COGNITIVE CAPITALISM

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Abstract: In order adequately to define the third type of capitalism that is in the process of formation, we need to bring together three things: a type of accumulation, a mode of production and a specific type of exploitation of living labor. By accumulation we understand the investments that a society makes both via its public authorities and via the behavior of private agents, whether in businesses or in households. Accumulation is thus not reducible to the 'gross fixed capital' of the economists. When we refer to a system of accumulation, what we mean is the association of what the regulation school calls a mode of production with a type of accumulation. Whereas industrial capitalism can be characterized by the fact that accumulation was based mainly on machinery and on the organization of manual labor, understood here as the organization of production and the allocation of workers to fixed jobs, cognitive capitalism is a different system of accumulation, in which the accumulation is based on knowledge and creativity, in other words on forms of immaterial investment. In cognitive capitalism, the capture of gains arising from knowledge and innovation is the central issue for accumulation, and it plays a determining role in generating profits.

By cognitive capitalism we mean, then, a mode of accumulation in which the object of accumulation consists mainly of knowledge, which becomes the basic source of value, as well as the principal location of the process of valorization. Issues, such as property rights, positioning in networks, alliances and project management become major institutional and organizational factors. Their role is crucial. The strategies of this capitalism are determined by the quest for a spatial, institutional and organizational positioning likely to increase its capacity for engaging in creative processes and for capturing their benefits. Cognitive capitalism is not only a type of accumulation oriented towards the valorization of knowledge and innovation. It is also a new mode of capitalist production. It would not be accurate to say that our era has become a world of abundance in terms of either material goods or information and knowledge. The fact is that there is still plenty of work for economists, because other forms of scarcity - depletion of scarce resources, non-renewable resources and hard-to-renew resources - are now appearing as a result of ecological disequilibria. But the three key resources that now appear to be scarce are: cognitive attention; time; and what people call 'care' (affective attention).

The real challenge is thus to minimize as far as possible this phase during which cognitive capitalism and industrial capitalism can build anti-natural alliances in order to control, restrain or break the power of liberation of the knowledge society. And this will depend on the intensity and quality' of societal pressure - in short, on collective intelligence, once again.

Keywords: cognitive capitalism, accumulation, production, labor, knowledge

1. INTRODUCTION

One of the most important characteristics of cognitive capitalism is that the economy is becoming more virtual. This means that more and more of the economy is made up of things that aren't real and services that help people make those things. It also affects agriculture, industry, and even basic everyday services. This is because of new computer technology and digital data. The weight of the immaterial comes from this. When you make knowledge, you need to put in information, process it, store it digitally, and then make more knowledge. One of these intangibles is promoted to play a big part in the growth of the economy. In this process, the company, as well as the market and the government, try to get their hands on the new ideas that are found in the interactive cognitive processes of social cooperation and tacit knowledge. E. Rullani said that knowledge and science, which had been used to value industrial capital but were still separate, became important parts of the system. The two things that make them hegemonic are both true:

(a) Science and knowledge set the stage for innovation: they are the necessary foundation (in terms of value).

(b) Both of them make the most important part of exchange value clear in products and services. They have the most important thing that connects capitalism to exploitation. Material labor doesn't go away, but it loses its main role as a strategic asset. This is shown by the fact that the "hollow box" company (Peter Drucker) doesn't care where its products are made or how they are made. It can be anywhere in the world. People in a lot of countries can now get information about how to do things in the business world. Transport costs per unit of output have dropped thanks to

economies of scale and lower energy costs. That's another story, though, and has to do with how long this kind of growth can last. The strategic asset for the company is what allows it to keep control over the whole process of value. People don't care about how things work, but how they're used.

Tech progress is no longer an outside resource that businesses can buy on a "spot" (immediate) market for goods or services, as development economists were a little too quick to think. People use information and communication technologies in a socio-technical system that is part of the world (ICTs). The acquisition of knowledge, which is a lot more complicated than just getting information and the use of technology are the most important factors in technological progress and innovation. This is what evolutionist theory can do. In Adam Smith's famous description of the pin factory, the division of labor model was used as the foundation of political economy. Taylorism made it even better, but now it's been called into question in three major ways:

(a) the process of simplifying complex work into simple work.

(b) the separation of manual actions into groups based on an intellectual concept that is meant to cut down on learning time.

(c) In a world of small-run production, the idea that specialization is a function of market size doesn't make sense. This is called a "economy of variety". In a situation where there is a lot of uncertainty about what people will want, quality and new ideas help people stand out. These, on the other hand, are hampered by too many people doing the same thing.

It happened in the case of quality, when Taylorism was no longer used. People who do different jobs make it hard for people to come up with new ideas that require coordination of complex processes and active cooperation from other people. This is called "the division of labor." Productivity gains are no longer the result of economies of scale. They come from economies of learning, in a "economy of variety" that grows small series over short periods. The international division of labor is becoming more and more like this.

As markets become more complicated, economies of scale can no longer be used alone to deal with them. These are still sought for reasons that have to do with the search for economic value through and for the market. Learning economies are becoming more important as the market and inter-capitalist competition become more complicated. Neoliberal decompartmentalization of all markets makes this even worse (except for the labour market, which became far more highly segmented).

This means that the division of labor and its parts are changing as a result of new ways of making things. The traditional order of conception, production, and marketing is reversed. Now, deep innovation is all about "flexible production" and "just-in-time production." Among the industries at the heart of Fordism, we have seen this change. One example is the auto industry, which uses principles based on those of Japanese engineer Tai'chi Ohno to run its business. But when flexible production is used in the "short cycle" of the garment and ready-to-wear industry or in the cultural industries, it shows even more clearly how consumption is a source of information and real-time control of production.

Finally, the nature of digital technologies means that people who use digital technology devices can also be part of the process of coming up with new ideas.

Because there are so many different things that go into making a product, it isn't possible to measure it with capital or labor because there are so many different things that go into making a product (resources contributing to production). As a result, the traditional lines that divides the two groups of people who work for capital and the people who do the work they do have been broken down. The fact that words like "human capital" and "intellectual capital" have become common is a sign of this. But the term "immaterial capital" it is a bad combination of words, as we'll see. People who think about evolution in economics say that there should be three types of inputs for goods and services: hardware (the things that move), software (the things that think), and wetware (the things that move) (the cerebral or living layer).

But, to this, you also have to add the rise of a fourth component in models of social and productive cooperation: Netware, or the network. Informatics is what makes the network society possible. This is because the spread of the personal computer and the development of computer programming and electronics led to the creation of a coherent package of digitization, computer programming, and electronics. Finally, the Internet, which becomes the new global common good of collective intelligence, was built. We'll talk about the digital network again, which is a big change. "Cooperation between brains" means that there will be less emphasis on energy and entropy in the way people work and how things get made into things that make money. This happens at a certain point, when the energy used by machines in industrial capitalism starts to hurt the limits of the Earth's biosphere and the whole world's ecosystem. R. Reich and J. Rifkin have come up with a controversial theory called the "end of work." Some people think that this means that the "leisure society" is coming, but this isn't true. Instead, it means that the way we think about labor has changed. What is coming to an end is the idea that industrial labor and manual labor power are important.

But cognitive capitalism doesn't stop there. It doesn't just keep calling more and more on living labor, rather than dead labor, to do the work (crystallized in machines, to use the terminology of Marx). Marx had a good idea about the rule of science when he wrote the Grundrisse (1857-8). People who have money and are rich will one day use that money to show how important science is. That's not the only thing we're seeing that's different. We're also seeing that living labor is very important in machinism. There are two important things about living things that work together to make money: the fact that they work together to make money, and the fact that they have knowledge that can't be explained by machines.

In societies that have a lot of living labor and a lot of "living" consumption, they both play a big role. As we'll see, invention-power has a "bio-productive" side to it that superimposes itself on manual labor power, and this side of invention-power is what cognitive capitalism takes advantage of and makes money off of. During the time of industrial capitalism, people thought about how people did at work based on how productive they were. This led to a change in how people thought about how they did at work. It also tends to get rid of another thing. In terms of performance, the most important indicators are those that show the surplus of aggregate productivity. A question in accounting is how to account for value, which doesn't show up in the ledgers but can be measured by "fair value," in other words, its stock market value. It's also important to think about "productive territories," or "territorial excellence," when you think about how well the whole thing worked. This has led to a whole field of study called "clusters" and "local production systems," which focuses on the factors outside of an individual business that lead to productive innovation.

Innovation isn't just happening inside one company anymore; it's happening all over the place where there's a lot of work to do. Cognitive capitalism makes information-goods or knowledge-goods very unique when it comes to how they are learned, how they are used, how they depreciate, how they are enriched, and how they can only be owned by a few people. These characteristics, in turn, affect how information and knowledge move around in the company and society. There is a lot more "horizontalization," which leads to a lot more questioning of acceptable forms of hierarchy. There are also more tensions over intellectual property rights. . But this feature, which makes knowledge a public or "free" good, can't be separate from the rise of information technology. It causes a problem with the enforcement of traditional property rights like intellectual property rights, patents, and copyrights, which used to be a social compromise between the needs of production and the public's enjoyment of intangible goods like music, movies, books, and so on.

In cognitive capitalism, external effects, which we have called "externalities," are no longer small and tied to simple partial phenomena like the indivisibility of public goods. Instead, they become more important and complex. If the value to be extracted is based on intelligent, inventive, and innovative work, and if that work is done in a network, then figuring out how to get positive externalities is the most important thing about value. In other words, what needs to be found and fixed is work done outside of work hours, implicit knowledge, and abilities to put things in context. Debt, which has been built up over two centuries of frantic industrial capitalism and its version, "realized socialism," is made up of negative externalities that need to be controlled and resolved. This shift in politics and management of the chain of value is made easier because debt is made up of these negative externalities. Political economy has no choice but to deal with this relationship it has with its own outside. It can't avoid it. Anyone or anything in its toolbox that isn't useful in this way isn't very important to the Renaissance.

2. CONCLUSION

As with industrial capitalism, cognitive capitalism makes knowledge by making knowledge and makes living by making living. This is different from how industrial capitalism makes things by making things. It starts making life right away, so it's called bio-production, or making life. The creation of new knowledge can only happen if there is a lot of knowledge that isn't just technical and material. But it can only happen if people's brains work together in digital networks that are linked together. This type of capitalism fits in with a new development in society called "the knowledge society," which is what people call it now. Invention-power is what cognitive capitalism uses more than physical labor power. This creates a situation where cognitive capitalism makes knowledge and money through the production of the population. This process of making life can be called "bio-production." Bio power is the power that can control this "bio-production," and it's called that because it can do that. People who know how to live and how to make it are at the heart of the change in the way people make things today. Biotechnologies are now trying to make the living into a tool that can be used to change the world more powerfully and better than mechanical tools can. It's becoming more and more common to talk about a development of productive forces, which is when people's brains work together to make things. These are just a few of the most important parts of this development. We can now try to figure out what this "third capitalism," or "cognitive capitalism," is all about. It goes beyond mercantile capitalism and industrial and financial capitalism.

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