined to optimise economic gains for everyone, owners and workers; the very distinction between owners and workers, moreover, becomes increasingly imperceptible as one enters the virtual productive cycle. This model, however, theorised by authors such as Kevin Kelly (and transformed by *Wired* magazine into a sort of digital-liberal (scornful and triumphalist) *Weltanschauung*, went bankrupt in the first couple of years of the new millennium, together with the new economy and a large part of the army of self-employed cognitive entrepreneurs that had inhabited the dotcom world. This new economy and its ideology went bankrupt because the model of a perfectly free market is a practical and theoretical lie. In the long run, what neoliberal ideology supported was not the free market, but monopoly. While the market was idealised as a free space where knowledge, expertise and creativity meet, reality has shown that the big groups of command operate in a way that is actually antithetical to libertarianism and instead introduce technological automatisms, imposing themselves with the power of the media or money, and finally robbing the mass of shareholders and cognitive labour, (quite shamelessly, in fact).

In the second half of the 1990s, actual class struggle occurred within the productive circuit of high technologies. The development of the World Wide Web has been characterised by this struggle. Information, the key productive means of this technology, is encrypted and communicated as part of the rapidly developing system of exchange, which means that it is not necessarily secret and hence accumulated, or even necessarily

very stable. Thus, even as the computer and communications industry has, through the Internet in particular, spawned some of the largest private companies the world has seen, their inherent vulnerability to labour and the general intellect, particularly it seems given the sheer pace of change, mean that the outcome of the struggle remains at present unclear. But we can state unequivocally that this will most surely *not* be determined on the level playing field of the ideologically idealised free and natural market.

The fiction that the market works as a pure environment in which there is an egalitarian confrontation of ideas, projects, productive quality and the utility of services has been vanquished by the bitter truth of a war that monopolies have waged against the multitude of self-employed cognitive workers. The struggle for survival was not won by the best and most skilled, but by violence, robbery, systematic theft and the violation of all legal and ethical norms. The Bush–Gates alliance sanctioned the liquidation of the market: one part of cognitive workers was absorbed by the techno-military complex, while another, the largest, was expelled from the enterprise and forced into the condition of mass precariousness. These workers can be considered as *cognitarians*, since they live in the same social condition of alienation and economic dependence that was the mark of the proletarian condition, but their work is essentially based on cognitive skills. At the cultural level, the conditions for the formation of a social consciousness of the cognitariat are emerging, however, and this could be the beginning of a process of autonomisation of work from the capital domination of the global network.

Dotcoms were the training laboratory for a productive model and for a market. In the end the market was conquered and suffocated by the corporations, and the army of self-employed

entrepreneurs and venture micro-capitalists was robbed and dissolved. Thus, a new phase began: the groups that became predominant in the cycle of the Net-economy forged an alliance with the dominant group of the old economy (the Bush clan, we may say, representative of the oil and military industries), and in this phase the process of globalisation changed its nature. With the dotcom crash, however, cognitive labour separated itself from capital. Digital artisans, who felt like entrepreneurs of their own labour during the 1990s, slowly realised that they had been deceived and expropriated, and this became the condition for a new consciousness of cognitive workers expropriated by a minority of speculators only good at handling the legal and financial aspects of valorisation.

The unproductive section of the virtual class, the lawyers and the accountants, is taking possession of the intellectual surplus value of physicists and engineers, chemists and writers. This process is marked by the financialisation of capitalism, submission of production to the mere self-valorisation of money. Financial capital is the abstract form that swallows and destroys the concrete useful content of social knowledge and productive potency. In order to increase the economic power of the financial abstraction, social resources are wasted and the general intellect dismantled. Indeed, although it appears to be merely following the line of new orthodoxy with the dismantling of state care and regulation, in the context of the general intellect especially, it is rather striking how the educational system is currently being de-financed and privatised and research increasingly subordinated to financial profit.

The concept of autonomy, at this point, can be expressed by the separation of the content – the general intellect – from

the form that is enveloping and entangling its productive potency and concrete usefulness: financial abstraction. Cognitive labour is looking for a way out from the financial castle of semiocapitalism – essentially, the new form of capitalism constituted by the immaterial systems created from the relationship of information technology with the production and consumption of economic value – in order to build a direct relation with society, with the users. The general intellect is looking for its social body and for the social conditions of a new concrete relationship with a useful destination. In this context, autonomy is to be seen as the disentanglement of knowledge and technology from the capitalist subjugation that takes the form of financial abstraction. We needed to go through the dotcom purgatory, through the illusion of a fusion between labour and capitalist enterprise, and then through the hell of endless war and then, finally, the 2009 financial disaster and subsequent economic recession in order to see the problem emerge in clear terms. The system of financial accumulation and the privatisation of education and research together with productive labour increasingly inscribed in the cognitive functions of society begin to build autonomous institutions of knowledge, of invention and education that emerge from the framework of capitalist domination.

Fractalisation and subjugation of social subjectivity

In the sphere of semiocapitalism, flexibility has evolved into a form of the fractalisation of labour, a fragmentation of time and activity. The worker no longer exists as a person, s/he is just the interchangeable producer of micro-fragments of recombinant semiosis entering the continuous flux of the global network.

Equally, capital is no longer buying the availability of the worker to be exploited for a long period of time and is no longer paying a salary that covers the range of economic needs of a working person. The worker (a mere machine possessing a brain that can be used for a fragment of time) is paid for the fraction of time and the partial performance that is recombined in the deterritorialised space of the global network. The working time is fractalised and then, as an aspect of that, cellularised. Cells of time are on sale on the network, and the corporation can buy as many of them as it needs for any given task. The cell phone is the assembly line of cognitive labour, the technical tool that defines the relation between the fractal worker and the recombinant capital, along with the laptop and tablet and smart TV in the ever more technologically integrated network. Cognitive labour is an ocean of de-personalised time fractals.

As an effect of the flexibilisation and fractalisation of labour, what used to be the autonomy and the political force of the industrial workforce has become the total dependence of cognitive labour on the capitalist organisation of the global network. Industrial workers used to be united because their activity was territorialised and their daily experience manifested as the creation of a community of solidarity. The effect of deterritorialisation and of precarisation is the fracturing of the workforce: isolation, loneliness and competition take the place of solidarity. And what used to be rejection of work and social autonomy has turned into a dependence of the emotions, and of consciousness: the flow of information is stripping social activity of its self-reliance and submitting mental energies to the accelerating rhythm of capitalist productivity. This is the location of the origin of a nervous breakdown in the times of the dotcom crash, at the turn

of the century, and is still fracturing and enfeebling the social body and the collective mind.

The dotcom crash and the crisis of financial mass capitalism can be viewed as an effect of the collapse of the economic investment of social desire. I use the word 'collapse' in a sense that is not metaphorical, but rather a clinical description of what is going on in the Western mind, a truly pathological crash of the psychosocial organism. What we have seen since the period following the first signs of economic crash, since the first months of the new century, indeed, is a psychopathological phenomenon. It was an intense and prolonged economic investment of mental and libidinal energies that created the psychic environment for the collapse, which manifested in the field of economic recession, military aggression and a suicidal tendency spreading worldwide.

The present economic depression can be viewed as a consequence or a manifestation of a psychic depression, which is a side effect of the acceleration of the rhythm of the *infosphere* subjecting the *psychosphere* to hyper-stimulation, and of the exploitation of the nervous energies of the collective body.

Self-organisation of cognitive work is the only way to go beyond the psychopathological present. The dissemination of self-organised knowledge can give birth to infinite autonomous and self-reliant worlds. The process of the creation of the network is so complex that it cannot be governed by human reason; the global mind is too complex to be known and mastered by sub-segmental localised minds. However, while we cannot know, control and govern the entire force of the global mind, we can master the singular process of producing a singular world of sociality. This is autonomy today. But it implies and presupposes the disentanglement of the general intellect, of the living bodies of the

uncountable bearers of the general intellect from the technological automatisms of the linguistic machine and the automatisms inscribed in the social mind as an effect of subjugation to the financial abstraction. This subjugation takes the form of debt.

Insolvency

What is debt? According to Maurizio Lazzarato (2011), debt is the subjective engine of the contemporary economy, operating as a dispositive for the submission of individual energies and expectations and simultaneously acting as a capturing machine, as a prescriptive tool and a powerful instrument for the redistribution of resources and revenue – although actually subtracting resources from social life and conveying them to the banking system and the financial class. Debt is the biopolitical imprinting of sin in the collective psyche, the identification of the good life and welfare with a guilt that has to be atoned for. Paying the debt is the general obligation that implies renunciation of everything (education, health, free time, pleasure, conviviality) and total dedication to the sacrificial austerity (less money for the workers, unlimited working time, postponement of pensions, increasing productivity, and therefore precarity, unemployment and misery). Debt is not only economic submission, but also psychic culpability and cultural subjection. Debt is compliance with the linguistic rules of the global machine.

In the sphere of semiocapital, social domination has become totally abstract: the techno-linguistic machine is infiltrating every space of production and communication and submitting daily behaviour and social interaction to automatic rules. The financial abstraction is imposing an automatic rhythm to language, emotionality, expectations. This is essentially the

financial dictatorship called 'governance', the techno-linguistic subjugation of every human exchange. Debt is the general frame of this subjugation, reducing social relations to a constant blackmail and making possible the plundering of the physical and intellectual resources of society by the universal creditor: semio-capital becomes the abstract source of the techno-linguistic flow.

The burden of debt is haunting the European imagination of the future, and the Union, which used to be a promise of prosperity and peace, is turning into a kind of threat. Therefore, in our time, autonomy takes the form of insolvency, through refusal to take on the debt and refusal to pay the debt, both symbolically and economically. Social independence from monetary exchange and the creation of forms of exchange based on the mutual trust of the community have to be implemented as a concrete manifestation of insolvency and its rejection.

The concept of insolvency is loaded with philosophical implications: it implies refusal, not only to pay the monetary debt but also to submit the living potency of social forces to the formal domination of the economic code. Reclaiming the right to insolvency implies a radical questioning of the relationship between the capitalist form (*Gestalt*) and the concrete productive potency of social forces, particularly the potency of the general intellect. The capitalist form is not only a set of economic rules and functions; it is also the internalisation of a certain set of limitations, of psychic automatism, of rules for compliance.

Try to imagine for a second the whole financial semiotisation of European life disappearing, that all of a sudden we stop organising daily life in terms of money and debt: nothing will change in the concrete, useful potentiality of society, in the content of our knowledge, in our skills and ability to produce. We should

imagine (and consequently organise) the disentanglement of the living potentiality of the general intellect from the capitalist *Gestalt* – intended first of all as a psychic automatism governing daily life.

Insolvency means disclaiming the economic code of capitalism as transliteration of real life, as semiotisation of social potency and richness. In insolvency, the materially useful productive ability of the social body is forced to accept impoverishment in exchange for nothing; the concrete force of productive labour is submitted to the unproductive and actually destructive task of refinancing the failed financial system. If we could cancel every mark of the financial semiotisation, nothing would change in the social machinery, nothing in the intellectual ability to conceive and perform. This is why communism does not need to be called out from the womb of the future; it is here, in our insolvent being, in the immanent life of common knowledge disentangled from the debt of salaried work.

In order to become operational and effective, however, this strength of autonomy does need a reactivation of solidarity. Not moral value or a political idea, but living empathy and the feeling of a body for another body. Solidarity is lacking precisely because the precarious form of work and the virtualisation of communication has stripped social existence of the pleasure of the bodily presence of the other. This is why the current situation is so paradoxical – simultaneously exciting and desperate. Capitalism has never been so close to the final collapse, yet social solidarity has never been so far from our daily experience. It is from this paradox that we must start in order to build a post-political and post-revolutionary process of disentanglement of the possible from the existent.